

AN ACT

relating to the necessity of hearings regarding the dissolution or conversion of certain conservation and reclamation districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter K, Chapter 49, Water Code, is amended by adding Section 49.3225 to read as follows:

Sec. 49.3225. ORDER WITHOUT HEARING. (a) The commission may adopt an order under Section 49.324 without conducting a hearing if it receives a petition under this section from:

(1) the owners of the majority in value of the land in the district, as shown by the most recent certified tax roll of the central appraisal district of the county or counties in which the district is located; or

(2) the board of directors of the district.

(b) Not later than the 10th day after the date a petition is submitted under Subsection (a), the petitioners shall:

(1) provide notice of the petition by certified mail:

(A) to all the landowners in the district, as shown by the most recent certified tax roll of the central appraisal district of the county or counties in which the district is located, who did not sign the petition; and

(B) if the petition was submitted by persons described by Subsection (a)(1), to the board of directors; and

(2) certify in writing to the commission that the

1 requirements of Subdivision (1) have been met.

2 (c) A notice provided under Subsection (b)(1) must state
3 that the landowner may file a written objection to the dissolution
4 of the district not later than the 30th day after the date the
5 notice was received.

6 (d) If a landowner files a written objection to the
7 dissolution of the district with the commission within the period
8 specified in the notice, the commission shall hold a hearing on the
9 dissolution of the district. The commission shall mail notice of
10 the hearing by first class mail to:

11 (1) the petitioners, and the board of directors if the
12 board of directors did not submit the petition; and

13 (2) each landowner who timely filed a written
14 objection to the dissolution.

15 (e) A district may not be dissolved under this section or
16 any other provision of law if the district:

17 (1) has any outstanding bonded indebtedness unless the
18 bonded indebtedness is assumed by a third party, or repaid or
19 defeased in accordance with the order or resolution authorizing the
20 issuance of the bonds;

21 (2) has a contractual obligation to pay money unless
22 the obligation is assumed by a third party, fully paid in accordance
23 with the contract, or waived by the obligee; or

24 (3) owns, operates, or maintains public works,
25 facilities, or improvements, unless the ownership, operation, or
26 maintenance is assumed by a third party.

27 SECTION 2. Section 54.030(b), Water Code, is amended to

1 read as follows:

2 (b) The governing body of a district which desires to
3 convert into a district operating under this chapter shall adopt
4 and enter in the minutes of the governing body a resolution
5 declaring that in its judgment, conversion into a municipal utility
6 district operating under this chapter and under Article XVI,
7 Section 59, of the Texas Constitution, would serve the best
8 interest of the district and would be a benefit to the land and
9 property included in the district. The resolution shall also
10 request that the commission approve [~~to hold a hearing on the~~
11 ~~question of~~] the conversion of the district.

12 SECTION 3. Section 54.032, Water Code, is amended to read as
13 follows:

14 Sec. 54.032. CONVERSION OF DISTRICT: NOTICE. (a) Notice
15 of the conversion [~~hearing~~] shall be given by publishing notice in a
16 newspaper with general circulation in the county or counties in
17 which the district is located.

18 (b) The notice shall be published once a week for two
19 consecutive weeks [~~with the first publication to be made not less~~
20 ~~than 14 full days before the time set for the hearing~~].

21 (c) The notice shall:

22 (1) [~~state the time and place of the hearing,~~
23 [~~2~~] set out the resolution adopted by the district
24 in full; and

25 (2) [~~3~~] notify all interested persons how they may
26 offer comments [~~to appear and offer testimony~~] for or against the
27 proposal contained in the resolution.

1 SECTION 4. Section 54.033(a), Water Code, is amended to
2 read as follows:

3 (a) If [~~After a hearing, if~~] the commission finds that
4 conversion of the district into one operating under this chapter
5 would serve the best interest of the district and would be a benefit
6 to the land and property included in the district, it shall enter an
7 order making this finding and the district shall become a district
8 operating under this chapter and no confirmation election shall be
9 required.

10 SECTION 5. Section 54.031, Water Code, is repealed.

11 SECTION 6. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I certify that H.B. No. 2914 was passed by the House on April 25, 2019, by the following vote: Yeas 136, Nays 1, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2914 was passed by the Senate on May 21, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor