

BILL ANALYSIS

Senate Research Center

S.B. 1835
By: Hegar
Natural Resources
7/18/2013
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Constitution authorizes the creation of groundwater conservation districts to manage and conserve groundwater. During the 82nd Legislative Session, S.B. 1290 was passed based on the belief by each political subdivision in Calhoun County that there was a public necessity for such a district in order to properly manage groundwater in the county.

S.B. 1290 created the Calhoun County Groundwater Conservation District (district) to manage groundwater in the district territory. The bill authorized the district to impose certain reasonable well fees and prohibited the district from imposing a tax. The bill also prohibited the district from exercising the power of eminent domain. The legislation required the district temporary board of directors, who were appointed by the county commissioners, to call for an initial confirmation election before September 1, 2012. Unfortunately, the temporary directors failed to call for the initial election. The original legislation allowed the district to call for subsequent elections until December 31, 2016.

S.B. 1835 amends the enabling legislation for the creation of the district to allow the temporary board of directors to call for a confirmation election before December 31, 2016. It also allows the district to impose a tax not to exceed two cents on each \$100 valuation if approved by the voters.

S.B. 1835 amends current law relating to the Calhoun County Groundwater Conservation District, and provides authority to impose a voter-approved tax.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 8860.022(a) and (b), Special District Local Laws Code, as follows:

(a) Requires the temporary directors to meet and to order an election to be held in the Calhoun County Groundwater Conservation District (district) not later than December 31, 2016, to confirm the creation of the district, rather than requiring the temporary directors, not later than October 1, 2011, to meet and to order an election to be held in the district not later than September 1, 2012, to confirm the creation of the district.

(b) Authorizes the ballot for the election to include a provision to vote for or against the district's imposition of a tax not to exceed two cents on each \$100 valuation of taxable property in the district or a fee to pay the maintenance and operating costs of the district. Makes nonsubstantive changes.

SECTION 2. Amends Section 8860.152, Special District Local Laws Code, as follows:

Sec. 8860.152. New heading: LIMITATION ON TAXES. Prohibits the district from imposing an ad valorem tax at a rate that exceeds two cents on each \$100 valuation of

taxable property in the district, and requires that any tax imposed under this section first be approved by the voters of the district at the election held to confirm the creation of the district or at a separate election held in accordance with Section 36.201 (Levy of Taxes), Water Code, rather than prohibiting the district from imposing a tax and providing that the district does not have the authority granted by Sections 36.020 (Bond and Tax Proposal) and 36.201, 36.202 (Board Authority), 36.203 (Tax Rate), and 36.204 (Tax Appraisal, Assessment and Collection), Water Code, relating to taxes.

SECTION 3. (a) Provides that the legislature validates and confirms all governmental acts and proceedings of the Calhoun County Commissioners Court relating to the appointment of temporary directors of the district and of that district that were taken before the effective date of this Act.

(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 4. Provides that all requirements of the constitution and the 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 5. Effective date: upon passage or September 1, 2013.