# **BILL ANALYSIS**

H.B. 4032 By: Cook, Robby Natural Resources Committee Report (Unamended)

# BACKGROUND AND PURPOSE

The city councils of Columbus, Eagle Lake and Weimar all created resolutions requesting the creation of a groundwater conservation district for Colorado County. In the resolutions the aforementioned cities recognize their responsibility to arrange for a safe and adequate water supply for their citizens. Due to the city's dependence on groundwater for municipal water supplies and the increasing demand, they requested that a groundwater conservation district be created. H.B. 4032 will create the Colorado County Groundwater Conservation District and provide authority to impose a tax and issue bonds.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

# ANALYSIS

**SECTION 1** 

Subtitle H, Title 6, Special District Local Laws Code, is amended by adding Chapter 8824 as follows:

Chapter 8824. Colorado County Groundwater Conservation District

Subchapter A. General Provisions

Section 8824.001 Definitions: Board: board of directors of the district, Director: member of the board, District: Colorado County Groundwater Conservation District

Section 8824.002. NATURE OF DISTRICT. It is a groundwater conservation district

Section 8824.003 CONFIRMATION ELECTION REQUIRED: The creation of the district must be confirmed at an election held before September 1, 2011.

Section 8824.004 INITIAL DISTRICT TERRITORY. The district is the same as Colorado County, Texas but does not include territory that is part of the Coastal Groundwater Conservation District

Section 8824.005 APPLICABILITY OF OTHER GROUNDWATER CONSERVATION DISTRICT LAW. Chapter 36, Water Code, applies to the district except as otherwise provided by this chapter.

Subchapter A-1. Temporary Provisions

Section 8824.021 APPOINTMENT OF TEMPORARY DIRECTORS.(a) Colorado County Commissioners Court shall appoint seven temporary directors not later than September 11, 2007 and said directors must meet qualifications for permanent directors provided by Section 8824.052.

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(b) Upon a vacancy on the temporary board, the remaining temporary directors shall select a qualified person to fill the vacancy. Upon three or more vacancies, the Colorado County Commissioners Court shall appoint a qualified person to fill each vacancy.

(c) Temporary directors serve until the earlier of:

- (1) initial directors are elected
- (2) the date this chapter expires

Section 8824.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS(a) As soon as possible after they have qualified, a majority of the temporary directors shall convene the organizational meeting of the district at a location agreeable to the majority; if an agreement cannot be reached they will meet at the Colorado County Courthouse.(b) At the meeting, the temporary directors shall elect a presiding officer, assistant presiding officer and secretary

Section 8824.023. CONFIRMATION AND INITIAL DIRECTORS' ELECTION (a) The temporary board shall hold an election to confirm the creation of the district and elect seven initial directors.

(b) Section 41.001 (a), Election Code, does not apply to the confirmation election.

(c) Except as provided by this section, a confirmation election must abide by the Election and Water Codes.

(d) The ballot for the election must be printed: "The creation of the Colorado County Groundwater Conservation District and the levy of an ad valorem tax in the district at a rate not to exceed three cents for each \$100 of assessed valuation."

(e) The temporary board of directors may include any other proposition on the ballot that the directors determine necessary

(f) If a majority of the votes cast at the election are not in favor of the creation of the district, the temporary board may hold another confirmation election.

(g) The initial directors for positions one, three, five and seven shall serve until the first regularly scheduled election of directors. The initial directors shall serve until the second regularly scheduled election of directors.

Section 8824.024 Expiration of Subchapter. This subchapter expires September 1, 2011

Subchapter B. BOARD OF DIRECTORS

Section 8824.051 Directors; Terms.

- (a) The district is governed by a board of seven directors.
- (b) Directors serve staggered four-year terms
- (c) A director may only serve two consecutive terms.

Section 8824.052. Method of Electing. There is a list of specific rules that must be followed when electing the directors.

Section 8824.053. Election Date. The district shall hold the election on the uniform election date in November of each even-numbered year.

Section 8824.054. Division of Municipality. Provision does not apply to an election under this chapter.

Section 8824.055. Compensation; Reimbursement. (a) Notwithstanding Section 36.060, Water Code, a director is not entitled to receive compensation for performing the duties of a director. (b) The board may authorize a director to receive reimbursement for the director's reasonable expenses incurred while engaging in activities on behalf of the district.

Section 8824.056. VACANCY A vacancy in the office of director shall be filled by appointment of the board. The appointed director serves only for the remainder of the unexpired term to which the director was appointed.

Subchapter C. Powers and Duties

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Section 8824.101 RESTRICTIONS ON GENERAL POWERS. RESTRICTIONS ON GENERAL POWERS. Sections 36.103, 36.104, and 36.105, Water Code, do not apply to the district.

Section 8824.102. PROHIBITION ON REQUIRING METERING OF EXEMPT WELLS. The district may not require meters on wells exempt from permitting or regulation under Section 36.117, Water Code.

Section 8824.103. RIGHT TO ENTER LAND.

(a) A district director or employee or person who contracts with the district may enter private property on behalf of the district without obtaining the permission of the property owner only if:

(1) the purpose of the entry is to conduct an investigation of a violation of or enforce a district rule;

(2) the property owner is provided reasonable notice before the property is entered.(b) A district director or employee or a person who contracts with the district must obtain the permission of a property owner before entering private property on behalf of the district for any purpose other than the purposes described by Subsection (a)(1)

Subchapter D. General Financial Provisions

### Section 8824.151. REVENUE.

(a) To pay the maintenance and operating costs of the district and to pay any bonds or notes issued by the district, the district may:

(1) impose ad valorem taxes at a rate not to exceed three cents on each \$100 of assessed valuation of taxable property in the district;

(2) assess reasonable fees for:

(A) services provided;

(B) water withdrawn from each well that is notexempt from district permitting or regulation; or

(C) groundwater exported from the district.

(b) In determining a tax rate under Subsection (a)(1), the board shall take into consideration the income of the district from sources other than taxation.

Section 8824.152 Grants, Gifts, and Donations. The district may solicit and accept grants, gifts, and donations from any public or private source.

Subchapter E. Dissolution

Section 8824.201. Subchapter Cumulative. The provisions of this subchapter are cumulative of the provisions of Subchapter I, Chapter 36, Water Code.

Section 8824.202. Dissolution by Election.

(a) After January 1, 2016, the board shall order an election on the question of dissolving the district if the board receives a petition requesting that an election be held for that purpose that is signed by at least 15 percent of the district's registered voters.

(b) Not later than the 30th day after the date the board receives the petition, the directors shall: (1) validate the signatures on the petition; and

(2) if the signatures are validated, order an election on the next uniform election date under Section 41.001, Election Code.

(c) The order calling the election must state the nature of the election, including the proposition that is to appear on the ballot.

Section 8824.203 Notice of Election. Notice of an election under this subchapter must be provided by posting a copy of the order calling the election in at least one conspicuous place for at least 10 days before the day of the election:

(1) at the Colorado County Courthouse

(2) in each Colorado County commissioners precinct; and

(3) in the cities of Columbus, Eagle Lake, Weimar.

Section 8824.204. Ballot. The ballot for an election under this subchapter must be printed to permit voting for or against the proposition: "The dissolution of the Colorado County Groundwater Conservation District."

Section 8824.205. Election Results; Disposition of Assets. If a majority of the votes in an election under this subchapter favor dissolution:(1) the board shall find that the district is dissolved; and(2) Section 36.310, Water Code, applies for the purpose of disposition of the district's assets.

### SECTION 2

Chapter 303, Acts of the 77 Legislature, Regular Session, 2001, is repealed.

#### **SECTION 3**

Attests that legal notice of intent to introduce this Act was properly published and that the governor and the Texas Commission on Environmental Quality have fulfilled their obligations in relation to the Act. States that all constitutional, legal, and legislative requirements have been fulfilled and accomplished.

### **SECTION 4**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.