By: Lucio III H.B. No. 1214

Substitute the following for H.B. No. 1214:

By: Miller of Comal C.S.H.B. No. 1214

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the irrigation powers and functions of certain water
- 3 districts; providing authority for a district by rule to change
- 4 fees; clarifying a district's authority to impose certain
- 5 assessments.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 7 SECTION 1. Section 51.301(a), Water Code, is amended to
- 8 read as follows:
- 9 (a) <u>If required by the board, each</u> [Each] person who desires
- 10 to receive <u>irrigation</u> water at any time during the year shall
- 11 furnish the secretary of the board a written statement of the
- 12 acreage the person [he] intends to irrigate and the different crops
- 13 the person [he] intends to plant with the acreage of each crop.
- SECTION 2. Section 51.302, Water Code, is amended to read as
- 15 follows:
- 16 Sec. 51.302. CONTRACTS WITH PERSON USING IRRIGATION WATER.
- 17 (a) The board may require each person who desires to use irrigation
- 18 water during the year to enter into a contract with the district
- 19 which states the acreage to be irrigated [watered], the crops to be
- 20 planted, the amount to be paid for the water, and the terms of
- 21 payment.
- 22 (b) If a person irrigates more <u>acreage</u> [<del>land</del>] than <u>the</u>
- 23 person's [his] contract specifies, the person [he] shall pay for
- 24 the additional service.

- 1 (c) The directors also may require a person using <u>irrigation</u>
- 2 water to execute a negotiable note or notes for all or part of the
- 3 amount owed under the contract.
- 4 (d) The contract is not a waiver of the lien given to the
- 5 district under Section 51.309 [of this code] against the crops of a
- 6 person using <u>irrigation</u> water for the service furnished to <u>the</u>
- 7 person [him].
- 8 SECTION 3. Section 51.303, Water Code, is amended to read as
- 9 follows:
- 10 Sec. 51.303. AUTHORITY TO DETERMINE RULES AND REGULATIONS.
- 11 The board may adopt, alter, and rescind rules, regulations, and
- 12 standing and temporary orders which do not conflict with the
- 13 provisions of this subchapter and which govern:
- 14 (1) methods, terms, and conditions of water service;
- 15 (2) applications for water;
- 16 (3) assessments, charges, fees, rentals, or deposits
- 17 for maintenance and operation;
- 18 (4) payment and the enforcement of payment of the
- 19 assessments, charges, fees, rentals, or deposits;
- 20 (5) furnishing <u>irrigation</u> water to persons who did not
- 21 apply for it before the date of assessment if required; and
- 22 (6) furnishing water to persons who wish to take water
- 23 for irrigation in excess of their original applications or for use
- 24 on land not covered by their original applications if required.
- 25 SECTION 4. Section 51.304, Water Code, is amended to read as
- 26 follows:
- Sec. 51.304. BOARD'S ESTIMATE OF MAINTENANCE AND OPERATING

- 1 EXPENSES. The board, on or as soon as practicable after a date
- 2 fixed by standing order of the board, shall estimate the expenses of
- 3 maintaining and operating the <u>district's water delivery</u>
- 4 [irrigation] system for the next 12 months. The board may change
- 5 the 12-month period for which it estimates the expenses of
- 6 maintaining and operating the <u>water delivery</u> [irrigation] system by
- 7 estimating such expenses for a shorter period so as to adjust to a
- 8 new fixed date and thereafter estimating the expenses for 12-month
- 9 periods following the adjusted fixed date.
- SECTION 5. Section 51.305, Water Code, is amended to read as
- 11 follows:
- 12 Sec. 51.305. DISTRIBUTION OF ASSESSMENT. (a) The board by
- 13 order shall allocate a portion [Not less than one-third nor more
- 14 than two-thirds] of the estimated maintenance and operating
- 15 expenses that shall be paid by assessment against all land in the
- 16 district to which the district can furnish <u>irrigation</u> water through
- 17 its water delivery [irrigation] system or through an extension of
- 18 its water delivery [irrigation] system. This assessment shall be
- 19 levied against all irrigable land in the district on a per acre
- 20 basis, whether or not the land is actually irrigated.
- 21 (b) [The assessments shall be levied against all irrigable
- 22 land in the district on a per acre basis, whether or not the land is
- 23 actually irrigated. The board shall determine from year to year
- 24 the proportionate amount of the expenses which will be borne by all
- 25 water users receiving water delivery from the district.
- 26 (c) The remainder of the estimated expenses shall be paid by
- 27 assessments, charges, fees, rentals, or deposits required of

- 1 [against] persons in the district or under contracts with persons
- 2 who use or who make application to use water and other charges
- 3 approved by the board. The board shall prorate the remainder [as
- 4 equitably as possible] among the applicants for irrigation water
- 5 and may consider:
- 6 (1) the acreage each applicant will plant, the crop
- 7 the applicant [he] will grow, and the amount of water per acre used
- 8 for irrigation purposes; and
- 9 (2) other factors deemed appropriate by the board with
- 10 respect to water used for other nonirrigation uses [he will use].
- 11 (d) A landowner of irrigable land in the district or a user
- 12 of water delivered by the district for any purpose other than
- 13 irrigation who disputes all or a part of a board order that
- 14 determines the amount of an assessment, charge, fee, rental, or
- 15 deposit may file a petition under Section 11.041. That petition
- 16 filed with the commission is the sole remedy available to a
- 17 landowner or user of water described by this subsection.
- SECTION 6. Section 51.306, Water Code, is amended to read as
- 19 follows:
- Sec. 51.306. NOTICE OF ASSESSMENTS. (a) Public notice of
- 21 all assessments imposed under Section 51.305(a) shall be given by
- 22 posting printed <u>notice</u> [notices] of the assessment in at least <u>one</u>
- 23 [three] public place [places] in the district.
- 24 (b) Not later than the fifth day before the date on which the
- 25 <u>assessment is due, notice</u> [Notice] shall be mailed to each
- 26 landowner at the address which the landowner shall furnish to the
- 27 board.

- 1 (c) Notice [The notice shall be posted in a public place and
- 2 mailed to each landowner five days before the assessment is due, and
- 3 notice] of special assessments shall be given within 10 days after
- 4 the assessment is levied.
- 5 SECTION 7. Section 51.307(a), Water Code, is amended to
- 6 read as follows:
- 7 (a) All assessments imposed under Section 51.305(a) shall
- 8 be paid in installments at the times fixed by the board.
- 9 SECTION 8. Sections 51.308(a), (b), and (c), Water Code,
- 10 are amended to read as follows:
- 11 (a) Under the direction of the board, the assessor and
- 12 collector, or other person designated by the board, shall collect
- 13 all assessments <a href="imposed under Section 51.305(a)">imposed under Section 51.305(a)</a> for maintenance and
- 14 operating expenses.
- 15 (b) The assessor and collector shall execute a bond in an
- 16 amount determined by the board, conditioned on the faithful
- 17 performance of the [his] duties of the assessor and collector and
- 18 accounting for all money collected.
- 19 (c) The assessor and collector shall keep an account of all
- 20 money collected and shall deposit the money as collected in the
- 21 district depository. The assessor and collector [He] shall file
- 22 with the secretary of the board a statement of all money collected
- 23 once each month [week].
- SECTION 9. Section 51.309, Water Code, is amended to read as
- 25 follows:
- Sec. 51.309. LIEN AGAINST CROPS. (a) The district shall
- 27 have a first lien, superior to all other liens, against all crops

- C.S.H.B. No. 1214
- 1 grown on  $\underline{a}$  [each] tract of land in the district to secure the
- 2 payment of <u>an</u> [the] assessment <u>imposed against the tract under</u>
- 3 Section 51.305(a), interest, and collection or attorney's fees.
- 4 (b) If the crops against which the district has a lien under
- 5 this section are cultivated on a basis other than annual
- 6 replanting, the owner of the crops shall record with the county
- 7 clerk of the county where the land on which the crops are cultivated
- 8 is located a legally sufficient description of the land, including
- 9 a metes and bounds description or a plat reference.
- SECTION 10. Section 51.310, Water Code, is amended to read
- 11 as follows:
- 12 Sec. 51.310. LIST OF DELINQUENT ASSESSMENTS. Assessments
- 13 imposed under Section 51.305(a) not paid when due shall become
- 14 delinquent on the first day of the month following the date payment
- 15 is due, and the board shall [post in a public place in the district a
- 16 list of all persons who are delinquent in paying their assessments
- 17 and shall keep posted in a public place in the district a correct
- 18 list of all persons who are delinquent in paying assessments. If a
- 19 person who owes an assessment has executed a note and contract as
- 20 provided in Section 51.302, the person may [of this code, he shall]
- 21 not be placed on the delinquent list until after the maturity of the
- 22 note and contract.
- SECTION 11. Section 51.311, Water Code, is amended to read
- 24 as follows:
- Sec. 51.311. WATER SERVICE DISCONTINUED. (a) If a
- 26 landowner fails or refuses to pay a water assessment or a person
- 27 fails to pay a charge, fee, rental, deposit, or penalty imposed

- 1 under this chapter or Chapter 49 when due, the landowner's or
- 2 person's [his] water supply shall be cut off, and no water may be
- 3 furnished to the land owned by the landowner or rented by the person
- 4 in the district until all back assessments or other amounts owed to
- 5 the district are fully paid. The discontinuance of water service is
- 6 binding on all persons who own or acquire an interest in land,
- 7 <u>including a leasehold interest</u>, for which assessments <u>or other</u>
- 8 amounts owed to the district are due.
- 9 (b) A landowner or person whose water service has been
- 10 discontinued under Subsection (a) may request that the board
- 11 reconsider the discontinuance related to a charge, fee, rental,
- 12 deposit, or penalty, and may not request that the board reconsider a
- 13 discontinuance related to an assessment. If the board declines to
- 14 reconsider the discontinuance, the landowner or person may file a
- 15 petition under Section 11.041. That petition filed with the
- 16 commission is the sole remedy available to a landowner or person
- 17 <u>described by this subsection.</u>
- SECTION 12. Section 51.312, Water Code, is amended to read
- 19 as follows:
- Sec. 51.312. SUITS FOR DELINQUENT ASSESSMENTS. Suits for
- 21 delinquent water <u>assessments or other amounts owed to the district</u>
- 22 <u>under this subchapter</u> [assessment] may be brought either in the
- 23 county in which the district is located or in the county in which
- 24 the defendant resides. All persons who own or acquire an interest
- 25 in land for which an assessment is due [landowners] are personally
- 26 liable for assessments imposed under Section 51.305(a) [provided in
- 27 this subchapter].

- 1 SECTION 13. Section 51.313, Water Code, is amended to read
- 2 as follows:
- 3 Sec. 51.313. INTEREST AND COLLECTION FEES. (a) All
- 4 assessments imposed under Section 51.305(a) shall bear interest
- 5 from the date payment is due at the rate of 15 percent a year.
- 6 Assessments not paid by the first day of the month following the
- 7 date payment is due <a href="mailto:are">are</a> [shall become] delinquent, and a penalty of
- 8 up to 15 percent of the amount of the past-due assessment shall be
- 9 added to the amount due.
- 10 (b) If suit is filed to foreclose a lien on crops or if a
- 11 delinquent assessment or other amount owed to the district is
- 12 collected by an attorney before or after suit, an additional amount
- 13 of 15 percent on the unpaid assessment, penalty, and interest or
- 14 other amount owed to the district shall be added as collection or
- 15 attorney's fees.
- SECTION 14. Section 55.351, Water Code, is amended to read
- 17 as follows:
- 18 Sec. 55.351. STATEMENT ESTIMATING WATER REQUIREMENTS AND
- 19 PAYMENT OF CHARGE. (a) If required by the board, each [Each] person
- 20 desiring to receive <u>irrigation</u> water at any time during the year
- 21 shall furnish the secretary of the board a written statement of the
- 22 acreage the person [he] intends to irrigate and the different crops
- 23 the person [he] intends to plant with the acreage of each crop.
- (b) At the time the acreage estimate is furnished to the
- 25 secretary, each person applying for water shall pay the portion of
- 26 the water charge or assessment set by the board for immediate
- 27 payment.

- 1 (c) If <u>a</u> [any] person applying for water from the district
- 2 does not furnish the statement of estimated acreage or does not pay
- 3 the part of the water charge or assessment set by the board before
- 4 the date for fixing the assessment, the district is not obligated to
- 5 furnish water to that person during that year.
- 6 SECTION 15. Section 55.352, Water Code, is amended to read
- 7 as follows:
- 8 Sec. 55.352. BOARD'S ESTIMATE OF MAINTENANCE AND OPERATING
- 9 EXPENSES. The board, on or as soon as practicable after a date
- 10 fixed by standing order of the board, shall estimate the expenses of
- 11 maintaining and operating the <u>district's water</u> delivery
- 12 [irrigation] system for the next 12 months. The board may change
- 13 the 12-month period for which it estimates the expenses of
- 14 maintaining and operating the water delivery [irrigation] system by
- 15 estimating such expenses for a shorter period so as to adjust to a
- 16 new fixed date and thereafter estimating the expenses for 12-month
- 17 periods following the adjusted fixed date.
- SECTION 16. Section 55.354, Water Code, is amended to read
- 19 as follows:
- Sec. 55.354. DISTRIBUTION OF ASSESSMENT. (a) The board by
- 21 order shall allocate a portion [Not less than one-third nor more
- 22 than two-thirds] of the estimated maintenance and operating
- 23 expenses that shall be paid by assessment against all land in the
- 24 district to which the district can furnish <u>irrigation</u> water through
- 25 its <u>water delivery</u> [<u>irrigation</u>] system or through an extension of
- 26 its <u>water delivery</u> [<u>irrigation</u>] system. <u>This assessment</u> [<u>The</u>
- 27 assessments] shall be levied against all irrigable land in the

- 1 district on a per acre basis, whether or not the land is actually
- 2 irrigated.
- 3 (b) The board shall determine from year to year the
- 4 proportionate amount of the expenses which will be borne by all
- 5 water users receiving water delivery from the district [under this
- 6 subsection].
- 7 (c)  $[\frac{b}{b}]$  The remainder of the estimated expenses shall be
- 8 paid by assessments, charges, fees, rentals, or deposits required
- 9 of [against] persons in the district or under contracts with
- 10 persons who use or who make application to use water and other
- 11 charges approved by the board. The board shall prorate the
- 12 remainder [as equitably as possible] among the applicants for
- 13 irrigation water and may consider:
- 14 (1) the acreage each applicant will plant, the crop
- 15 the applicant [he] will grow, and the amount of water per acre used
- 16 for irrigation purposes; and
- 17 (2) other factors deemed appropriate by the board with
- 18 respect to water used for other nonirrigation uses [he will use].
- 19 <u>(d)</u> All persons using <u>irrigation</u> water to plant the same
- 20 crop will pay the same price per acre for the water.
- 21 (e) A landowner of irrigable land in the district or a user
- 22 of water delivered by the district for any purpose other than
- 23 irrigation who disputes all or a part of a board order that
- 24 determines the amount of an assessment, charge, fee, rental, or
- 25 deposit may file a petition under Section 11.041. That petition
- 26 filed with the commission is the sole remedy available to a
- 27 landowner or user of water described by this subsection.

- C.S.H.B. No. 1214
- 1 SECTION 17. Section 55.355, Water Code, is amended to read
- 2 as follows:
- 3 Sec. 55.355. NOTICE OF ASSESSMENTS. (a) Public notice of
- 4 all assessments imposed under Section 55.354(a) shall be given by
- 5 posting printed notice [notices] of the assessment in at least one
- 6 [three] public place [places] in the district.
- 7 (b) Not later than the fifth day before the date on which the
- 8 assessment is due, notice [Printed notices] shall be mailed to each
- 9 landowner at the address which the landowner shall furnish to the
- 10 board.
- 11 (c) Notice [The notice shall be posted in a public place and
- 12 mailed to the landowner five days before the assessment is due, and
- 13 notice] of special assessments shall be given within 10 days after
- 14 the assessment is levied.
- 15 SECTION 18. Section 55.356, Water Code, is amended to read
- 16 as follows:
- 17 Sec. 55.356. PAYMENT OF ASSESSMENTS. (a) All assessments
- 18 imposed under Section 55.354(a) shall be paid in installments at
- 19 the times fixed by the board.
- 20 (b) If a crop for which water was furnished by the district
- 21 is harvested before the due date of any installment payment, the
- 22 entire unpaid assessment becomes due at once and shall be paid
- 23 within 10 days after the crop is harvested and before the crop is
- 24 removed from the county or counties in which it was grown.
- SECTION 19. Section 55.357, Water Code, is amended to read
- 26 as follows:
- Sec. 55.357. COLLECTION OF ASSESSMENTS BY TAX ASSESSOR AND

- 1 COLLECTOR. (a) Under the direction of the board, the assessor and
- 2 collector of taxes, or other person designated by the board, shall
- 3 collect all assessments <u>imposed under Section 55.354(a)</u> for
- 4 maintenance and operating expenses made under the provisions of
- 5 this subchapter.
- 6 (b) The assessor and collector of taxes shall give bond in
- 7 an amount determined by the board, conditioned upon the faithful
- 8 performance of  $\underline{\text{the}}$  [ $\underline{\text{his}}$ ] duties  $\underline{\text{of the assessor and collector}}$  and
- 9 accounting for all money collected.
- 10 (c) The assessor and collector of taxes shall keep an
- 11 account of all money collected and shall deposit the money as
- 12 collected in the district depository. The assessor and collector
- 13 [He] shall file with the secretary of the board a statement of all
- 14 money collected once each month [week].
- 15 <u>(d) The assessor and collector</u> [He] shall use duplicate
- 16 receipt books, give a receipt for each collection made, and retain
- 17 in the book a copy of each receipt, which shall be kept as a record
- 18 of the district.
- 19 SECTION 20. Section 55.358, Water Code, is amended to read
- 20 as follows:
- 21 Sec. 55.358. CONTRACTS WITH PERSON USING <u>IRRIGATION</u> WATER.
- 22 (a) The board may require each person who desires to use <u>irrigation</u>
- 23 water during the year to enter into a contract with the district
- 24 which states the acreage to be irrigated [watered], the crops to be
- 25 planted, the amount to be paid for the water, and the terms of
- 26 payment.
- 27 (b) The contract is not a waiver of the lien given to the

- 1 district under Section 55.359 [of this code] against the crops of a
- 2 person using <u>irrigation</u> water for the service furnished to the
- 3 person [him].
- 4 (c) If a person irrigates more acreage [land] than the
- 5 person's [his] contract specifies, the person [he] shall pay for
- 6 the additional service [under the provisions of this subchapter].
- 7 (d) The directors also may require a person using <u>irrigation</u>
- 8 water to execute a negotiable note or notes for all or part of the
- 9 amount owed under the contract.
- SECTION 21. Section 55.359, Water Code, is amended by
- 11 amending Subsection (a) and adding Subsection (c) to read as
- 12 follows:
- 13 (a) The district shall have a first lien, superior to all
- 14 other liens, against all crops grown on a [each] tract of land in
- 15 the district to secure the payment of <u>an assessment imposed against</u>
- 16 the tract under Section 55.354(a) [the assessments], interest, and
- 17 collection or attorney's fees.
- 18 (c) If the crops against which the district has a lien under
- 19 this section are cultivated on a basis other than annual
- 20 replanting, the owner of the crops shall record with the county
- 21 <u>clerk of the county where the land on which the crops are cultivated</u>
- 22 is located a legally sufficient description of the land, including
- 23 <u>a metes and bounds description or a plat reference.</u>
- SECTION 22. Section 55.360, Water Code, is amended to read
- 25 as follows:
- Sec. 55.360. LIST OF DELINQUENT ASSESSMENTS. Assessments
- 27 imposed under Section 55.354(a) not paid when due shall become

- 1 delinquent on the first day of the month following the date payment
- 2 is due, and the board shall [post in a public place in the district a
- 3 list of all persons who are delinquent in paying their assessments
- 4 and shall keep posted in a public place in the district a correct
- 5 list of all delinquent assessments. If  $\underline{a}$  person who owes an
- 6 <u>assessment has</u> [persons who owe assessments have] executed a note
- 7 <u>and contract</u> [notes and contracts] as provided in Section 55.358,
- 8 the person may [of this code, they shall] not be placed on the
- 9 delinquent list until after the maturity of the note and contract
- 10 [notes and contracts].
- 11 SECTION 23. Section 55.361, Water Code, is amended to read
- 12 as follows:
- 13 Sec. 55.361. WATER SERVICE DISCONTINUED. (a) If a
- 14 landowner <u>fails or refuses</u> [<del>shall fail or refuse</del>] to pay any water
- 15 assessment or a person fails to pay a charge, fee, rental, deposit,
- 16 or penalty imposed under this chapter or Chapter 49 when due, the
- 17 <u>landowner's or person's</u> [his] water supply shall be cut off, and no
- 18 water shall be furnished to the land owned by the landowner or
- 19 rented by the person in the district until all back assessments or
- 20 other amounts owed to the district are fully paid. The
- 21 discontinuance of water service is binding on all persons who own or
- 22 acquire any interest in land, including a leasehold interest, for
- 23 which assessments or other amounts owed to the district are due.
- 24 (b) A landowner or person whose water service has been
- 25 <u>discontinued under Subsection (a) may request that the board</u>
- 26 reconsider the discontinuance related to a charge, fee, rental,
- 27 deposit, or penalty, and may not request that the board reconsider a

- C.S.H.B. No. 1214
- 1 discontinuance related to an assessment. If the board declines to
- 2 reconsider the discontinuance, the landowner or person may file a
- 3 petition under Section 11.041. That petition filed with the
- 4 commission is the sole remedy available to a landowner or person
- 5 described by this subsection.
- 6 SECTION 24. Section 55.362, Water Code, is amended to read
- 7 as follows:
- 8 Sec. 55.362. SUITS FOR DELINQUENT ASSESSMENTS. Suits for
- 9 delinquent water assessments or other amounts owed to the district
- 10 <u>under this subchapter</u> may be brought either in the county in which
- 11 the irrigation district is located or in the county in which the
- 12 defendant resides. All persons who own or acquire an interest in
- 13 <u>land for which an assessment is due</u> [<del>landowners</del>] are personally
- 14 liable for all assessments <u>imposed under Section 55.354(a)</u>
- 15 [provided in this subchapter].
- 16 SECTION 25. Section 55.363, Water Code, is amended to read
- 17 as follows:
- 18 Sec. 55.363. INTEREST AND COLLECTION FEES. (a) All
- 19 assessments imposed under Section 55.354(a) shall bear interest
- 20 from the date payment is due at the rate of 15 percent a year.
- 21 Assessments not paid by the first day of the month following the
- 22 date payment is due are [shall become] delinquent, and a penalty of
- 23 up to 15 percent of the amount of the past-due assessment shall be
- 24 added to the amount due.
- 25 (b) If suit is filed to foreclose a lien on crops or if a
- 26 delinquent assessment or other amount owed to the district is
- 27 collected by an attorney before or after suit, an additional amount

- 1 of 15 percent on the unpaid assessment, penalty, and interest or
- 2 other amount owed to the district shall be added as collection or
- 3 attorney's fees.
- 4 SECTION 26. Section 58.301(a), Water Code, is amended to
- 5 read as follows:
- 6 (a) If required by the board, each [Each] person who desires
- 7 to receive irrigation water at any time during the year shall
- 8 furnish the secretary of the board a written statement of the
- 9 acreage the person [he] intends to irrigate and the different crops
- 10 the person [he] intends to plant with the acreage of each crop.
- 11 SECTION 27. Section 58.302, Water Code, is amended to read
- 12 as follows:
- 13 Sec. 58.302. CONTRACTS WITH PERSON USING IRRIGATION WATER.
- 14 (a) The board may require each person who desires to use irrigation
- 15 water during the year to enter into a contract with the district
- 16 which states the acreage to be <u>irrigated</u> [watered], the crops to be
- 17 planted, the amount to be paid for the water, and the terms of
- 18 payment.
- 19 (b) If a person irrigates more <u>acreage</u> [<del>land</del>] than <u>the</u>
- 20 <u>person's</u> [his] contract specifies, <u>the person</u> [he] shall pay for
- 21 the additional service.
- (c) The directors also may require a person using irrigation
- 23 water to execute a negotiable note or notes for all or part of the
- 24 amount owed under the contract.
- 25 (d) The contract is not a waiver of the lien given to the
- 26 district under Section 58.309 [of this code] against the crops of a
- 27 person using irrigation water for the service furnished to the

- 1 person [him].
- 2 SECTION 28. Section 58.303, Water Code, is amended to read
- 3 as follows:
- 4 Sec. 58.303. AUTHORITY TO DETERMINE RULES AND REGULATIONS.
- 5 The board may adopt, alter, and rescind rules, and standing and
- 6 temporary orders which do not conflict with the provisions of this
- 7 subchapter and which govern:
- 8 (1) methods, terms, and conditions of water service;
- 9 (2) applications for water;
- 10 (3) assessments, charges, fees, rentals, or deposits
- 11 for maintenance and operation;
- 12 (4) payment and the enforcement of payment of the
- 13 assessments, charges, fees, rentals, or deposits;
- 14 (5) furnishing irrigation water to persons who did not
- 15 apply for it before the date of assessment if required; and
- 16 (6) furnishing water to persons who wish to take water
- 17 for irrigation in excess of their original applications or for use
- 18 on land not covered by their original applications if required.
- 19 SECTION 29. Section 58.304, Water Code, is amended to read
- 20 as follows:
- Sec. 58.304. BOARD'S ESTIMATE OF MAINTENANCE AND OPERATING
- 22 EXPENSES. The board, on or as soon as practicable after a date
- 23 fixed by standing order of the board, shall estimate the expenses of
- 24 maintaining and operating the district's water delivery
- 25 [irrigation] system for the next 12 months. The board may change
- 26 the 12-month period for which it estimates the expenses of
- 27 maintaining and operating the water delivery [irrigation] system by

- 1 estimating such expenses for a shorter period so as to adjust to a
- 2 new fixed date and thereafter estimating the expenses for 12-month
- 3 periods following the adjusted fixed date.
- 4 SECTION 30. Section 58.305, Water Code, is amended to read
- 5 as follows:
- 6 Sec. 58.305. DISTRIBUTION OF ASSESSMENT. (a) The board by
- 7 order shall allocate a portion [Not less than one-third nor more
- 8 than two-thirds] of the estimated maintenance and operating
- 9 expenses that shall be paid by assessment against all land in the
- 10 district to which the district can furnish <u>irrigation</u> water through
- 11 its water delivery [irrigation] system or through an extension of
- 12 its <u>water delivery</u> [<u>irrigation</u>] system. <u>This assessment shall be</u>
- 13 levied against all irrigable land in the district on a per acre
- 14 basis, whether or not the land is actually irrigated.
- 15 (b) [The assessments shall be levied against all irrigable
- 16 land in the district on a per acre basis, whether or not the land is
- 17 actually irrigated.] The board shall determine from year to year
- 18 the proportionate amount of the expenses which will be borne by all
- 19 water users receiving water delivery from the district.
- 20 (c) The remainder of the estimated expenses shall be paid by
- 21 charges, fees, rentals, or deposits required of [assessments
- 22 against] persons in the district or under contracts with persons
- 23 who use or who make application to use water and other charges
- 24 approved by the board. The board shall prorate the remainder [as
- 25 equitably as possible] among the applicants for <u>irrigation</u> water
- 26 and may consider:
- 27 (1) the acreage each applicant will plant, the crop

- 1 the applicant [he] will grow, and the amount of water per acre used
- 2 for irrigation purposes; and
- 3 (2) other factors deemed appropriate by the board with
- 4 respect to water used for other nonirrigation uses [he will use].
- 5 (d) A landowner of irrigable land in the district or a user
- 6 of water delivered by the district for any purpose other than
- 7 irrigation who disputes all or a part of a board order that
- 8 determines the amount of an assessment, charge, fee, rental, or
- 9 deposit may file a petition under Section 11.041. That petition
- 10 filed with the commission is the sole remedy available to a
- 11 landowner or user of water described by this subsection.
- 12 SECTION 31. Section 58.306, Water Code, is amended to read
- 13 as follows:
- 14 Sec. 58.306. NOTICE OF ASSESSMENTS. (a) Public notice of
- 15 all assessments imposed under Section 58.305(a) shall be given by
- 16 posting printed <u>notice</u> [notices] of the assessment in at least <u>one</u>
- 17 [three] public place [places] in the district.
- 18 (b) Not later than the fifth day before the date on which the
- 19 assessment is due, notice [Notice] shall be mailed to each
- 20 landowner at the address which the landowner shall furnish to the
- 21 board.
- (c) Notice [The notice shall be posted in a public place and
- 23 mailed to each landowner five days before the assessment is due, and
- 24 notice] of special assessments shall be given within 10 days after
- 25 the assessment is levied.
- SECTION 32. Section 58.307(a), Water Code, is amended to
- 27 read as follows:

- 1 (a) All assessments <u>imposed under Section 58.305(a)</u> shall
- 2 be paid in installments at the times fixed by the board.
- 3 SECTION 33. Sections 58.308(a), (b), and (c), Water Code,
- 4 are amended to read as follows:
- 5 (a) Under the direction of the board, the assessor and
- 6 collector, or other person designated by the board, shall collect
- 7 all assessments <a href="imposed under Section 58.305(a)">imposed under Section 58.305(a)</a> for maintenance and
- 8 operating expenses.
- 9 (b) The assessor and collector shall execute a bond in an
- 10 amount determined by the board, conditioned on the faithful
- 11 performance of the [his] duties of the assessor and collector and
- 12 accounting for all money collected.
- 13 (c) The assessor and collector shall keep an account of all
- 14 money collected and shall deposit the money as collected in the
- 15 district depository. The assessor and collector [He] shall file
- 16 with the secretary of the board a statement of all money collected
- 17 once each month [week].
- SECTION 34. Section 58.309, Water Code, is amended to read
- 19 as follows:
- Sec. 58.309. LIEN AGAINST CROPS. (a) The district shall
- 21 have a first lien, superior to all other liens, against all crops
- 22 grown on a [each] tract of land in the district to secure the
- 23 payment of <u>an</u> [the] assessment <u>imposed against the tract under</u>
- 24 Section 58.305(a), interest, and collection or attorney's fees.
- 25 (b) If the crops against which the district has a lien under
- 26 this section are cultivated on a basis other than annual
- 27 replanting, the owner of the crops shall record with the county

- C.S.H.B. No. 1214
- 1 clerk of the county where the land on which the crops are cultivated
- 2 is located a legally sufficient description of the land, including
- 3 a metes and bounds description or a plat reference.
- 4 SECTION 35. Section 58.310, Water Code, is amended to read
- 5 as follows:
- 6 Sec. 58.310. LIST OF DELINQUENT ASSESSMENTS. Assessments
- 7 imposed under Section 58.305(a) not paid when due shall become
- 8 delinquent on the first day of the month following the date payment
- 9 is due, and the board shall [post in a public place in the district a
- 10 list of all persons who are delinquent in paying their assessments
- 11 and shall keep posted in a public place in the district a correct
- 12 list of all persons who are delinquent in paying assessments. If a
- 13 person who owes an assessment has executed a note and contract as
- 14 provided in Section 58.302, the person may [of this code, he shall]
- 15 not be placed on the delinquent list until after the maturity of the
- 16 note and contract.
- SECTION 36. Section 58.311, Water Code, is amended to read
- 18 as follows:
- 19 Sec. 58.311. WATER SERVICE DISCONTINUED. (a) If a
- 20 landowner fails or refuses to pay a water assessment or a person
- 21 fails to pay a charge, fee, rental, deposit, or penalty imposed
- 22 under this chapter or Chapter 49 when due, the landowner's or
- 23  $\underline{\text{person's}}$  [his] water supply shall be cut off, and no water may be
- 24 furnished to the land owned by the landowner or rented by the person
- 25 in the district until all back assessments or other amounts owed to
- 26 the district are fully paid. The discontinuance of water service is
- 27 binding on all persons who own or acquire an interest in land,

- C.S.H.B. No. 1214
- 1 <u>including a leasehold interest</u>, for which assessments <u>or other</u>
- 2 <u>amounts owed to the district</u> are due.
- 3 (b) A landowner or person whose water service has been
- 4 discontinued under Subsection (a) may request that the board
- 5 reconsider the discontinuance related to a charge, fee, rental,
- 6 deposit, or penalty, and may not request that the board reconsider a
- 7 <u>discontinuance related to an assessment.</u> If the board declines to
- 8 reconsider the discontinuance, the landowner or person may file a
- 9 petition under Section 11.041. That petition filed with the
- 10 commission is the sole remedy available to a landowner or person
- 11 described by this subsection.
- 12 SECTION 37. Section 58.312, Water Code, is amended to read
- 13 as follows:
- 14 Sec. 58.312. SUITS FOR DELINQUENT ASSESSMENTS. Suits for
- 15 delinquent water assessments or other amounts owed to the district
- 16 <u>under this subchapter</u> may be brought either in the county in which
- 17 the district is located or in the county in which the defendant
- 18 resides. All persons who own or acquire an interest in land for
- 19 which an assessment is due [landowners] are personally liable for
- 20 assessments imposed under Section 58.305(a) [provided in this
- 21 <u>subchapter</u>].
- SECTION 38. Section 58.313, Water Code, is amended to read
- 23 as follows:
- Sec. 58.313. INTEREST AND COLLECTION FEES. (a) All
- 25 assessments imposed under Section 58.305(a) shall bear interest
- 26 from the date payment is due at the rate of 15 percent a year.
- 27 Assessments not paid by the first day of the month following the

- 1 date payment is due <a href="mailto:are"><u>are</u></a> [shall become</a>] delinquent, and a penalty of
- 2 up to 15 percent of the amount of the past-due assessment shall be
- 3 added to the amount due.
- 4 (b) If suit is filed to foreclose a lien on crops or if a
- 5 delinquent assessment or other amount owed to the district is
- 6 collected by an attorney before or after suit, an additional amount
- 7 of 15 percent on the unpaid assessment, penalty, and interest or
- 8 other amount owed to the district shall be added as collection or
- 9 attorney's fees.
- 10 SECTION 39. Section 58.137, Water Code, is repealed.
- 11 SECTION 40. A district whose fiscal year begins on a date
- 12 other than September 1 is not required to comply with the changes in
- 13 law made by this Act that apply to the district until the beginning
- 14 of the district's next fiscal year following the effective date of
- 15 this Act.
- SECTION 41. This Act takes effect September 1, 2013.