By: Williams

S.B. No. 799

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the powers and duties of the Plum Creek Fresh Water
3	Supply District No. 1; providing authority to impose a tax and issue
4	bonds; granting the power of eminent domain.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. The name of Plum Creek Fresh Water Supply
7	District No. 1 of Liberty County is changed to Plum Creek Fresh
8	Water Supply District No. 1.
9	SECTION 2. Subtitle B, Title 6, Special District Local Laws
10	Code, is amended by adding Chapter 6907 to read as follows:
11	CHAPTER 6907. PLUM CREEK FRESH WATER SUPPLY DISTRICT NO. 1
12	SUBCHAPTER A. GENERAL PROVISIONS
13	Sec. 6907.001. DEFINITIONS. In this chapter:
14	(1) "Board" means the district's board of directors.
15	(2) "Director" means a board member.
16	(3) "District" means the Plum Creek Fresh Water Supply
17	District No. 1.
18	Sec. 6907.002. NATURE OF DISTRICT. The district is a fresh
19	water supply district created under and essential to accomplish the
20	purposes of Section 52, Article III, and Section 59, Article XVI,
21	Texas Constitution.
22	Sec. 6907.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. All
23	land and other property in the district will benefit from the
24	improvements and services to be provided by the district.

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1	[Sections 6907.004-6907.050 reserved for expansion]
2	SUBCHAPTER B. BOARD OF DIRECTORS
3	Sec. 6907.051. GOVERNING BODY; TERMS. (a) The district is
4	governed by a board of five elected directors.
5	(b) Directors serve staggered four-year terms.
6	Sec. 6907.052. QUALIFICATIONS. To be qualified to serve as
7	<u>a director, a person must be:</u>
8	(1) at least 18 years of age;
9	(2) a resident of this state; and
10	(3) an owner of land subject to taxation in the
11	district or a qualified voter of the district.
12	[Sections 6907.053-6907.100 reserved for expansion]
13	SUBCHAPTER C. POWERS AND DUTIES
14	Sec. 6907.101. GENERAL POWERS AND DUTIES. The district has
15	the powers and duties necessary to accomplish the purposes for
16	which the district is created.
17	Sec. 6907.102. FRESH WATER SUPPLY DISTRICT POWERS AND
18	DUTIES. The district has the powers and duties provided by the
19	general law of this state applicable to fresh water supply
20	districts created under Section 59, Article XVI, Texas
21	Constitution, including Chapters 49 and 53, Water Code.
22	Sec. 6907.103. AUTHORITY FOR DRAINAGE PROJECTS. The
23	district may purchase, construct, acquire, own, operate, maintain,
24	repair, or improve all works, improvements, facilities, plants,
25	equipment, and appliances necessary to gather, conduct, divert, and
26	control local stormwater or other local harmful excesses of water
27	in the district.

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1	Sec. 6907.104. DIVISION OF DISTRICT. (a) The district may
2	be divided into two or more new districts only if the district:
3	(1) has no outstanding bonded debt; and
4	(2) is not imposing ad valorem taxes.
5	(b) This chapter applies to any new district created by the
6	division of the district, and a new district has all the powers and
7	duties of the district.
8	(c) Any new district created by the division of the district
9	may not, at the time the new district is created, contain any land
10	outside the territory of the district as it existed on the date the
11	district was created.
12	(d) The board, on its own motion or on receipt of a petition
13	signed by the owner or owners of a majority of the assessed value of
14	the real property in the district, may adopt an order dividing the
15	district.
16	(e) The board may adopt an order dividing the district
17	before or after the date the board holds an election to confirm the
18	district's creation.
19	(f) An order dividing the district shall:
20	(1) name each new district;
21	(2) include the metes and bounds description of the
22	territory of each new district;
23	(3) appoint temporary directors for each new district;
24	and
25	(4) provide for the division of assets and liabilities
26	between or among the new districts.
27	(g) On or before the 30th day after the date of adoption of

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an order dividing the district, the district shall file the order
with the Texas Commission on Environmental Quality and record the
order in the real property records of each county in which the
district is located.
(h) Any new district created by the division of the district
shall hold a confirmation and directors' election as provided by
Section 49.102, Water Code.
(i) Municipal consent to the creation of the district and to
the inclusion of land in the district acts as municipal consent to
the creation of any new district created by the division of the
district and to the inclusion of land in the new district.
(j) Any new district created by the division of the district
must hold an election as required by this chapter to obtain voter
approval before the district may impose a maintenance tax or issue
bonds payable wholly or partly from ad valorem taxes.
Sec. 6907.105. ADDITION OF LAND. Land that is adjacent to
the district may be added to the district in the manner provided by
and in accordance with the requirements of Subchapter J, Chapter
49, Water Code, whether or not the land is located in the same
county.
[Sections 6907.106-6907.150 reserved for expansion]
SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
Sec. 6907.151. ELECTIONS REGARDING TAXES OR BONDS.
(a) The district may issue, without an election, bonds and other
obligations secured by:
(1) revenue other than ad valorem taxes; or
(2) contract payments described by Section 6907.153.

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1	(b) The district must hold an election in the manner
2	provided by Chapters 49 and 53, Water Code, to obtain voter approval
3	before the district may impose an ad valorem tax or issue bonds
4	payable from ad valorem taxes.
5	(c) The district may not issue bonds payable from ad valorem
6	taxes to finance a road project unless the issuance is approved by a
7	vote of a two-thirds majority of the district voters voting at an
8	election held for that purpose.
9	Sec. 6907.152. OPERATION AND MAINTENANCE TAX. (a) If
10	authorized at an election held under Section 6907.151, the district
11	may impose an operation and maintenance tax on taxable property in
12	the district in accordance with Section 49.107, Water Code.
13	(b) The board shall determine the tax rate. The rate may not
14	exceed the rate approved at the election.
15	Sec. 6907.153. CONTRACT TAXES. (a) In accordance with
16	Section 49.108, Water Code, the district may impose a tax other than
17	an operation and maintenance tax and use the revenue derived from
18	the tax to make payments under a contract after the provisions of
19	the contract have been approved by a majority of the district voters
20	voting at an election held for that purpose.
21	(b) A contract approved by the district voters may contain a
22	provision stating that the contract may be modified or amended by
23	the board without further voter approval.
24	Sec. 6907.154. TAX ASSESSOR AND COLLECTOR. Sections
25	53.072-53.075, Water Code, do not apply to the district. The board
26	may employ or contract with a tax assessor and collector for the
27	district as provided by Chapter 49, Water Code.

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[Sections 6907.155-6907.200 reserved for expansion] 1 2 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS Sec. 6907.201. AUTHORITY TO ISSUE BONDS AND 3 OTHER 4 OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, 5 revenue, contract payments, grants, or other district money, or any 6 7 combination of those sources, to pay for any authorized district 8 purpose. 9 Sec. 6907.202. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the 10 board shall provide for the annual imposition of a continuing 11

12 direct ad valorem tax, without limit as to rate or amount, while all 13 or part of the bonds are outstanding as required and in the manner 14 provided by Section 53.188, Water Code.

15 Sec. 6907.203. BONDS FOR ROAD PROJECTS. At the time of 16 issuance, the total principal amount of bonds or other obligations 17 issued or incurred to finance road projects and payable from ad 18 valorem taxes may not exceed one-fourth of the assessed value of the 19 real property in the district.

20 SECTION 3. (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.

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(b) The governor, one of the required recipients, has

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submitted the notice and Act to the Texas Commission on
Environmental Quality.

The Texas Commission on Environmental Quality has filed (c) 3 its recommendations relating to this Act with the governor, the 4 lieutenant governor, and the speaker of the house 5 of representatives within the required time. 6

7 (d) All requirements of the constitution and laws of this 8 state and the rules and procedures of the legislature with respect 9 to the notice, introduction, and passage of this Act are fulfilled 10 and accomplished.

SECTION 4. 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.