

By: Miller of Comal

H.B. No. 3924

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Comal Trinity Groundwater Conservation District; providing authority to impose a tax and issue bonds; providing authority to impose assessments and fees.

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 8875 to read as follows:

CHAPTER 8875. COMAL TRINITY GROUNDWATER

CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8875.001. DEFINITIONS. In this chapter:

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

(2) "Commission" means the Texas Commission on Environmental Quality.

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

(4) "District" means the Comal Trinity Groundwater Conservation District.

(5) "Retail public utility" means a retail public utility as defined by Section 13.002, Water Code, that is providing service in the district on the effective date of this Act.

Sec. 8875.002. NATURE OF DISTRICT. The district is a groundwater conservation district in Comal County created under and essential to accomplish the purposes of Section 59, Article XVI,

1 Texas Constitution.

2 Sec. 8875.003. CONFIRMATION ELECTION REQUIRED. If the
3 creation of the district is not confirmed at a confirmation
4 election held before September 1, 2018:

5 (1) the district is dissolved on September 1, 2019,
6 except that:

7 (A) any debts incurred shall be paid;

8 (B) any assets that remain after the payment of
9 debts shall be transferred to Comal County; and

10 (C) the organization of the district shall be
11 maintained until all debts are paid and remaining assets are
12 transferred; and

13 (2) this chapter expires on September 1, 2020.

14 Sec. 8875.004. INITIAL DISTRICT TERRITORY. The initial
15 boundaries of the district are coextensive with the boundaries of
16 Comal County, Texas.

17 Sec. 8875.005. CONFLICTS OF LAW. (a) Except as provided by
18 Subsection (b), this chapter prevails over any provision of general
19 law, including a provision of Chapter 36, Water Code, that is in
20 conflict or is inconsistent with this chapter.

21 (b) The following provisions prevail over a provision of
22 this chapter that is in conflict or is inconsistent with the
23 provision:

24 (1) Sections 36.1071-36.108, Water Code;

25 (2) Sections 36.159-36.161, Water Code; and

26 (3) Subchapter I, Chapter 36, Water Code.

1 SUBCHAPTER A-1. TEMPORARY PROVISIONS

2 Sec. 8875.021. APPOINTMENT OF TEMPORARY DIRECTORS. (a)

3 The Comal County Commissioners Court shall appoint five temporary
4 directors to serve terms not to exceed four years as follows:

5 (1) one temporary director shall be appointed from
6 each of the four commissioner precincts in the county to represent
7 the precinct in which the temporary director resides; and

8 (2) one temporary director who resides in the district
9 shall be appointed to represent the district at large.

10 (b) If there is a vacancy on the temporary board of
11 directors of the district, the remaining temporary directors shall
12 select a qualified person to fill the vacancy. If, at any time,
13 there are fewer than three qualified temporary directors, the
14 commission shall appoint the necessary number of persons to fill
15 all vacancies on the board.

16 (c) Temporary directors or their successors serve until the
17 earlier of:

18 (1) the time the initial directors are elected as
19 provided by Section 8875.023 and have qualified; or

20 (2) the date this chapter expires under Section
21 8875.003.

22 Sec. 8875.022. ORGANIZATIONAL MEETING OF TEMPORARY
23 DIRECTORS. As soon as practicable after all the temporary
24 directors have qualified under Section 36.055, Water Code, a
25 majority of the temporary directors shall convene the
26 organizational meeting of the district at a location within the
27 district agreeable to a majority of the directors. At the meeting,

1 the temporary directors shall elect a chair, vice chair, and
2 secretary from among the temporary directors.

3 Sec. 8875.023. CONFIRMATION AND INITIAL DIRECTORS'
4 ELECTION. (a) The temporary directors shall order an election to
5 be held in the district to confirm the creation of the district and
6 to elect the initial directors.

7 (b) At the confirmation and initial directors' election,
8 the temporary board shall have placed on the ballot the names of the
9 candidates for each of the five positions on the board and provide
10 blank spaces for the names of other candidates. To be eligible to
11 be a candidate for a position as a director, a person must reside in
12 the district.

13 (c) Section 41.001(a), Election Code, does not apply to an
14 election held under this section.

15 (d) Except as provided by this section, a confirmation and
16 initial directors' election must be conducted as provided by the
17 Election Code and Sections 36.017(b)-(h), Water Code.

18 (e) If a majority of the votes cast at the election are in
19 favor of confirming the district's creation, the temporary
20 directors shall declare the district created. If a majority of the
21 votes cast are not in favor of confirming the district's creation,
22 the district's creation is not confirmed. The temporary directors
23 shall file a copy of the election results with the Texas Commission
24 on Environmental Quality.

25 (f) If the district's creation is not confirmed at an
26 election held under this section, the temporary directors may order
27 one or more subsequent elections to be held to confirm the creation

1 of the district not earlier than the first anniversary of the
2 preceding confirmation election. If the district's creation is not
3 confirmed at an election held under this section before September
4 1, 2018, the district is dissolved in accordance with Section
5 8875.003.

6 Sec. 8875.024. INITIAL DIRECTORS. (a) If the creation of
7 the district is confirmed at an election held under Section
8 8875.023, the temporary directors, at the time the vote is
9 canvassed, shall:

10 (1) declare for each board position the person who
11 receives the most votes for that position to be elected as the
12 initial director for that position; and

13 (2) include the results of the initial directors'
14 election in the district's election report to the Texas Commission
15 on Environmental Quality.

16 (b) The initial directors elected to positions 2 and 3 serve
17 terms expiring December 1 of the first even-numbered year after the
18 date of the confirmation election, and the initial directors
19 elected to positions 1, 4, and the at-large position serve terms
20 expiring December 1 of the second even-numbered year after the date
21 of the confirmation election.

22 Sec. 8875.025. INITIAL ELECTION OF PERMANENT DIRECTORS. On
23 the uniform election date prescribed by Section 41.001, Election
24 Code, in November of the first even-numbered year after the year in
25 which the creation of the district is confirmed at an election held
26 under Section 8875.023, an election shall be held in the district
27 for the election of two directors to replace the initial directors

1 who shall serve until that election.

2 Sec. 8875.026. EXPIRATION OF SUBCHAPTER. This subchapter
3 expires September 1, 2021.

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 8875.051. DIRECTORS; TERMS. (a) The district is
6 governed by a board of five directors.

7 (b) Directors serve staggered four-year terms.

8 Sec. 8875.052. 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 of 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 (f) After the first election held after the boundaries of
9 the county commissioners precincts are redrawn, the directors
10 elected shall draw lots to determine which three directors shall
11 serve a four-year term and which two directors shall serve a
12 two-year term.

13 (g) A director may not serve more than two consecutive terms
14 and may not serve for a total of more than 12 years.

15 Sec. 8875.053. ELECTION DATE. The district shall hold an
16 election to elect the appropriate number of directors on the
17 uniform election date prescribed by Section 41.001, Election Code,
18 in November of each even-numbered year.

19 Sec. 8875.054. VACANCIES. A vacancy on the board shall be
20 filled by appointment of the board until the next regularly
21 scheduled directors' election. The person appointed to fill the
22 vacancy shall serve only for the remainder of the unexpired term.

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 8875.101. GROUNDWATER CONSERVATION DISTRICT POWERS
25 AND DUTIES. The district has the rights, powers, privileges,
26 functions, and duties provided by the general law of this state,
27 including Chapter 36, Water Code, applicable to groundwater

1 conservation districts created under Section 59, Article XVI, Texas
2 Constitution.

3 Sec. 8875.102. CONTRACTS. The district may contract with a
4 state agency or political subdivision, including a county, a river
5 authority, or another district, to carry out any function of the
6 district.

7 Sec. 8875.103. BEST MANAGEMENT PRACTICES. (a) The
8 district may participate in the development and implementation of
9 best management practices for water resource management in the
10 district and may engage in and promote the acceptance of best
11 management practices through education efforts sponsored by the
12 district.

13 (b) Development and implementation of best management
14 practices must address water quantity and quality practices such as
15 brush management, prescribed grazing, recharge structures, water
16 and silt detention and retention structures, plugging of abandoned
17 wells, rainwater harvesting, and other treatment measures for the
18 conservation of water resources.

19 Sec. 8875.104. LIMITATIONS ON DISTRICT POWERS. The
20 district may not:

21 (1) require the owner of a well used solely for
22 domestic or livestock purposes to install a meter or measuring
23 device on the well;

24 (2) sell, transport, or export groundwater outside of
25 the district; or

26 (3) enter into a contract or engage in an action to
27 supply water to any person in the service area of a municipality or

1 retail public utility located in the district, except with the
2 consent of the municipality or retail public utility.

3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4 Sec. 8875.151. FEES. (a) The district may impose
5 reasonable fees on an annual basis on each nonexempt well and on
6 each well exempt from permitting under Section 36.117(b)(1), Water
7 Code. The district shall adopt any rules necessary for the
8 assessment and collection of fees under this subsection.

9 (b) The district may use money collected from fees:

10 (1) in any manner necessary for the management and
11 operation of the district;

12 (2) to pay all or part of the principal of and interest
13 on district bonds or notes; and

14 (3) for any purpose consistent with the district's
15 approved water management plan.

16 Sec. 8875.152. PROPERTY TAX EXEMPTION FOR WATER
17 CONSERVATION INITIATIVES. (a) The district by rule shall provide
18 for granting exemptions from ad valorem taxes on property on which a
19 water conservation initiative has been implemented, as provided by
20 Section 11.32, Tax Code. The rules must provide that a retail
21 public utility is eligible to receive an exemption from ad valorem
22 taxes on property on the same grounds as any other district
23 customer.

24 (b) To encourage retail public utilities to obtain water
25 supplies from sources other than groundwater, rules adopted under
26 Subsection (a) must include an exemption from ad valorem taxes on
27 property used and useful by a retail public utility based on:

1 (1) the percentage of potable water supplied in the
2 district by the retail public utility from sources other than
3 groundwater compared to the total water supplied by the retail
4 public utility for the preceding year; and

5 (2) the percentage of wastewater effluent produced by
6 the retail public utility that is used as reclaimed water in the
7 district compared to the total wastewater effluent produced by the
8 retail public utility for the preceding year.

9 (c) For the purposes of Subsection (a), the district may
10 consider the effects of floods and equipment breakage on the retail
11 public utility's ability to supply water from sources other than
12 groundwater.

13 (d) The total amount of the exemption from ad valorem taxes
14 may not exceed one-half of the tax imposed by the district.

15 Sec. 8875.153. LIMITATION ON TAXES. The district may not
16 impose an ad valorem tax for administrative, operation, or
17 maintenance expenses that exceeds the lesser of:

18 (1) the rate approved by the majority of the voters
19 voting in the election authorizing the tax; or

20 (2) three-eighths of a cent per \$100 of assessed
21 valuation.

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

1 Government Code.

2 (b) The governor, one of the required recipients, has
3 submitted the notice and Act to the Texas Commission on
4 Environmental Quality.

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

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

13 SECTION 3. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2013.