1-1 By: Lucio S.B. No. 1840 (In the Senate - Filed April 5, 2005; April 6, 2005, read first time and referred to Committee on Natural Resources; May 10, 2005, reported adversely, with favorable Committee Substitute by the following vote: Yeas 8, Nays 0; May 10, 2005, 1-2 1-3 1-4 1-5 1-6 sent to printer.)

COMMITTEE SUBSTITUTE FOR S.B. No. 1840 1-7

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By: Jackson

## A BILL TO BE ENTITLED AN ACT

1-10 relating to the Willacy County Drainage District No. 1; providing 1-11 the authority to impose a tax. 1-12

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 3, Chapter 10, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows: Sec. 3. Said district shall be considered to be organized 1-13

1**-**14 1**-**15 1-16 and existing for the sole purpose of the reclamation and drainage of 1-17 its overflowed lands and other lands needing drainage, and to accomplish such purpose the district shall have, and is hereby vested with, all of the rights, powers, privileges, and duties conferred and imposed by the general laws of the State of Texas, now 1-18 1-19 1-20 1-21 in force or hereafter enacted, applicable to <u>drainage</u> [fresh water supply] districts created under authority of Article XVI, Section 1-22 59, of the Texas Constitution, but to the extent that the provisions of such general laws may be in conflict with the provisions of this Act, the provisions of this Act shall prevail. All such general 1-23 1-24 1-25 1-26 laws are hereby incorporated by reference with the same effect as if incorporated in full in this Act. 1-27 Without limiting the generalization of the foregoing, it is expressly provided that all said powers now or hereafter conferred by such general laws upon drainage [fresh water supply] districts [for the purpose of conserving, transporting, and distributing fresh water] are hereby 1-28 1-29 1-30 1-31 specifically conferred upon this district for the purpose of reclaiming and draining its overflowed lands and other lands needing drainage; and, in addition, said district shall be authorized to build, construct, purchase, acquire, improve, enlarge, extend, repair, maintain, or replace all walls, dams, dikes, levees, embankments, canals, drains, tanks, laterals, and 1-32 1-33 1-34 1-35 1-36 1-37 pumps which its board of <u>directors</u> [supervisors] deems necessary to carry out the purpose of such district's creation. Provided, however, that before issuing any construction bonds said district shall submit plans and specifications therefor [to the Texas Water 1-38 1-39 1-40 1-41 Rights Commission] for approval in the manner required by Subchapter F, Chapter 49, Water Code [Chapter 336, Acts of the 57th Legislature, Regular Session, 1961 (Article 7880-139, Vernon's 1-42 1-43 Legislature, Regular Session, 1961 (Article 7880-139, Vernon's Texas Civil Statutes)], and said district's project and 1-44 1-45 improvements during the course of construction shall be subject to 1-46 inspection in the manner provided by <u>Subchapter F, Chapter 49,</u> <u>Water Code [said Act]</u>. Said district shall have authority to act 1-47 1-48 jointly with individuals, with firms, with corporations, with partnerships, with other districts, with any department or agency 1-49 1-50 1-51 of the State of Texas and with any political subdivisions thereof, with other states, with cities and towns, and with the federal government in the performance and accomplishment of any of the 1-52 1-53 1-54 things permitted hereunder upon such terms and conditions as may be 1-55 deemed advisable by said district's board of directors [supervisors]. Said district shall also have the power to make, 1-56 1-57 construct, or otherwise acquire improvements either within or without the boundaries thereof necessary to carry out the powers 1-58 and authority granted by this Act and said general laws. In the event that the district, in the exercise of the power of eminent 1-59 1-60 domain or power of relocation, or any other power granted hereunder, makes necessary the relocation, raising, rerouting, or 1-61 1-62 1-63 changing the grade of or altering the construction of any highway,

C.S.S.B. No. 1840 railroad, electric transmission line, telephone or telegraph properties and facilities, or pipeline, all such necessary relocation, raising, rerouting, or changing of grade or alteration of construction shall be accomplished at the sole expense of the district. The term "sole expense" shall mean the actual cost of such relocation, raising, lowering, rerouting, or change in grade or alteration of construction in providing comparable replacement without enhancement of such facilities, after deducting therefrom the net salvage value derived from the old facility.

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2-31 2-32 SECTION 2. Section 5, Chapter 10, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows:

Sec. 5. [(a)] The management and control of the district is hereby vested in a board of seven <u>directors</u> [supervisors] which shall have all of the powers and authority and duties conferred and imposed upon boards of <u>directors</u> [supervisors] of <u>drainage</u> [fresh water supply] districts organized under the provisions of <u>Chapter</u> 56, Water Code [Chapter 4, Title 128, Revised Civil Statutes of Texas, 1925, together with all amendments thereof and additions thereto].

[(b) The next election for supervisors shall be held on the third Saturday in January, 1984. At that election the two persons receiving the largest number of votes shall serve for terms of three years and the two persons receiving the next largest number of votes shall serve for terms of two years. Thereafter, on the third Saturday in January in each year an election shall be held to elect the appropriate number of supervisors to the board, and these supervisors shall serve for three-year terms. Except as provided in this subsection, elections for supervisors shall be held in the manner provided for election of supervisors of fresh water supply districts.]

SECTION 3. Section 7, Chapter 10, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows:

Sec. 7. The assessor and collector of taxes, the county treasurer, and the county depository of Willacy County are authorized to, and shall be required to, perform all duties in connection with the district required of them by law in connection with official matters for Willacy County. Said board of <u>directors</u> [supervisors] may employ a general manager for said district and such other agents, attorneys, engineers, and employees as may be considered necessary in connection with the purposes of this Act, and all compensation for such persons may be payable from funds herein created for the maintenance and operation of the district.

2-42 herein created for the maintenance and operation of the district.
2-43 SECTION 4. Subsections (a), (b), and (c), Section 8,
2-44 Chapter 10, Acts of the 61st Legislature, Regular Session, 1969,
2-45 are amended to read as follows:

(a) The board of <u>directors</u> [<u>supervisors</u>] shall be authorized, from time to time, in behalf of said drainage district, to issue the bonds of said district, within the limitations 2-46 2-47 2-48 hereinafter stated, for the purpose of acquiring funds with which to accomplish and carry out any one or more of the powers and purposes herein granted to the district, and to provide for the 2-49 2-50 2-51 payment of the interest on such bonds as it accrues and to create a 2-52 2-53 sinking fund for the redemption of said bonds as they mature, by 2-54 levying and causing to be collected a tax on all taxable property within the district, as shown by the then current approved county assessment rolls, sufficient for such purposes. It is expressly provided, however, that the total principal amount of bonds issued 2-55 2-56 2-57 2-58 by the district at any one time, together with all previously issued 2-59 bonds then outstanding, shall never exceed a sum equal to 15 percent 2-60 of the assessed valuation of all taxable property within the 2-61 district, as shown by the then current county assessment rolls.

(b) No such bonds shall be issued until first authorized by a majority of the qualified property taxpaying electors voting at an election called for the purpose of determining whether or not such bonds shall be issued and whether or not taxes shall be levied to pay principal and interest thereon when due. In the event a majority of the qualified electors voting at such election shall vote in favor of the issuance of bonds and the levy of taxes, the board of directors [supervisors] shall be authorized to issue,

C.S.S.B. No. 1840

sell, and deliver said drainage district bonds and to receive, use 3-1 3-2 and apply the proceeds for the aforesaid purposes of said district, 3-3 and to levy and assess taxes upon all property subject to taxation 3-4 in said district and to arrange for the collection of such taxes. Subject to the limitations contained in this Act, additional bonds 3-5 3-6 may be issued, from time to time, in like manner, and under the same 3-7 procedure.

3-8 (c) The proposition of the issuance of bonds may be 3-9 submitted at the election called for confirmation of the creation of said district under Section 6 of this Act or at such later times as the board of <u>directors</u> [supervisors] shall deem proper. If the proposition of issuing bonds is submitted at the confirmation election, the form of ballot at such first election shall be 3-10 3-11 3-12 3-13 substantially as follows: "For the confirmation of the district, 3-14 the issuance of bonds and the levy of taxes in payment thereof," and the contrary of such proposition. The levy of maintenance taxes may 3-15 3-16 be submitted as a further proposition at such election. The provisions of <u>Subchapter D</u>, <u>Chapter 49</u>, and <u>Subchapter F</u>, <u>Chapter 56</u>, <u>Water Code</u>, [Chapter 1, Title 22, <u>Revised Civil Statutes of</u>] 3-17 3-18 3-19 Texas, 1925, as amended, shall] apply to all bond elections in said district except where in conflict with this Act. 3-20 3-21

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SECTION 5. Section 10, Chapter 10, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows: Sec. 10. In addition to the levy and collection of taxes to pay bonds, as heretofore provided, said board of <u>directors</u> 3-24 3-25 [supervisors] may levy and cause to be collected a tax not exceeding 25 cents on each \$100 valuation of taxable property within the 3-26 3-27 3-28 district for the purpose of paying the cost of operating the 3-29 district and maintaining its properties; provided, however, that no such tax shall be levied or assessed, until authorized at an election called for such purpose by said board of <u>directors</u> [supervisors] in the manner provided by Section 8 hereof, at which a 3-30 3-31 3-32 3-33 majority of the qualified property taxpaying electors voting at such election, vote in favor of the levy and collection of such tax. The board of directors may impose a tax for operation and maintenance purposes at a rate that exceeds 25 cents on each \$100 3-34 3-35 3-36 valuation of taxable property within the district if the tax is 3-37 approved by a vote of a majority of the voters of the district voting at an election called for that purpose in accordance with Section 49.107, Water Code. The proposition in a tax election may be for a specific maximum rate or for an unlimited rate. The 3-38 3-39 3-40 3-41 assessed valuation of taxable property for district purposes shall 3-42 be the same as that for state and county purposes; and the county tax assessor-collector is hereby named and appointed tax assessor-collector for said district; and the board of equalization 3-43 3-44 3-45 3-46 of the county is hereby named, constituted, and appointed the board 3-47 of equalization for said district. All laws of the State of Texas relating to the assessing and collecting of state and county taxes are by this Act made available for, and shall be applied to, the assessing of current taxes and to the collection of both current and 3-48 3-49 3-50 delinquent taxes of said district, except where same are in conflict with the provision of this Act. The tax 3-51 3-52 assessor-collector is entitled to a fee as compensation for his 3-53 services of not more than three-fifths of one percent of the taxes 3-54 collected for assessing, and not to exceed one-half of one percent for collecting, said compensation for collecting and assessing taxes not to exceed \$5,000 in any one fiscal year. The tax assessor-collector shall be paid not to exceed five percent for collecting delinquent taxes. The board of <u>directors</u> [supervisors] shall fix the exact amount of compensation by contract or agreement with the tax assessor-collector. 3-55 3-56 3-57 3-58 3-59 3-60 3-61 with the tax assessor-collector. The assessor-collector shall deduct this fee from the payments made to the district of the taxes 3-62 collected, and deposit that amount in the general fund of the county 3-63 3-64 as a fee of office of the tax assessor-collector.

3-65 SECTION 6. Section 12, Chapter 10, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows: 3-66

Sec. 12. Land, contiguous to said district or otherwise, 3-67 may be added to said district in the manner provided by Chapters 49 and 56, Water Code [not only in the manner now provided by Chapter 3-68 3-69

## C.S.S.B. No. 1840

4, Title 128, Revised Civil Statutes of Texas, 1925, as amended, but 4-1 also land may be added to such district and become a part thereof 4-2 upon petition of the owner or owners thereof in the following 4-3 4-4 manner: the owner or owners of the land shall file with the board of supervisors a petition praying that the lands described be added to and become a part of said district, and said petition may describe said land by metes and bounds or by lot and block number and shall be signed and executed in the same manner provided by law for the 4-5 4-6 4-7 4-8 4-9 conveyance of real estate. Such petition shall be heard and considered by the board of supervisors and may be granted and said land added to the district if same is considered to be to the advantage of the district. Any such petition which may be granted so adding lands to the district shall be filed for record and be 4-10 4-11 4-12 4-13 4-14 recorded in the Willacy County deed records].

4-15 SECTION 7. This Act takes effect immediately if it receives 4-16 a vote of two-thirds of all the members elected to each house, as 4-17 provided by Section 39, Article III, Texas Constitution. If this 4-18 Act does not receive the vote necessary for immediate effect, this 4-19 Act takes effect September 1, 2005.

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