

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Morrison

H.B. No. 4029

A BILL TO BE ENTITLED

AN ACT

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

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

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

CHAPTER 8822. LAVACA COUNTY GROUNDWATER

CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8822.001. DEFINITIONS. In this chapter:

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

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

(3) "District" means the Lavaca County Groundwater Conservation District.

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

Sec. 8822.003. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation election held on or before May 31, 2012:

(1) the district is dissolved on May 31, 2012, except that:

1           (A) any debts incurred shall be paid;

2           (B) any assets that remain after the payment of  
3 debts shall be transferred to Lavaca County; and

4           (C) the organization of the district shall be  
5 maintained until all debts are paid and remaining assets are  
6 transferred; and

7           (2) this chapter expires May 31, 2012.

8           Sec. 8822.004. INITIAL DISTRICT TERRITORY. The initial  
9 boundaries of the district are coextensive with the boundaries of  
10 Lavaca County, Texas.

11           Sec. 8822.005. APPLICABILITY OF OTHER GROUNDWATER  
12 CONSERVATION DISTRICT LAW. Except as otherwise provided by this  
13 chapter, Chapter 36, Water Code, applies to the district.

14           Sec. 8822.006. DISTRICT PURPOSE. The district is created  
15 to:

16           (1) provide for the conservation, preservation,  
17 protection, recharging, and prevention of waste of groundwater, and  
18 of groundwater reservoirs or their subdivisions, in the Lavaca  
19 County area; and

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

23           [Sections 8822.007-8822.020 reserved for expansion]

24           SUBCHAPTER A-1. TEMPORARY PROVISIONS

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

27           (1) A. J. Cerny, Jr.;

- 1           (2) August Etlinger;
- 2           (3) J. C. Hermes;
- 3           (4) David L. Myers; and
- 4           (5) Larry A. Svetlik.

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

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

17           (b) The temporary directors shall have placed on the ballot  
18 the name of any candidate who files for an initial director's  
19 position and blank spaces to write in the names of other persons. A  
20 temporary director who is eligible to be a candidate under Section  
21 8822.052 may file for an initial director's position.

22           (c) Except as provided by this chapter, an election under  
23 this section must be conducted as provided by Sections  
24 36.017(b)-(g) and (i) and 36.059, Water Code, and the Election  
25 Code. Sections 36.017(a) and (h), Water Code, do not apply to an  
26 election under this section.

27           (d) If a majority of the votes cast at the election are not

1 in favor of creation of the district, the elected directors shall  
2 take office as temporary directors and may hold a subsequent  
3 confirmation election on the uniform election date in May 2010 or  
4 2012.

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

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

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

26 Sec. 8822.026. EXPIRATION OF SUBCHAPTER. This subchapter  
27 expires May 31, 2012.

1           [Sections 8822.027-8822.050 reserved for expansion]

2                   SUBCHAPTER B. BOARD OF DIRECTORS

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

5           (b) Directors serve staggered four-year terms, with two or  
6 three directors' terms expiring June 1 of each even-numbered year.

7           (c) A director may serve consecutive terms.

8           Sec. 8822.052. METHOD OF ELECTING DIRECTORS: COMMISSIONERS  
9 PRECINCTS. (a) The directors of the district shall be elected  
10 according to the commissioners precinct method as provided by this  
11 section.

12           (b) One director shall be elected by the voters of the  
13 entire district, and one director shall be elected from each county  
14 commissioners precinct by the voters of that precinct.

15           (c) Except as provided by Subsection (e), to be eligible to  
16 be a candidate for or to serve as director at large, a person must be  
17 a registered voter in the district. To be a candidate for or to  
18 serve as director from a county commissioners precinct, a person  
19 must be a registered voter of that precinct.

20           (d) A person shall indicate on the application for a place  
21 on the ballot:

22                   (1) the precinct that the person seeks to represent;  
23 or

24                   (2) that the person seeks to represent the district at  
25 large.

26           (e) When the boundaries of the county commissioners  
27 precincts are redrawn after each federal decennial census to

1 reflect population changes, a director in office on the effective  
2 date of the change, or a director elected or appointed before the  
3 effective date of the change whose term of office begins on or after  
4 the effective date of the change, shall serve in the precinct to  
5 which elected or appointed even though the change in boundaries  
6 places the person's residence outside the precinct for which the  
7 person was elected or appointed.

8 Sec. 8822.053. ELECTION DATE. The district shall hold an  
9 election to elect the appropriate number of directors on the  
10 uniform election date prescribed by Section 41.001, Election Code,  
11 in May of each even-numbered year.

12 [Sections 8822.054-8822.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 8822.101. GENERAL POWERS. Except as otherwise  
15 provided by this chapter, the district has all of the rights,  
16 powers, privileges, functions, and duties provided by the general  
17 law of this state applicable to groundwater conservation districts  
18 created under Section 59, Article XVI, Texas Constitution.

19 [Sections 8822.102-8822.150 reserved for expansion]

20 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

21 Sec. 8822.151. LIMITATION ON TAXES. The district may not  
22 impose ad valorem taxes at a rate that exceeds five cents on each  
23 \$100 of assessed valuation of taxable property in the district.

24 SECTION 2. (a) The legal notice of the intention to  
25 introduce this Act, setting forth the general substance of this  
26 Act, has been published as provided by law, and the notice and a  
27 copy of this Act have been furnished to all persons, agencies,

1 officials, or entities to which they are required to be furnished  
2 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
3 Government Code.

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

6 (c) The Texas Commission on Environmental Quality has filed  
7 its recommendations relating to this Act with the governor,  
8 lieutenant governor, and speaker of the house of representatives  
9 within the required time.

10 (d) All requirements of the constitution and laws of this  
11 state and the rules and procedures of the legislature with respect  
12 to the notice, introduction, and passage of this Act are fulfilled  
13 and accomplished.

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

ADOPTED

MAY 23 2007

*Lotay Spauld*  
Secretary of the Senate

By: Hegar

H.B. No. 4029

Substitute the following for H.B. No. 4029:

By: Hegar

C.S. H.B. No. 4029

A BILL TO BE ENTITLED

AN ACT

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

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

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CHAPTER 8822. LAVACA COUNTY GROUNDWATER

CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8822.001. DEFINITIONS. In this chapter:

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

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

(3) "District" means the Lavaca County Groundwater Conservation District.

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

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

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



1                   (A) any debts incurred shall be paid;

2                   (B) any assets that remain after the payment of  
3 debts shall be transferred to Lavaca County; and

4                   (C) the organization of the district shall be  
5 maintained until all debts are paid and remaining assets are  
6 transferred; and

7                   (2) this chapter expires September 1, 2013.

8                   Sec. 8822.004. INITIAL DISTRICT TERRITORY. The initial  
9 boundaries of the district are coextensive with the boundaries of  
10 Lavaca County, Texas.

11                   Sec. 8822.005. DISTRICT TERRITORY REQUIREMENTS;  
12 DISSOLUTION OF DISTRICT. (a) On May 31, 2012, the district  
13 boundaries must include at least one county adjacent to Lavaca  
14 County.

15                   (b) As soon as practicable after May 31, 2012, the Texas  
16 Commission on Environmental Quality shall determine whether the  
17 district complies with Subsection (a).

18                   (c) If the commission determines that the district does not  
19 comply with Subsection (a), the commission shall dissolve the  
20 district in accordance with Sections 36.304, 36.305, 36.307,  
21 36.308, 36.309, and 36.310, Water Code, regardless of whether the  
22 district meets the criteria for dissolution under Section  
23 36.304(a), Water Code.

24                   (d) This section expires September 1, 2013.

25                   Sec. 8822.006. APPLICABILITY OF OTHER GROUNDWATER  
26 CONSERVATION DISTRICT LAW. Except as otherwise provided by this  
27 chapter, Chapter 36, Water Code, applies to the district.

1           Sec. 8822.007. DISTRICT PURPOSE. The district is created

2 to:

3           (1) provide for the conservation, preservation,  
4 protection, recharging, and prevention of waste of groundwater, and  
5 of groundwater reservoirs or their subdivisions, in the Lavaca  
6 County area; and

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

10           [Sections 8822.008-8822.020 reserved for expansion]

11                   SUBCHAPTER A-1. TEMPORARY PROVISIONS

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

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

15                   (2) August Etlinger;

16                   (3) J. C. Hermes;

17                   (4) David L. Myers; and

18                   (5) Larry A. Svetlik.

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

27           Sec. 8822.023. CONFIRMATION AND INITIAL DIRECTORS'

1 ELECTION. (a) The temporary directors shall hold an election on  
2 the uniform election date in May 2008 to confirm the creation of the  
3 district and to elect the initial directors of the district.

4 (b) The temporary directors shall have placed on the ballot  
5 the name of any candidate who files for an initial director's  
6 position and blank spaces to write in the names of other persons. A  
7 temporary director who is eligible to be a candidate under Section  
8 8822.052 may file for an initial director's position.

9 (c) Except as provided by this chapter, an election under  
10 this section must be conducted as provided by Sections  
11 36.017(b)-(g) and (i) and 36.059, Water Code, and the Election  
12 Code. Sections 36.017(a) and (h), Water Code, do not apply to an  
13 election under this section.

14 (d) If a majority of the votes cast at the election are not  
15 in favor of creation of the district, the elected directors shall  
16 take office as temporary directors and may hold a subsequent  
17 confirmation election on the uniform election date in May 2010 or  
18 2012.

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

24 (b) The initial director representing each of the four  
25 commissioners precincts shall draw lots to determine which two  
26 directors shall serve a term expiring June 1 following the first  
27 regularly scheduled election of directors under Section 8822.025,

1 and which two directors shall serve a term expiring June 1 following  
2 the second regularly scheduled election of directors. The at-large  
3 director shall serve a term expiring June 1 following the second  
4 regularly scheduled election of directors.

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

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

15 [Sections 8822.027-8822.050 reserved for expansion]

16 SUBCHAPTER B. BOARD OF DIRECTORS

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

19 (b) Directors serve staggered four-year terms, with two or  
20 three directors' terms expiring June 1 of each even-numbered year.

21 (c) A director may serve consecutive terms.

22 Sec. 8822.052. METHOD OF ELECTING DIRECTORS: COMMISSIONERS  
23 PRECINCTS. (a) Except as provided by Subsection (f), the directors  
24 of the district shall be elected according to the commissioners  
25 precinct method as provided by this section.

26 (b) One director shall be elected by the voters of the  
27 entire district, and one director shall be elected from each county

1 commissioners precinct by the voters of that precinct.

2 (c) Except as provided by Subsection (e), to be eligible to  
3 be a candidate for or to serve as director at large, a person must be  
4 a registered voter in the district. To be a candidate for or to  
5 serve as director from a county commissioners precinct, a person  
6 must be a registered voter of that precinct.

7 (d) A person shall indicate on the application for a place  
8 on the ballot:

9 (1) the precinct that the person seeks to represent;  
10 or

11 (2) that the person seeks to represent the district at  
12 large.

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

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

1 federal law.

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

6 [Sections 8822.054-8822.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8822.101. GENERAL POWERS. Except as otherwise  
9 provided by this chapter, the district has all of the rights,  
10 powers, privileges, functions, and duties provided by the general  
11 law of this state applicable to groundwater conservation districts  
12 created under Section 59, Article XVI, Texas Constitution.

13 Sec. 8822.102. PROHIBITION ON REQUIRING METERING OF EXEMPT  
14 WELLS. The district may not require meters on wells exempt from  
15 permitting or regulation under Section 36.117, Water Code.

16 Sec. 8822.103. NO EMINENT DOMAIN POWER. The district may  
17 not exercise the power of eminent domain.

18 Sec. 8822.104. REGISTRATION AND REPORTING REQUIREMENTS FOR  
19 CERTAIN EXEMPT WELLS. The district may adopt rules that require the  
20 owner or operator of a well or class of wells exempt from permitting  
21 under Section 36.117, Water Code, to register the well with the  
22 district and, notwithstanding Section 8822.102, if the well is not  
23 exempt under Section 36.117(b)(1), Water Code, to report  
24 groundwater withdrawals from the well using reasonable and  
25 appropriate reporting methods and frequency.

26 Sec. 8822.105. WELL SPACING RULES; EXEMPTIONS. (a) Except  
27 as provided by Subsection (b), the district shall exempt from the

1 well spacing requirements adopted by the district any well that is  
2 completed on or before the effective date of those requirements.

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

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

15 [Sections 8822.106-8822.150 reserved for expansion]

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 8822.151. LIMITATION ON TAXES. The district may not  
18 impose ad valorem taxes at a rate that exceeds five cents on each  
19 \$100 of assessed valuation of taxable property in the district.

20 SECTION 2. (a) The legal notice of the intention to  
21 introduce this Act, setting forth the general substance of this  
22 Act, has been published as provided by law, and the notice and a  
23 copy of this Act have been furnished to all persons, agencies,  
24 officials, or entities to which they are required to be furnished  
25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
26 Government Code.

27 (b) The governor has submitted the notice and Act to the

1 Texas Commission on Environmental Quality.

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

6 (d) All requirements of the constitution and laws of this  
7 state and the rules and procedures of the legislature with respect  
8 to the notice, introduction, and passage of this Act are fulfilled  
9 and accomplished.

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



# ADOPTED

FLOOR AMENDMENT NO. 1

MAY 23 2007

*Lacey Spaul*  
Secretary of the Senate

BY:

*Heys*

- 1 Amend C.S.H.B. No.4029 (senate committee printing) by
- 2 striking Sec. 8822.005 (page 1, line 43 through page 1, line 56)
- 3 and renumbering subsequent Sections accordingly.



**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

May 18, 2007

**TO:** Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4029** by Morrison (Relating to the creation of the Lavaca County Groundwater Conservation District; providing authority to impose a tax. ), **Committee Report 2nd House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, WK, DB



**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 14, 2007**

**TO:** Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4029** by Morrison (Relating to the creation of the Lavaca County Groundwater Conservation District; providing authority to impose a tax.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, WK, DB



**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 23, 2007**

**TO:** Honorable Robert Puente, Chair, House Committee on Natural Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4029** by Morrison (Relating to the creation of the Lavaca County Groundwater Conservation District; providing authority to impose a tax.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** JOB, WK, DB





**LEGISLATIVE BUDGET BOARD**

Austin, Texas

**WATER DEVELOPMENT POLICY IMPACT STATEMENT**

**80TH LEGISLATIVE REGULAR SESSION**

May 19, 2007

**TO:** Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4029** by Morrison (Relating to the creation of the Lavaca County Groundwater Conservation District; providing authority to impose a tax. ), **Committee Report 2nd House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

The bill creates the Lavaca County Groundwater Conservation District (District) in Lavaca County with the powers and duties of Water Code, Chapter 36 related to general law for groundwater conservation districts (GCDs). The purpose of the District is to benefit property by providing for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and to control subsidence caused by the withdrawal of groundwater under powers conferred by Article XVI, Section 59 of the Texas Constitution. Creation of the District is subject to a confirmation election.

**1) Population-** The total 2000 Census population of Lavaca County was 19,210. The total population is projected to be 18,731 by 2020.

**2) Location-** The boundaries of the proposed district are coextensive with the boundaries of Lavaca County.

**3) Comments on Powers/Duties Different from Similar Types of Districts-** Unlike general law GCDs, the bill provides that the temporary directors of the District must hold the confirmation election on the uniform election date in May 2008 and may hold subsequent elections if creation of the District is not confirmed at the May 2008 election. The District is prohibited from requiring meters on wells that are exempt from permitting or regulation and from exercising the power of eminent domain. The District may adopt rules to require the owners or operators of exempt wells, other than exempt domestic or livestock wells, to report groundwater usage. Existing wells are exempt from District well spacing requirements and the District, by rule, may require exempt wells to comply with spacing requirements. The District is required to expand and add territory by May 31, 2012, and TCEQ must dissolve the District if TCEQ finds that the territory has not been added. The District may not levy a tax that exceeds \$0.05 per \$100 assessed valuation.

**4) Overlapping Services-** There are no other GCDs in Lavaca County. GCD functions do not conflict with services provided by other types of water districts or utilities.

**5) TCEQ's Supervision-** As with general law GCDs, the TCEQ will have general supervisory authority, including bond review authority and authority as it is related to the District's development and implementation of a management plan. The District would not have to comply with TCEQ financial auditing requirements. In accordance with the bill, TCEQ must dissolve the District if the agency finds that the District has not added at least one adjacent county by May 31, 2012.

**6) Water Use-** In 2004, 56 percent of the total water use in Lavaca County was for irrigation, with 21 percent for municipal use and 20 percent for livestock. 90 percent of the total water use (and 99.9 percent of the municipal water use) is from groundwater sources.



**Source Agencies:** 582 Commission on Environmental Quality, 580 Water Development Board  
**LBB Staff:** JOB, WK



**LEGISLATIVE BUDGET BOARD**  
Austin, Texas

**WATER DEVELOPMENT POLICY IMPACT STATEMENT**

**80TH LEGISLATIVE REGULAR SESSION**

April 24, 2007

**TO:** Honorable Robert Puente, Chair, House Committee on Natural Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB4029** by Morrison (Relating to the creation of the Lavaca County Groundwater Conservation District; providing authority to impose a tax.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

The bill creates the Lavaca County Groundwater Conservation District (District) in Lavaca County with the powers and duties of Water Code, Chapter 36 related to general law for groundwater conservation districts (GCDs). The purpose of the District is to benefit property by providing for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and to control subsidence caused by the withdrawal of groundwater under powers conferred by Article XVI, Section 59 of the Texas Constitution. Creation of the District is subject to a confirmation election.

- 1) Population** - The total 2000 Census population of Lavaca County was 19,210. The total population is projected to be 18,731 by 2020.
- 2) Location** - The boundaries of the proposed district are coextensive with the boundaries of Lavaca County.
- 3) Comments on Powers/Duties Different from Similar Types of Districts-** Unlike general law GCDs, the bill provides that the temporary directors of the District must hold the confirmation election on the uniform election date in May 2008 and may hold subsequent elections if creation of the District is not confirmed at the May 2008 election. The District may not levy a tax that exceeds \$0.05 per \$100 assessed valuation. The District would be dissolved on May 31, 2012, if it is not confirmed by the voters.
- 4) Overlapping Services-** There are no other GCDs in Lavaca County. GCD functions do not conflict with services provided by other types of water districts or utilities.
- 5) TCEQ's Supervision-** As with general law GCDs, the TCEQ will have general supervisory authority, including bond review authority and authority as it is related to the District's development and implementation of a management plan. The District would not have to comply with TCEQ financial auditing requirements.
- 6) Water Use-** In 2004, 56 percent of the total water use in Lavaca County was for irrigation, with 21 percent for municipal use and 20 percent for livestock. 90 percent of the total water use (and 99.9 percent of the municipal water use) is from groundwater sources.

**Source Agencies:** 582 Commission on Environmental Quality, 580 Water Development Board

**LBB Staff:** JOB, WK

