

1-1 By: Morrison (Senate Sponsor - Hegar) H.B. No. 4029  
1-2 (In the Senate - Received from the House May 10, 2007;  
1-3 May 14, 2007, read first time and referred to Committee on Natural  
1-4 Resources; May 19, 2007, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 11, Nays 0;  
1-6 May 19, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 4029 By: Hegar

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the creation of the Lavaca County Groundwater  
1-11 Conservation District; providing authority to impose a tax.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subtitle H, Title 6, Special District Local Laws  
1-14 Code, is amended by adding Chapter 8822 to read as follows:

1-15 CHAPTER 8822. LAVACA COUNTY GROUNDWATER

1-16 CONSERVATION DISTRICT

1-17 SUBCHAPTER A. GENERAL PROVISIONS

1-18 Sec. 8822.001. DEFINITIONS. In this chapter:

1-19 (1) "Board" means the board of directors of the  
1-20 district.

1-21 (2) "Director" means a member of the board.

1-22 (3) "District" means the Lavaca County Groundwater  
1-23 Conservation District.

1-24 Sec. 8822.002. NATURE OF DISTRICT. The district is a  
1-25 groundwater conservation district in Lavaca County created under  
1-26 and essential to accomplish the purposes of Section 59, Article  
1-27 XVI, Texas Constitution.

1-28 Sec. 8822.003. CONFIRMATION ELECTION REQUIRED. If the  
1-29 creation of the district is not confirmed at a confirmation  
1-30 election held on or before September 1, 2013:

1-31 (1) the district is dissolved on September 1, 2013,  
1-32 except that:

1-33 (A) any debts incurred shall be paid;

1-34 (B) any assets that remain after the payment of  
1-35 debts shall be transferred to Lavaca County; and

1-36 (C) the organization of the district shall be  
1-37 maintained until all debts are paid and remaining assets are  
1-38 transferred; and

1-39 (2) this chapter expires September 1, 2013.

1-40 Sec. 8822.004. INITIAL DISTRICT TERRITORY. The initial  
1-41 boundaries of the district are coextensive with the boundaries of  
1-42 Lavaca County, Texas.

1-43 Sec. 8822.005. DISTRICT TERRITORY REQUIREMENTS;  
1-44 DISSOLUTION OF DISTRICT. (a) On May 31, 2012, the district  
1-45 boundaries must include at least one county adjacent to Lavaca  
1-46 County.

1-47 (b) As soon as practicable after May 31, 2012, the Texas  
1-48 Commission on Environmental Quality shall determine whether the  
1-49 district complies with Subsection (a).

1-50 (c) If the commission determines that the district does not  
1-51 comply with Subsection (a), the commission shall dissolve the  
1-52 district in accordance with Sections 36.304, 36.305, 36.307,  
1-53 36.308, 36.309, and 36.310, Water Code, regardless of whether the  
1-54 district meets the criteria for dissolution under Section  
1-55 36.304(a), Water Code.

1-56 (d) This section expires September 1, 2013.

1-57 Sec. 8822.006. APPLICABILITY OF OTHER GROUNDWATER  
1-58 CONSERVATION DISTRICT LAW. Except as otherwise provided by this  
1-59 chapter, Chapter 36, Water Code, applies to the district.

1-60 Sec. 8822.007. DISTRICT PURPOSE. The district is created  
1-61 to:

1-62 (1) provide for the conservation, preservation,  
1-63 protection, recharging, and prevention of waste of groundwater, and

of groundwater reservoirs or their subdivisions, in the Lavaca County area; and

(2) control subsidence caused by the withdrawal of water from the groundwater reservoirs or their subdivisions in the Lavaca County area.

[Sections 8822.008-8822.020 reserved for expansion]

SUBCHAPTER A-1. TEMPORARY PROVISIONS

Sec. 8822.021. TEMPORARY DIRECTORS. The following individuals shall serve as temporary directors for the district:

(1) A. J. Cerny, Jr.;

(2) August Etlinger;

(3) J. C. Hermes;

(4) David L. Myers; and

(5) Larry A. Svetlik.

Sec. 8822.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. As soon as practicable after all the temporary directors have qualified under Section 36.055, Water Code, a majority of the temporary directors shall convene the organizational meeting of the district at a location within the district agreeable to a majority of the directors. If an agreement on location cannot be reached, the organizational meeting shall be at the Lavaca County Courthouse.

Sec. 8822.023. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. (a) The temporary directors shall hold an election on the uniform election date in May 2008 to confirm the creation of the district and to elect the initial directors of the district.

(b) The temporary directors shall have placed on the ballot the name of any candidate who files for an initial director's position and blank spaces to write in the names of other persons. A temporary director who is eligible to be a candidate under Section 8822.052 may file for an initial director's position.

(c) Except as provided by this chapter, an election under this section must be conducted as provided by Sections 36.017(b)-(g) and (i) and 36.059, Water Code, and the Election Code. Sections 36.017(a) and (h), Water Code, do not apply to an election under this section.

(d) If a majority of the votes cast at the election are not in favor of creation of the district, the elected directors shall take office as temporary directors and may hold a subsequent confirmation election on the uniform election date in May 2010 or 2012.

Sec. 8822.024. INITIAL DIRECTORS. (a) If creation of the district is confirmed at an election held under Section 8822.023, the elected directors shall take office as initial directors of the district and serve on the board of directors until permanent directors are elected under Section 8822.025 or 8822.053.

(b) The initial director representing each of the four commissioners precincts shall draw lots to determine which two directors shall serve a term expiring June 1 following the first regularly scheduled election of directors under Section 8822.025, and which two directors shall serve a term expiring June 1 following the second regularly scheduled election of directors. The at-large director shall serve a term expiring June 1 following the second regularly scheduled election of directors.

Sec. 8822.025. INITIAL ELECTION OF PERMANENT DIRECTORS. On the uniform election date prescribed by Section 41.001, Election Code, in May of the first even-numbered year after the year in which the district is authorized to be created at a confirmation election, an election shall be held in the district for the election of two directors to replace the initial directors who, under Section 8822.024(b), serve a term expiring June 1 following that election.

Sec. 8822.026. EXPIRATION OF SUBCHAPTER. This subchapter expires September 1, 2013.

[Sections 8822.027-8822.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8822.051. DIRECTORS; TERMS. (a) The district is governed by a board of five directors.

(b) Directors serve staggered four-year terms, with two or

3-1 three directors' terms expiring June 1 of each even-numbered year.

3-2 (c) A director may serve consecutive terms.

3-3 Sec. 8822.052. METHOD OF ELECTING DIRECTORS: COMMISSIONERS  
3-4 PRECINCTS. (a) Except as provided by Subsection (f), the directors  
3-5 of the district shall be elected according to the commissioners  
3-6 precinct method as provided by this section.

3-7 (b) One director shall be elected by the voters of the  
3-8 entire district, and one director shall be elected from each county  
3-9 commissioners precinct by the voters of that precinct.

3-10 (c) Except as provided by Subsection (e), to be eligible to  
3-11 be a candidate for or to serve as director at large, a person must be  
3-12 a registered voter in the district. To be a candidate for or to  
3-13 serve as director from a county commissioners precinct, a person  
3-14 must be a registered voter of that precinct.

3-15 (d) A person shall indicate on the application for a place  
3-16 on the ballot:

3-17 (1) the precinct that the person seeks to represent;  
3-18 or

3-19 (2) that the person seeks to represent the district at  
3-20 large.

3-21 (e) When the boundaries of the county commissioners  
3-22 precincts are redrawn after each federal decennial census to  
3-23 reflect population changes, a director in office on the effective  
3-24 date of the change, or a director elected or appointed before the  
3-25 effective date of the change whose term of office begins on or after  
3-26 the effective date of the change, shall serve in the precinct to  
3-27 which elected or appointed even though the change in boundaries  
3-28 places the person's residence outside the precinct for which the  
3-29 person was elected or appointed.

3-30 (f) If territory is added to the district, the board shall  
3-31 change the method of electing directors as necessary to ensure that  
3-32 all district voters are fairly represented. A change in the method  
3-33 of electing directors adopted by the board under this subsection  
3-34 shall be implemented at the next directors' election at which the  
3-35 change can be implemented consistently with the Election Code and  
3-36 federal law.

3-37 Sec. 8822.053. ELECTION DATE. The district shall hold an  
3-38 election to elect the appropriate number of directors on the  
3-39 uniform election date prescribed by Section 41.001, Election Code,  
3-40 in May of each even-numbered year.

3-41 [Sections 8822.054-8822.100 reserved for expansion]

3-42 SUBCHAPTER C. POWERS AND DUTIES

3-43 Sec. 8822.101. GENERAL POWERS. Except as otherwise  
3-44 provided by this chapter, the district has all of the rights,  
3-45 powers, privileges, functions, and duties provided by the general  
3-46 law of this state applicable to groundwater conservation districts  
3-47 created under Section 59, Article XVI, Texas Constitution.

3-48 Sec. 8822.102. PROHIBITION ON REQUIRING METERING OF EXEMPT  
3-49 WELLS. The district may not require meters on wells exempt from  
3-50 permitting or regulation under Section 36.117, Water Code.

3-51 Sec. 8822.103. NO EMINENT DOMAIN POWER. The district may  
3-52 not exercise the power of eminent domain.

3-53 Sec. 8822.104. REGISTRATION AND REPORTING REQUIREMENTS FOR  
3-54 CERTAIN EXEMPT WELLS. The district may adopt rules that require the  
3-55 owner or operator of a well or class of wells exempt from permitting  
3-56 under Section 36.117, Water Code, to register the well with the  
3-57 district and, notwithstanding Section 8822.102, if the well is not  
3-58 exempt under Section 36.117(b)(1), Water Code, to report  
3-59 groundwater withdrawals from the well using reasonable and  
3-60 appropriate reporting methods and frequency.

3-61 Sec. 8822.105. WELL SPACING RULES; EXEMPTIONS. (a) Except  
3-62 as provided by Subsection (b), the district shall exempt from the  
3-63 well spacing requirements adopted by the district any well that is  
3-64 completed on or before the effective date of those requirements.

3-65 (b) The district may provide by rule that a well may lose its  
3-66 exemption under this section if the well is modified in a manner  
3-67 that substantially increases the capacity of the well after the  
3-68 effective date of the well spacing requirements adopted by the  
3-69 district.

4-1 (c) Except as provided by this section, the district may  
4-2 require any well or class of wells exempt from permitting under  
4-3 Chapter 36, Water Code, to comply with the well spacing  
4-4 requirements adopted by the district. The district shall apply  
4-5 well spacing requirements uniformly to any well or class of wells  
4-6 based on the size or capacity of the well and without regard to the  
4-7 type of use of the groundwater produced by the well.

4-8 [Sections 8822.106-8822.150 reserved for expansion]

4-9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4-10 Sec. 8822.151. LIMITATION ON TAXES. The district may not  
4-11 impose ad valorem taxes at a rate that exceeds five cents on each  
4-12 \$100 of assessed valuation of taxable property in the district.

4-13 SECTION 2. (a) The legal notice of the intention to  
4-14 introduce this Act, setting forth the general substance of this  
4-15 Act, has been published as provided by law, and the notice and a  
4-16 copy of this Act have been furnished to all persons, agencies,  
4-17 officials, or entities to which they are required to be furnished  
4-18 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
4-19 Government Code.

4-20 (b) The governor has submitted the notice and Act to the  
4-21 Texas Commission on Environmental Quality.

4-22 (c) The Texas Commission on Environmental Quality has filed  
4-23 its recommendations relating to this Act with the governor,  
4-24 lieutenant governor, and speaker of the house of representatives  
4-25 within the required time.

4-26 (d) All requirements of the constitution and laws of this  
4-27 state and the rules and procedures of the legislature with respect  
4-28 to the notice, introduction, and passage of this Act are fulfilled  
4-29 and accomplished.

4-30 SECTION 3. This Act takes effect immediately if it receives  
4-31 a vote of two-thirds of all the members elected to each house, as  
4-32 provided by Section 39, Article III, Texas Constitution. If this  
4-33 Act does not receive the vote necessary for immediate effect, this  
4-34 Act takes effect September 1, 2007.

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