

S.B. No. 967

AN ACT

relating to the creation of the Central Texas Groundwater Conservation District; providing authority to impose a tax and issue bonds.

**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 8810 to read as follows:

CHAPTER 8810. CENTRAL TEXAS GROUNDWATER

CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8810.001. DEFINITIONS. In this chapter:

- (1) "Board" means the board of directors of the district.
- (2) "Director" means a member of the board.
- (3) "District" means the Central Texas Groundwater Conservation District.

Sec. 8810.002. NATURE OF DISTRICT. The district is a groundwater conservation district in Burnet County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 8810.003. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation election held before September 1, 2007:

(1) the district is dissolved on September 1, 2007, except that:

- (A) any debts incurred shall be paid;
- (B) any assets that remain after the payment of debts shall be transferred to Burnet County; and
- (C) the organization of the district shall be maintained until all debts are paid and remaining assets are transferred; and

(2) this chapter expires on September 1, 2010.

Sec. 8810.004. INITIAL DISTRICT TERRITORY. The initial boundaries of the district are coextensive with the boundaries of Burnet County, Texas.

Sec. 8810.005. CONSTRUCTION OF CHAPTER. This chapter shall be liberally

construed to achieve the legislative intent and purposes of Chapter 36, Water Code. A power granted by Chapter 36, Water Code, or this chapter shall be broadly interpreted to achieve that intent and those purposes.

Sec. 8810.006. APPLICABILITY OF OTHER GROUNDWATER CONSERVATION DISTRICT LAW. Except as otherwise provided by this chapter, Chapter 36, Water Code, applies to the district.

Sections 8810.007-8810.020 reserved for expansion]

### SUBCHAPTER A-1. TEMPORARY PROVISIONS

Sec. 8810.021. APPOINTMENT OF TEMPORARY DIRECTORS. (a) Not later than the 45th day after the effective date of this chapter, five temporary directors shall be appointed as follows:

(1) the Burnet County Commissioners Court shall appoint one temporary director from each of the four commissioners precincts in the county to represent the precincts in which the temporary directors reside; and

(2) the county judge of Burnet County shall appoint one temporary director who resides in the district to represent the district at large.

(b) If there is a vacancy on the temporary board of directors of the district, the authority who appointed the temporary director whose position is vacant shall appoint a person to fill the vacancy.

(c) Temporary directors serve until the earlier of:

(1) the time the temporary directors become initial directors as provided by Section 8810.024; or

(2) the date this chapter expires under Section 8810.003.

Sec. 8810.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. As soon as practicable after all the temporary directors have qualified under Section 36.055, Water Code, a majority of the temporary directors shall convene the organizational meeting of the district at a location within the district agreeable to a majority of the directors. If an agreement on location cannot be reached, the organizational meeting shall be at the Burnet County Courthouse.

Sec. 8810.023. CONFIRMATION ELECTION. (a) The temporary directors shall hold an election to confirm the creation of the district.

(b) Section 41.001(a), Election Code, does not apply to a confirmation election held as provided by this section.

(c) Except as provided by this section, a confirmation election must be conducted as provided by Sections 36.017(b)-(i), Water Code, and the Election Code. Section 36.017(d), Water Code, does not apply to a confirmation election under this section.

(d) The ballot for the election must be printed to provide for voting for or against the proposition: "The creation of the Central Texas Groundwater Conservation District and the imposition

of a maintenance tax at an initial rate not to exceed two cents for each \$100 of assessed valuation."

(e) If a majority of the votes cast at the election are not in favor of the creation of the district, the temporary directors may call and hold a subsequent confirmation election. The subsequent election may not be held before the first anniversary of the date on which the previous election was held.

(f) The district may not impose a maintenance tax unless the tax is confirmed under this section.

Sec. 8810.024. INITIAL DIRECTORS. (a) If creation of the district is confirmed at an election held under Section 8810.023, the temporary directors of the district become the initial directors of the district and serve on the board of directors until permanent directors are elected under Section 8810.025.

(b) The initial directors representing commissioners precincts 2 and 4 shall serve a term expiring June 1 following the first regularly scheduled election of directors under Section 8810.025, and the initial directors representing commissioners precincts 1 and 3 shall serve a term expiring June 1 following the second regularly scheduled election of directors. The at-large director shall serve a term expiring June 1 following the second regularly scheduled election of directors.

Sec. 8810.025. INITIAL ELECTION OF PERMANENT DIRECTORS. On the uniform election date prescribed by Section 41.001, Election Code, in May of the first even-numbered year after the year in which the district is authorized to be created at a confirmation election, an election shall be held in the district for the election of two directors to replace the initial directors who, under Section 8810.024(b), serve a term expiring June 1 following that election.

Sec. 8810.026. EXPIRATION OF SUBCHAPTER. This subchapter expires September 1, 2010.

[Sections 8810.027-8810.050 reserved for expansion]

## SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8810.051. DIRECTORS; TERMS. (a) The district is governed by a board of five directors.

(b) Directors serve staggered four-year terms, with two or three directors' terms expiring June 1 of each even-numbered year.

(c) A director may serve consecutive terms.

Sec. 8810.052. METHOD OF ELECTING DIRECTORS: COMMISSIONERS PRECINCTS. (a) The directors of the district shall be elected according to the commissioners precinct method as provided by this section.

(b) One director shall be elected by the voters of the

entire district, and one director shall be elected from each county commissioners precinct by the voters of that precinct.

'c) Except as provided by Subsection (e), to be eligible to be a candidate for or to serve as director at large, a person must be a registered voter in the district. To be a candidate for or to serve as director from a county commissioners precinct, a person must be a registered voter of that precinct.

(d) A person shall indicate on the application for a place on the ballot:

(1) the precinct that the person seeks to represent;

or

(2) that the person seeks to represent the district at large.

(e) When the boundaries of the county commissioners precincts are redrawn after each federal decennial census to reflect population changes, a director in office on the effective date of the change, or a director elected or appointed before the effective date of the change whose term of office begins on or after the effective date of the change, shall serve in the precinct to which elected or appointed even though the change in boundaries places the person's residence outside the precinct for which the person was elected or appointed.

Sec. 8810.053. ELECTION DATE. The district shall hold an election to elect the appropriate number of directors on the uniform election date prescribed by Section 41.001, Election Code, in May of each even-numbered year.

Sec. 8810.054. DIVISION OF MUNICIPALITY. The provision in Section 36.059(b), Water Code, concerning the division of a municipal corporation among precincts does not apply to an election under this chapter.

[Sections 8810.055-8810.100 reserved for expansion]

### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8810.101. PERMIT CONSIDERATION. Before granting or denying a permit under Section 36.113, Water Code, the district shall consider if the proposed use of water unreasonably affects surrounding landowners.

Sec. 8810.102. PERMITS FOR CERTAIN ACTIVITIES; APPLICABLE RULES.

(a) The district may require a permit for any activity that extracts groundwater or allows more than 25,000 gallons of groundwater a day to escape.

(b) If a permit is required under Subsection (a), the permit holder is subject to rules adopted by the district to:

(1) conserve, preserve, protect, and recharge the groundwater

or a groundwater reservoir or its subdivisions to control subsidence, prevent degradation of groundwater quality, and prevent waste of groundwater; and

(2) carry out any other power or duty under Chapter 36, Water Code.

(c) To the extent of a conflict, this section controls over Section 36.117(b), Water Code.

Sec. 8810.103. IMPACT OF TRANSFER. (a) If the district finds that a transfer of groundwater out of the district negatively impacts any of the factors described by Section 36.122(f), Water Code, the district may impose additional requirements or limitations on the permit that are designed to minimize those impacts.

(b) Sections 36.122(c), (e), (i), and (j), Water Code, do not apply to a requirement or limitation imposed under this section.

Sec. 8810.104. CONTRACTS WITH OTHER GOVERNMENTAL ENTITIES. The district and another governmental entity, including a river authority located in the district, may enter into a contract for the performance by that entity of a district function.

Sec. 8810.105. REVENUE. (a) To pay the maintenance and operating costs of the district and to pay any bonds or notes issued by the district, the district may:

(1) impose ad valorem taxes at a rate not to exceed five cents on each \$100 of assessed valuation of taxable property;

(2) assess fees for services or for water withdrawn from nonexempt wells; or

(3) solicit and accept grants from any private or public source.

(b) The district may not impose ad valorem taxes to pay the maintenance and operating costs of the district at a rate that exceeds the maximum rate approved by a majority of the voters of the district voting at an election in the district held for that purpose.

Sec. 8810.106. PROHIBITION ON DISTRICT USE OF EMINENT DOMAIN POWERS. The district may not exercise the power of eminent domain.

[Sections 8810.107-8810.150 reserved for expansion]

#### SUBCHAPTER D. DISSOLUTION

Sec. 8810.151. ELECTION FOR DISSOLUTION. (a) If the district has no outstanding bond or other long-term indebtedness, the district may be dissolved by a favorable vote of a majority of the registered voters of the district at an election called for that purpose.

(b) The board shall call a dissolution election if the board

receives a petition for dissolution signed by at least 50 percent of the registered voters in the district as computed by using the list of registered voters for Burnet County.

(c) If the district is dissolved under this section, the board shall:

(1) notify the Texas Commission on Environmental Quality and the secretary of state of the dissolution; and

(2) transfer title to any assets of the district to Burnet County.

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

(b) The governor has submitted the notice and Act to the Texas Commission on Environmental Quality.

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

(d) All requirements of the constitution and 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 3. 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, 2005.

