

## **BILL ANALYSIS**

S.B. 2519  
By: Estes  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

For 50 years the Clear Creek Watershed Authority (CCWA) has maintained and operated a network of 70 dams and 13 other structures and improvements that have successfully provided flood protection for the entire watershed area in Cooke, Denton, Montague, and Wise counties. CCWA efforts have protected people, property, roads, agriculture, wetlands, and habitats. The dams have also protected Lake Lewisville by containing silt that would have built up in the lake. This has greatly benefited those in the Dallas area for whom the lake is the source of drinking water.

The majority of CCWA's funding comes from property taxes. Under current statutes when any property within the boundaries is annexed into the incorporated limits of any municipality, it is removed from CCWA's tax rolls. The authority is already severely strained in its financial ability to conduct major repairs to the dams and many of these dams are now approaching their 50-year useful design life. In 2008, almost \$900,000 in repairs and maintenance were needed, while the 2009 budget projects less than \$400,000 in property tax revenue. Under current law, CCWA is not exempt from property taxes. If CCWA were ever to purchase office space or an equipment storage facility, it would be required to pay property taxes.

This bill provides that any property within the boundaries of CCWA on January 1, 2009, remains in the district even if it is annexed by a municipality.

S.B. 2519 amends current law relating to the Clear Creek Watershed Authority.

### **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. Amends Section 2a, Chapter 372, Acts of the 56th Legislature, Regular Session, 1959, as follows:

Sec. 2a. Provides that, notwithstanding the provisions of Section 2 of this Act, the Clear Creek Watershed Authority (CCWA) does not include within its boundaries any territory that is located within the incorporated limits of any municipality, as those incorporated limits existed on January 1, 2009, rather than within the incorporated limits of any city.

SECTION 2. Amends Section 9006.004, Special District Local Laws Code, by adding Subsection (c), to provide that territory in CCWA that is annexed by a municipality on or after January 1, 2009, remains in CCWA.

SECTION 3. Amends Section 9006.207, Special District Local Laws Code, as follows:

Sec. 9006.207. New heading: AUTHORITY PROPERTY NOT SUBJECT TO TAXATION. Provides that property owned by CCWA is exempt from ad valorem taxes imposed by a county, municipality, school district, or other entity, rather than that CCWA

is liable for ad valorem taxes imposed by a county, municipality, or school district on property owned by CCWA.

SECTION 4. (a) Provides that all governmental acts and proceedings of CCWA that were taken before the effective date of this Act are validated, ratified, and confirmed in all respects as if they had been taken as authorized by law.

(b) Provides that this section does not apply to any matter that on the effective date of this Act is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment or has been held invalid by a final court judgment.

SECTION 5. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 6. Provides the effective date of this Act.

#### **EFFECTIVE DATE**

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.