

1-1 By: Cook of Colorado (Senate Sponsor - Hegar) H.B. No. 4032
1-2 (In the Senate - Received from the House May 14, 2007;
1-3 May 15, 2007, read first time and referred to Committee on Natural
1-4 Resources; May 21, 2007, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 8, Nays 0;
1-6 May 21, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 4032 By: Hegar

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

1-10 relating to the creation of the Colorado County Groundwater
1-11 Conservation District; providing authority to impose a tax and
1-12 issue bonds.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Subtitle H, Title 6, Special District Local Laws
1-15 Code, is amended by adding Chapter 8824 to read as follows:

1-16 CHAPTER 8824. COLORADO COUNTY GROUNDWATER CONSERVATION DISTRICT
1-17 SUBCHAPTER A. GENERAL PROVISIONS

1-18 Sec. 8824.001. 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 Colorado County Groundwater
1-23 Conservation District.

1-24 Sec. 8824.002. NATURE OF DISTRICT. The district is a
1-25 groundwater conservation district in Colorado County created under
1-26 and essential to accomplish the purposes of Section 59, Article
1-27 XVI, Texas Constitution.

1-28 Sec. 8824.003. CONFIRMATION ELECTION REQUIRED. If the
1-29 creation of the district is not confirmed at a confirmation
1-30 election held before September 1, 2011:

1-31 (1) the district is dissolved on September 1, 2011,
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 Colorado 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 on September 1, 2013.

1-40 Sec. 8824.004. INITIAL DISTRICT TERRITORY. The initial
1-41 boundaries of the district are coextensive with the boundaries of
1-42 Colorado County, Texas, except that the district does not include
1-43 any territory that is included in the boundaries of the Coastal Bend
1-44 Groundwater Conservation District as of the effective date of the
1-45 Act enacting this chapter.

1-46 Sec. 8824.005. DISTRICT TERRITORY REQUIREMENTS;
1-47 DISSOLUTION OF DISTRICT. (a) On September 1, 2011, the district
1-48 boundaries must include at least one county adjacent to Colorado
1-49 County.

1-50 (b) As soon as practicable after September 1, 2011, the
1-51 Texas Commission on Environmental Quality shall determine whether
1-52 the district complies with Subsection (a).

1-53 (c) If the commission determines that the district does not
1-54 comply with Subsection (a), the commission shall dissolve the
1-55 district in accordance with Sections 36.304, 36.305, 36.307,
1-56 36.308, 36.309, and 36.310, Water Code, regardless of whether the
1-57 district meets the criteria for dissolution under Section
1-58 36.304(a), Water Code.

1-59 (d) This section expires September 1, 2013.

1-60 Sec. 8824.006. APPLICABILITY OF OTHER GROUNDWATER
1-61 CONSERVATION DISTRICT LAW. Except as otherwise provided by this
1-62 chapter, Chapter 36, Water Code, applies to the district.

1-63 [Sections 8824.007-8824.020 reserved for expansion]

SUBCHAPTER A-1. TEMPORARY PROVISIONS

2-1 Sec. 8824.021. APPOINTMENT OF TEMPORARY DIRECTORS. (a)
 2-2 Not later than September 11, 2007, the Colorado County
 2-3 Commissioners Court shall appoint seven temporary directors.
 2-4 Temporary directors must meet the qualifications provided by
 2-5 Section 8824.052 for permanent directors.

2-6 (b) If there is a vacancy on the temporary board of
 2-7 directors of the district, the remaining temporary directors shall
 2-8 select a qualified person to fill the vacancy. If, at any time,
 2-9 there are three or more vacancies on the temporary board, the
 2-10 Colorado County Commissioners Court shall appoint a qualified
 2-11 person to fill each vacancy.

2-12 (c) Temporary directors serve until the earlier of:
 2-13 (1) the time initial directors are elected as provided
 2-14 by Section 8824.023; or

2-15 (2) the date this chapter expires under Section
 2-16 8824.003.

2-17 Sec. 8824.022. ORGANIZATIONAL MEETING OF TEMPORARY
 2-18 DIRECTORS. (a) As soon as practicable after all the temporary
 2-19 directors have qualified under Section 36.055, Water Code, a
 2-20 majority of the temporary directors shall convene the
 2-21 organizational meeting of the district at a location within the
 2-22 district agreeable to a majority of the directors. If an agreement
 2-23 on location cannot be reached, the organizational meeting shall be
 2-24 at the Colorado County Courthouse.

2-25 (b) At the meeting, the temporary directors shall elect a
 2-26 presiding officer, assistant presiding officer, and secretary from
 2-27 among the temporary directors.

2-28 Sec. 8824.023. CONFIRMATION AND INITIAL DIRECTORS'
 2-29 ELECTION. (a) The temporary board of directors shall hold an
 2-30 election to confirm the creation of the district and elect seven
 2-31 initial directors.

2-32 (b) Section 41.001(a), Election Code, does not apply to a
 2-33 confirmation election held as provided by this section.

2-34 (c) Except as provided by this section, a confirmation
 2-35 election must be conducted as provided by Sections 36.017(b)-(i),
 2-36 Water Code, and the Election Code.

2-37 (d) The ballot for the election must be printed to provide
 2-38 for voting for or against the proposition: "The creation of the
 2-39 Colorado County Groundwater Conservation District and the levy of
 2-40 an ad valorem tax in the district at a rate not to exceed three cents
 2-41 for each \$100 of assessed valuation."

2-42 (e) The temporary board of directors may include any other
 2-43 proposition on the ballot that the directors determine necessary.

2-44 (f) If a majority of the votes cast at the election are not
 2-45 in favor of the creation of the district, the temporary board of
 2-46 directors may hold a subsequent confirmation election. The
 2-47 subsequent election may not be held before the month in which the
 2-48 first anniversary of the date on which the preceding election was
 2-49 held occurs.

2-50 (g) The initial directors for positions one, three, five,
 2-51 and seven shall serve until the first regularly scheduled election
 2-52 of directors under Section 8824.053. The initial directors for the
 2-53 remaining positions shall serve until the second regularly
 2-54 scheduled election of directors under Section 8824.053.

2-55 Sec. 8824.024. EXPIRATION OF SUBCHAPTER. This subchapter
 2-56 expires September 1, 2013.

2-57 [Sections 8824.025-8824.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

2-58 Sec. 8824.051. DIRECTORS; TERMS. (a) The district is
 2-59 governed by a board of seven directors.

2-60 (b) Directors serve staggered four-year terms.

2-61 (c) A director may serve only two consecutive terms.

2-62 Sec. 8824.052. METHOD OF ELECTING DIRECTORS. (a) Except as
 2-63 provided by Subsection (e), the directors of the district shall be
 2-64 elected as follows:

2-65 (1) the directors for positions 1 through 4 must
 2-66 reside in Colorado County Commissioners Precincts 1 through 4,
 2-67 respectively, and are elected by the voters of the applicable
 2-68 precincts.

3-1 county commissioners precinct; and
3-2 (2) the directors for positions 5 through 7 must
3-3 reside in the cities of Columbus, Eagle Lake, and Weimar,
3-4 respectively, and are elected at large by the voters of the
3-5 district.

3-6 (b) To be eligible to be a candidate for or to serve as a
3-7 director, a person must be a registered voter.

3-8 (c) A person shall indicate on the application for a place
3-9 on the ballot the position on the board to which the person seeks to
3-10 be elected.

3-11 (d) When the boundaries of the county commissioners
3-12 precincts are redrawn after each federal decennial census to
3-13 reflect population changes, a director in office on the effective
3-14 date of the change, or a director elected or appointed before the
3-15 effective date of the change whose term of office begins on or after
3-16 the effective date of the change, shall serve in the precinct to
3-17 which elected or appointed even though the change in boundaries
3-18 places the person's residence outside the precinct for which the
3-19 person was elected or appointed.

3-20 (e) If territory is added to the district, the board shall
3-21 change the method of electing directors as necessary to ensure that
3-22 all district voters are fairly represented. A change in the method
3-23 of electing directors adopted by the board under this subsection
3-24 shall be implemented at the next directors' election at which the
3-25 change can be implemented consistently with the Election Code and
3-26 federal law.

3-27 Sec. 8824.053. ELECTION DATE. The district shall hold an
3-28 election to elect the appropriate number of directors on the
3-29 uniform election date prescribed by Section 41.001, Election Code,
3-30 in November of each even-numbered year.

3-31 Sec. 8824.054. DIVISION OF MUNICIPALITY. The provision of
3-32 Section 36.059(b), Water Code, concerning the division of a
3-33 municipal corporation among precincts does not apply to an election
3-34 under this chapter.

3-35 Sec. 8824.055. COMPENSATION; REIMBURSEMENT. (a)
3-36 Notwithstanding Section 36.060, Water Code, a director is not
3-37 entitled to receive compensation for performing the duties of a
3-38 director.

3-39 (b) The board may authorize a director to receive
3-40 reimbursement for the director's reasonable expenses incurred
3-41 while engaging in activities on behalf of the district.

3-42 Sec. 8824.056. VACANCY. A vacancy in the office of director
3-43 shall be filled by appointment of the board. The appointed director
3-44 serves only for the remainder of the unexpired term to which the
3-45 director was appointed.

3-46 [Sections 8824.057-8824.100 reserved for expansion]

3-47 SUBCHAPTER C. POWERS AND DUTIES

3-48 Sec. 8824.101. RESTRICTIONS ON GENERAL POWERS. Sections
3-49 36.103 and 36.104, Water Code, do not apply to the district.

3-50 Sec. 8824.102. PROHIBITION ON REQUIRING METERING OF EXEMPT
3-51 WELLS. The district may not require meters on wells exempt from
3-52 permitting or regulation under Section 36.117, Water Code.

3-53 Sec. 8824.103. RIGHT TO ENTER LAND. (a) A district
3-54 director or employee or a person who contracts with the district may
3-55 enter private property on behalf of the district without obtaining
3-56 the permission of the property owner only if:

3-57 (1) the purpose of the entry is to conduct an
3-58 investigation of a violation of or enforce a district rule; and

3-59 (2) the property owner is provided reasonable notice
3-60 before the property is entered.

3-61 (b) A district director or employee or a person who
3-62 contracts with the district must obtain the permission of a
3-63 property owner before entering private property on behalf of the
3-64 district for any purpose other than the purposes described by
3-65 Subsection (a)(1).

3-66 Sec. 8824.104. WELL SPACING RULES; EXEMPTIONS. (a) Except
3-67 as provided by Subsection (b), the district shall exempt from the
3-68 well spacing requirements adopted by the district any well that is
3-69 completed on or before the effective date of those requirements.

4-1 (b) The district may provide by rule that a well may lose its
4-2 exemption under this section if the well is modified in a manner
4-3 that substantially increases the capacity of the well after the
4-4 effective date of the well spacing requirements adopted by the
4-5 district.

4-6 (c) Except as provided by this section, the district may
4-7 require any well or class of wells exempt from permitting under
4-8 Chapter 36, Water Code, to comply with the well spacing
4-9 requirements adopted by the district. The district shall apply
4-10 well spacing requirements uniformly to any well or class of wells
4-11 based on the size or capacity of the well and without regard to the
4-12 type of use of the groundwater produced by the well.

4-13 Sec. 8824.105. REGISTRATION AND REPORTING REQUIREMENTS FOR
4-14 CERTAIN EXEMPT WELLS. The district may adopt rules that require the
4-15 owner or operator of a well or class of wells exempt from permitting
4-16 under Section 36.117, Water Code, to register the well with the
4-17 district and, notwithstanding Section 8824.102, if the well is not
4-18 exempt under Section 36.117(b)(1), Water Code, to report
4-19 groundwater withdrawals from the well using reasonable and
4-20 appropriate reporting methods and frequency.

4-21 Sec. 8824.106. NO EMINENT DOMAIN POWER. The district may
4-22 not exercise the power of eminent domain.

4-23 [Sections 8824.107-8824.150 reserved for expansion]

4-24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4-25 Sec. 8824.151. REVENUE. (a) To pay the maintenance and
4-26 operating costs of the district and to pay any bonds or notes issued
4-27 by the district, the district may:

4-28 (1) impose ad valorem taxes at a rate not to exceed
4-29 three cents on each \$100 of assessed valuation of taxable property
4-30 in the district; or

4-31 (2) assess reasonable fees for:

4-32 (A) services provided;

4-33 (B) water withdrawn from each well that is not
4-34 exempt from district permitting or regulation; or

4-35 (C) groundwater exported from the district.

4-36 (b) In determining a tax rate under Subsection (a)(1), the
4-37 board shall take into consideration the income of the district from
4-38 sources other than taxation.

4-39 Sec. 8824.152. GRANTS, GIFTS, AND DONATIONS. The district
4-40 may solicit and accept grants, gifts, and donations from any public
4-41 or private source.

4-42 [Sections 8824.153-8824.200 reserved for expansion]

4-43 SUBCHAPTER E. DISSOLUTION

4-44 Sec. 8824.201. SUBCHAPTER CUMULATIVE. The provisions of
4-45 this subchapter are cumulative of the provisions of Subchapter I,
4-46 Chapter 36, Water Code.

4-47 Sec. 8824.202. DISSOLUTION BY ELECTION. (a) After January
4-48 1, 2016, the board shall order an election on the question of
4-49 dissolving the district if the board receives a petition requesting
4-50 that an election be held for that purpose that is signed by at least
4-51 15 percent of the district's registered voters.

4-52 (b) Not later than the 30th day after the date the board
4-53 receives the petition, the directors shall:

4-54 (1) validate the signatures on the petition; and

4-55 (2) if the signatures are validated, order an election
4-56 on the next uniform election date under Section 41.001, Election
4-57 Code.

4-58 (c) The order calling the election must state the nature of
4-59 the election, including the proposition that is to appear on the
4-60 ballot.

4-61 Sec. 8824.203. NOTICE OF ELECTION. Notice of an election
4-62 under this subchapter must be provided by posting a copy of the
4-63 order calling the election in at least one conspicuous place for at
4-64 least 10 days before the day of the election:

4-65 (1) at the Colorado County Courthouse;

4-66 (2) in each Colorado County commissioners precinct;
4-67 and

4-68 (3) in the cities of Columbus, Eagle Lake, and Weimar.

4-69 Sec. 8824.204. BALLOT. The ballot for an election under

5-1 this subchapter must be printed to permit voting for or against the
5-2 proposition: "The dissolution of the Colorado County Groundwater
5-3 Conservation District."

5-4 Sec. 8824.205. ELECTION RESULTS; DISPOSITION OF ASSETS. If
5-5 a majority of the votes in an election under this subchapter favor
5-6 dissolution:

5-7 (1) the board shall find that the district is
5-8 dissolved; and

5-9 (2) Section 36.310, Water Code, applies for the
5-10 purpose of disposition of the district's assets.

5-11 SECTION 2. Chapter 303, Acts of the 77th Legislature,
5-12 Regular Session, 2001, is repealed.

5-13 SECTION 3. (a) The legal notice of the intention to
5-14 introduce this Act, setting forth the general substance of this
5-15 Act, has been published as provided by law, and the notice and a
5-16 copy of this Act have been furnished to all persons, agencies,
5-17 officials, or entities to which they are required to be furnished
5-18 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-19 Government Code.

5-20 (b) The governor has submitted the notice and Act to the
5-21 Texas Commission on Environmental Quality.

5-22 (c) The Texas Commission on Environmental Quality has filed
5-23 its recommendations relating to this Act with the governor,
5-24 lieutenant governor, and speaker of the house of representatives
5-25 within the required time.

5-26 (d) All requirements of the constitution and laws of this
5-27 state and the rules and procedures of the legislature with respect
5-28 to the notice, introduction, and passage of this Act are fulfilled
5-29 and accomplished.

5-30 SECTION 4. This Act takes effect immediately if it receives
5-31 a vote of two-thirds of all the members elected to each house, as
5-32 provided by Section 39, Article III, Texas Constitution. If this
5-33 Act does not receive the vote necessary for immediate effect, this
5-34 Act takes effect September 1, 2007.

5-35 * * * * *