A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, powers, duties, operation, and financing of the Bell County Underground Water Conservation District.

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

SECTION 1. CREATION. (a) The Commissioners Court of Bell County may authorize creation of an underground water conservation district, to be known as the Bell County Underground Water Conservation District, subject to approval at a confirmation election under Section 9 of this Act. The district is a governmental agency and a body politic and corporate.

(b) The district is created under and is essential to accomplish the purposes of Article XVI, Section 59, of the Texas Constitution.

SECTION 2. DEFINITION. In this Act, "district" means the Bell County Underground Water Conservation District.

SECTION 3. BOUNDARIES. The district includes all the territory located within Bell County.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. The legislature finds that the boundaries of the district form a closure.

SECTION 5. FINDING OF BENEFIT. All of the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conferred by Article XVI, Section 59, of
the Texas Constitution. The district is created to serve a public
use and benefit.

SECTION 6. POWERS. (a) The district has all of the rights,
powers, privileges, authority, functions, and duties provided by
the general law of this state, including Chapters 50 and 52, Water
Code, applicable to underground water conservation districts
created under Article XVI, Section 59, of the Texas Constitution.
This Act prevails over any provision of general law that is in
conflict or inconsistent with this Act.

(b) The rights, powers, privileges, authority, functions,
and duties of the district are subject to the continuing right of
supervision of the state to be exercised by and through the Texas
Water Commission.

SECTION 7. BOARD OF DIRECTORS. (a) The district is
governed by a board of five directors.

(b) Temporary directors serve until initial permanent
directors are elected under Section 9.

(c) Initial permanent directors serve until permanent
directors are elected under Section 10.

(d) Permanent directors other than initial permanent
directors serve staggered four-year terms.

(e) Each director must qualify to serve as director in the
manner provided by Sections 51.078 and 51.079, Water Code.

(f) A director serves until the director's successor has
qualified.

SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a)
The Commissioners Court of Bell County by formal resolution may
authorize creation of the district on confirmation of the creation
by the voters at an election called and held as provided by Section
9 of this Act.

(b) In the resolution, the commissioners court shall appoint
a temporary board of five directors.

(c) If a temporary director fails to qualify for office or
if a vacancy occurs on the temporary board, the Commissioners Court
of Bell County shall appoint a person to fill the vacancy.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

(a) The temporary board of directors shall call and hold an
election to confirm establishment of the district and to elect five
initial directors.

(b) A person who desires to be a candidate for the office of
initial director may file an application with the temporary board
to have the candidate's name printed on the ballot as provided by
Section 51.075, Water Code.

(c) At the confirmation and initial directors' election, the
temporary board of directors shall have the names of the five
persons serving as temporary directors placed on the ballot
together with the name of any candidate filing for the office of
director as provided by Subsection (b) of this section and blank
spaces to write in the names of other persons. If the district is
created at the election, the temporary directors, at the time the
vote is canvassed, shall declare the five persons who receive the
most votes to be elected as the initial directors and shall include
the results of the directors' election in its election report to
the Texas Water Commission.
(d) Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

(e) Except as provided by this section, a confirmation and initial directors' election must be conducted as provided by Sections 52.058(b)-(g), Water Code, and the Election Code.

(f) Pending creation authorization and confirmation of creation under Sections 8 and 9 of this Act, another underground water conservation district may not be created that includes all or part of the territory located in Bell County. Regardless of whether the district authorized by this Act is confirmed or defeated at a confirmation election held under this Act, an underground water conservation district other than the district authorized by this Act that includes all or part of the territory of Bell County may not be created unless that district is approved by a majority of the qualified voters of Bell County voting at an election called and held for that purpose.

SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in May of the second 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 who shall each serve two-year terms and three directors who shall each serve four-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board.

SECTION 11. TAXES. (a) Except as provided by Subsection (b) of this section, on approval of a majority of the qualified
voters of the district at an election called and held for that purpose, the district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district to pay for the maintenance and operation of the district.

(b) If the district's board of directors determines that the maximum tax authorized by Subsection (a) of this section is not sufficient to pay the maintenance and operating expenses of the district and on approval of a majority of the qualified voters of the district voting at an election called and held for that purpose, the board of directors may increase the maximum amount of property taxes that may be levied and collected in the district. The maximum amount of taxes that may be authorized under this subsection may not exceed 25 cents on each $100 of valuation of property in the district.

(c) Except as provided by this section, ad valorem taxes levied and collected by the district and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code.

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

(a) The proper and 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 by the constitution and other laws of this state, including the governor, who has submitted the notice and Act to the Texas Water Commission.
(b) The Texas Water Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(c) 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 13. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.
PUBLISHER'S AFFIDAVIT
THE STATE OF TEXAS
COUNTY OF BELL

Personally appeared before the undersigned
authority ____________ 

who being sworn says that the attached ____________ 

__________ Legal Notice

was published in the Killeen Daily Herald on the 

following dates to-wit: ____________ 


at a cost of $ ____________ 

\[\text{Signature:}\] 

 Classified Supervisor

Subscribed and sworn to me this ____________ day of ____________ 

\[\text{Signature:}\] 

Notary Public, Bell County, Texas

My commission expires ____________

Notice is hereby given of intent to introduce during the 71st Tex-
as Legislature legislation relating to the creation, admin-
istration, powers, duties, opera-
tion and financing of an under-
ground water conservation dis-
trict in Bell County.

(Legal Notice Published in the 
Killeen Daily Herald April 5, 
1989.)
PUBLISHER'S AFFIDAVIT

STATE OF TEXAS

COUNTY OF BELL

Before me, a Notary Public in and for Bell County this day personally appeared Stan Thomas, Classified Mgr, Temple Daily Telegram, who, being duly sworn, states that the following advertisement was published in the Temple Daily Telegram, on April 4, 1989.

Notice is hereby given of intent to introduce during the 71st Texas Legislature legislation relating to the creation, administration, powers, duties, operation, and financing of an underground water conservation district in Bell County.

Stan Thomas, Classified Manager

Sworn to and subscribed before me this 5th day of April, 1989.

LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES
STATE OF TEXAS

TO: The Honorable William P. Clements, Jr.
Governor of Texas

SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Water Commission copies of House Bill No. 372, a bill relating to a conservation and reclamation district, and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Water Commission, under Section 59(d), Article XVI, Constitution of the State of Texas.

MAY 2 1989
Date transmitted to
Governor's Office

Betty Murray, Chief Clerk
House of Representatives

TO: Texas Water Commission

SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of House Bill No. ______, a bill relating to a conservation and reclamation district, and a copy of the notice of intention to introduce the bill.

5/2/89
Date transmitted to
Texas Water Commission

William P. Clements, Jr.
Governor

TO: The Honorable Gibson D. "Gib" Lewis
Speaker of the House

The Honorable William P. Hobby
President of the Senate

The Honorable William P. Clements, Jr.
Governor of Texas

SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are the recommendations of the Texas Water Commission on House Bill No. _______, in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.

Allen Beinke
Executive Director
May 9, 1989

The Honorable Gib Lewis
Speaker of the House of Representatives
P.O. Box 2910
Austin, Texas 78769

Re: Responsibility of the Texas Water Commission to submit a recommendation on legislation pursuant to Article XVI, Section 59(d), Texas Constitution; and Responsibility of the Texas Water Commission and the Texas Water Development Board to submit a water development policy impact statement pursuant to HOUSE RULE 4 Sec. 36.

Bill No. (S.B. 1809/H.B. 3172) - Proposed creation of a conservation and reclamation district pursuant to Article III, S52 and Article XVI, S59(d), Texas Constitution: Bell County Underground Water Conservation District

Dear Speaker Lewis:

The following attachment is submitted in response to the above-referenced constitutional and house rule requirements. Comments on items 1) and 4) were provided by the Texas Water Development Board and comments on the remaining items were provided by the Texas Water Commission.

Sincerely,

Allen Beinke
Executive Director

cc w/enclosure: Ms. Betty Murray, Chief Clerk, House of Representatives
Ms. Betty King, Secretary of the Senate
Representative Terral Smith, Chairman, House Natural Resources Committee
Senator Bill Sims, State Senate
Senator Temple Dickson, State Senate
Representative Stan Schlueter, House of Representatives
TEXAS WATER COMMISSION AND TEXAS WATER DEVELOPMENT BOARD
COMMENTS RELATING TO THE BELL COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

Water Development Policy Impact Statements for Senate Bill 1809/House Bill 3172
(S.B.1809/H.B.3172) relating to the creation, administration, powers, duties,
operation, and financing of the Bell County Underground Water Conservation
District follow.

Wells located within the confines of this proposed district, which includes all of
Bell County, obtain their water principally from the Trinity Group aquifer which
underlies the entire county. Additionally, the Edwards (Balcones Fault Zone)
aquifer yields ground water in the south-central part of the county. Other
aquifers which are also known to produce significant amounts of usable-quality
water are the Paluxy, Glen Rose, and Georgetown Formations. There appears to be
no hydrogeologic justification for the determination of district boundaries. This
county is currently involved in the state's critical area process.

S.B.1809/H.B.3172 provide that the proposed district would have all of the rights,
powers, privileges, authority, functions, and duties provided by the general law
of this state, including Chapters 50 and 52, Texas Water Code, applicable to
underground water conservation districts created under Article XVI, Section 59, of
the Texas Constitution. Specific impact statements related to required headings
follow.

1) Population projections - The boundaries of the proposed District are
coterminous with the boundaries of Bell County. The Board's current
projections of population for Bell County indicate an anticipated
increase in population ranging from 30,423 to 78,853 over the next 20
years, above an estimated current population of 179,579.
2) **District finances** - The district may issue and sell bonds, and levy ad valorem taxes to pay for all or part of the bonds and for the district's maintenance. The district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district, to pay for its maintenance and operation. In the event the board determines that this amount is not sufficient to pay for these expenses and on the approval of the majority of the qualified district voters at an election called and held for that purpose, the board may increase the maximum amount of taxes not to exceed 25 cents on each $100 of valuation of district property. Except as specifically set out above, ad valorem taxes levied and collected and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code. The board shall also include in any bond proposition the maximum amount of the bonds to be issued and their maximum maturity date.

3) **Board of directors & powers** - This proposed district is to be governed by a board of five directors. The bill provides for and describes three sets of boards of directors. These are a temporary board, an initial permanent board, and the final permanent board. The Commissioners Court of Bell County, by formal resolution, may authorize creation of the district on confirmation of the creation by the voters at an election called and held as provided in the act. In this same resolution, the Commissioners Court shall appoint a temporary board of five directors. If a temporary director fails to qualify for office, the county Commissioners Court shall appoint a person to fill the vacancy. Temporary directors serve until initial permanent directors are elected and the initial permanent directors serve until the permanent directors are elected. Other than initial permanent directors, permanent directors serve staggered four-year terms. Each director serves until his successor has qualified. Each director must qualify in the manner provided by Sections 51.078 and 51.079, Texas Water Code.

The temporary board shall call and hold a confirmation election and elect five initial permanent directors. A person who desires to be a candidate
for the office of initial permanent director may file an application with
the temporary board to have their name printed on the ballot as provided
by Section 51.075, Texas Water Code. At the election, the names of the
five persons serving as temporary directors, together with any candidate
filing for the office of director, shall be placed on the ballot. The
ballot shall also provide blank spaces to write in the names of other
persons. If the district is created at this election, the temporary
directors at the time the vote is canvassed, shall declare the persons
who receive the most votes to be elected as the initial permanent
directors. The district shall include the results of the election in its
election report to the Texas Water Commission. Section 41.001(a),
Election Code, does not apply to the confirmation election; however, it
must be conducted as provided by Sections 52.058(b) - (g), Texas Water
Code, and the Election Code.

On the first Saturday of May of the second year after the year in which the
district is authorized to be created, an election shall be held for the
election of two permanent directors who shall serve two-year terms and three
permanent directors who shall each serve four-year terms. Thereafter, on the
same date in each subsequent second year, the appropriate number of directors
shall be elected to the board. Thus, the permanent directors serve staggered
four-year terms.

The district will have all of the rights, powers, privileges, authority,
functions, and duties provided by the general law of the state, including
Chapters 50 and 52, Texas Water Code, applicable to underground water
conservation districts created under Article XVI, Section 59 of the Texas
Constitution. These will primarily include the making and enforcement of
rules for conserving, preserving, protecting, recharging, controlling
subsidence, and preventing the waste of water of an underground water
reservoir. The district would also have the authority to regulate
spacing and production of water wells. This act prevails over any
provision of general law that is in conflict or inconsistent with it.
4) **Effect on Texas Water Development Board's water plan** - The Board finds that the creation of the proposed District agrees with the State Water Plan objective of promoting more efficient use of local groundwater resources through the management and conservation of available water supplies.

5) **Texas Water Commission's supervision** - This proposed district will be under the "continuing right of supervision of the State of Texas" by the Commission as set out by Section 12.081 of the Texas Water Code. It is also subject to applicable general reporting provision requirements for all districts as set out in Subchapter A, Section 50.001 through 50.106, Texas Water Code, as well as the general reporting requirements mandated by the Texas Water Commission.

Annually, the district shall make available to the Commission information that it acquires concerning underground water resources within its jurisdiction. The district shall also provide information to the Commission concerning its plans and activities in conserving and protecting underground water resources (Section 52.173).

Issuance of bonds and notes authorized for certain items must be approved by the Commission in the manner provided for bonds of municipal utility districts under Section 54.516 of Chapter 54, Texas Water Code. These include those authorized to: 1) erect or construct dams or to drain lakes, draws, depressions, and creeks; and 2) install pumps and other equipment.

6) **Eminent domain power** - This district may exercise this power to acquire any land or other property necessary to carry out this act.

7) **Exclusion of land from district** - This bill contains no specific provisions for the exclusion of land from the district.

8) **Adequacy of the boundary description** - The bill provides that the district include all the area of Bell County, therefore, the boundary
description is adequate in terms of closure. Since this district has no water conservation and improvement district powers, it will not conflict with the five active districts of this nature which operate within the county. There now appears to be no apparent conflicts between the boundaries of this districts and those of other existing districts.

9) Comment on powers and duties different from similar types of districts - This bill proposes the creation of an underground water conservation district, and as such it will be given all of the powers that are normally associated with Chapters 50 and 52, Texas Water Code, related to these districts; therefore, there are no unusual powers or duties which have been granted to this district.
A BILL TO BE ENTITLED
AN ACT
relating to the creation, administration, powers, duties, operation, and financing of the Bell County Underground Water Conservation District.

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

SECTION 1. CREATION. (a) The Commissioners Court of Bell County may authorize creation of an underground water conservation district, to be known as the Bell County Underground Water Conservation District, subject to approval at a confirmation election under Section 9 of this Act. The district is a governmental agency and a body politic and corporate.

(b) The district is created under and is essential to accomplish the purposes of Article XVI, Section 59, of the Texas Constitution.

SECTION 2. DEFINITION. In this Act, "district" means the Bell County Underground Water Conservation District.

SECTION 3. BOUNDARIES. The district includes all the territory located within Bell County.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. The legislature finds that the boundaries of the district form a closure.

SECTION 5. FINDING OF BENEFIT. All of the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conferred by Article XVI, Section 59, of
the Texas Constitution. The district is created to serve a public
use and benefit.

SECTION 6. POWERS. (a) The district has all of the rights,
powers, privileges, authority, functions, and duties provided by
the general law of this state, including Chapters 50 and 52, Water
Code, applicable to underground water conservation districts
created under Article XVI, Section 59, of the Texas Constitution.
This Act prevails over any provision of general law that is in
conflict or inconsistent with this Act.

(b) The rights, powers, privileges, authority, functions,
and duties of the district are subject to the continuing right of
supervision of the state to be exercised by and through the Texas
Water Commission.

SECTION 7. BOARD OF DIRECTORS. (a) The district is
governed by a board of five directors.

(b) Temporary directors serve until initial permanent
directors are elected under Section 9.

(c) Initial permanent directors serve until permanent
directors are elected under Section 10.

(d) Permanent directors other than initial permanent
directors serve staggered four-year terms.

(e) Each director must qualify to serve as director in the
manner provided by Sections 51.078 and 51.079, Water Code.

(f) A director serves until the director's successor has
qualified.

SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a)
The Commissioners Court of Bell County by formal resolution may
authorize creation of the district on confirmation of the creation by the voters at an election called and held as provided by Section 9 of this Act.

(b) In the resolution, the commissioners court shall appoint a temporary board of five directors.

(c) If a temporary director fails to qualify for office or if a vacancy occurs on the temporary board, the Commissioners Court of Bell County shall appoint a person to fill the vacancy.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

(a) The temporary board of directors shall call and hold an election to confirm establishment of the district and to elect five initial directors.

(b) A person who desires to be a candidate for the office of initial director may file an application with the temporary board to have the candidate's name printed on the ballot as provided by Section 51.075, Water Code.

(c) At the confirmation and initial directors' election, the temporary board of directors shall have the names of the five persons serving as temporary directors placed on the ballot together with the name of any candidate filing for the office of director as provided by Subsection (b) of this section and blank spaces to write in the names of other persons. If the district is created at the election, the temporary directors, at the time the vote is canvassed, shall declare the five persons who receive the most votes to be elected as the initial directors and shall include the results of the directors' election in its election report to the Texas Water Commission.
(d) Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

(e) Except as provided by this section, a confirmation and initial directors' election must be conducted as provided by Sections 52.058(b)-(g), Water Code, and the Election Code.

(f) Pending creation authorization and confirmation of creation under Sections 8 and 9 of this Act, another underground water conservation district may not be created that includes all or part of the territory located in Bell County. Regardless of whether the district authorized by this Act is confirmed or defeated at a confirmation election held under this Act, an underground water conservation district other than the district authorized by this Act that includes all or part of the territory of Bell County may not be created unless that district is approved by a majority of the qualified voters of Bell County voting at an election called and held for that purpose.

SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in May of the second 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 who shall each serve two-year terms and three directors who shall each serve four-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board.

SECTION 11. TAXES. (a) Except as provided by Subsection (b) of this section, on approval of a majority of the qualified
voters of the district at an election called and held for that
purpose, the district may levy and collect a property tax in an
amount not to exceed five cents on each $100 of valuation of
property in the district to pay for the maintenance and operation
of the district.

(b) If the district's board of directors determines that the
maximum tax authorized by Subsection (a) of this section is not
sufficient to pay the maintenance and operating expenses of the
district and on approval of a majority of the qualified voters of
the district voting at an election called and held for that
purpose, the board of directors may increase the maximum amount of
property taxes that may be levied and collected in the district.
The maximum amount of taxes that may be authorized under this
subsection may not exceed 25 cents on each $100 of valuation of
property in the district.

(c) Except as provided by this section, ad valorem taxes
levied and collected by the district and elections authorizing
those taxes are governed by Chapter 52 of the Water Code, Title 1

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

(a) The proper and 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 by the
constitution and other laws of this state, including the governor,
who has submitted the notice and Act to the Texas Water Commission.
COMMITTEE AMENDMENT NO. 1

Amend H.B. No. 3172 as follows:

(1) On page 1, line 8, strike "Bell County" and substitute "Clearwater".

(2) On page 1, line 16, strike "Bell County" and substitute "Clearwater".

COMMITTEE AMENDMENT NO. 2

Amend HB 3172 as follows:

Delete on page 4, subsection (f), lines 7-17.

Smith of Travis
(b) The Texas Water Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(c) 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 13. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.
COMMITTEE REPORT

The Honorable Gib Lewis
Speaker of the House of Representatives

May 5, 1989
(date)

Sir:

We, your COMMITTEE ON NATURAL RESOURCES,
to whom was referred HB 3172 (measure) have had the same under consideration and beg to report
back with the recommendation that it
( ) do pass, without amendment.
( ) do pass, with amendment(s).
( ) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. ( ) yes ( ) no
An actuarial analysis was requested. ( ) yes ( ) no

An author’s fiscal statement was requested. ( ) yes ( ) no

A criminal justice policy impact statement was prepared. ( ) yes ( ) no

A water development policy impact statement was requested. ( ) yes ( ) no

( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars for
placement on the ( ) Local, ( ) Consent, or ( ) Resolutions Calendar.

This measure ( ) proposes new law. ( ) amends existing law.

Honor Roll of Senate Measure

The measure was reported from Committee by the following vote:

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Total

7 aye
0 nay
0 present, not voting
2 absent

Chairman

Deborah K. Wall

Committee Coordinator
Background

It is believed that creation of the Bell County Water Conservation District would be beneficial to the residents of the area.

Purpose of the Bill

This bill creates the district and provides for its operation.

Section by Section Analysis

Section 1. Creates the district.

Section 2. Definition.

Section 3. Includes all territory in Bell County in the district.

Section 4. Finding of closure.

Section 5. Finding of benefit.

Section 6. Provides for the general powers of the district under Chapters 50 and 52, Water Code, as applicable to districts created under Article XVI, Section 59 of the Texas Constitution, subject to commission supervision.

Section 7. Provides for a five member board of directors serving staggered four year terms. Provides for additional terms and conditions of service.

Section 8. Allows the county commissioners court to authorize creation of the district following confirmation by election, and to appoint the temporary board.

Section 9. Provides procedures for holding a district confirmation and directors election. Prohibits creation of another district in the county while creation of this district is pending.

Section 10. Provides for regular directors' elections to be held on the first Saturday in May every second year following district creation.

Section 11. Allows taxes of up to 5 cents per $100 valuation on approval of voters initially, with a maximum of 25 cents per $100 valuation.

Section 12. Findings of compliance with procedural requirements.

Section 13. Emergency clause.
Rulemaking Authority

It is the opinion of this committee that this bill does not delegate rulemaking authority to any state agency, officer, department, or institution.

Summary of Committee Action

The posting rules were suspended on May 3, 1989 in order for the committee to take up HB 3172 in public hearing. Representative Willy laid out the bill and moved that it be left pending in committee until necessary amendments could be drafted. There being no objection, HB3172 was left pending in committee at that time.

On May 5, 1989 HB 3172 was considered in formal meeting. Representative Yost offered amendment 1 to change the name of the district to the Clearwater Underground Water Conservation District. There being no objection, the amendment was adopted. Representative Smith proposed amendment 2, striking out Subsection 9(f) entirely, removing the provision that another underground water district not be created in Bell County while creation of the Clearwater district was pending. There being no objection, the amendment was adopted.

The motion to report HB 3172 favorably, with amendments, to the consent calendar carried with a vote of 7 ayes, 0 nays, 0 PNV, and 2 absent.
May 3, 1989

Honorable Terral Smith
Committee on Natural Resources
Room 214
Reagan Building

Dear Terral:

In response to your request for an Author's Fiscal Statement on House Bill 3172, I have determined the following:

1. COST TO STATE GOVERNMENT: No fiscal implication to the State is anticipated.

2. COST TO BELL COUNTY GOVERNMENT: As provided in the bill, the County would create the Bell County Underground Water District. If a special election is called the cost would be approximately $3000.00. If the election is held during a previously called election, the additional cost would be negligible.

3. FISCAL YEAR PROJECTIONS:

   1989...anticipated cost $3000.00
   1990...no additional cost anticipated
   1991...no additional cost anticipated
   1992...no additional cost anticipated
   1993...no additional cost anticipated

If you need additional information, please let me know.

Very truly yours,

STAN SCHLUETER
CHAIRMAN
CALENDARS COMMITTEE

SS: cj
May 9, 1989

The Honorable William P. Clements, Jr.
Governor of Texas

The Honorable William P. Hobby
Lieutenant Governor and President of the Senate

Re: Responsibility of the Texas Water Commission to submit a recommendation on legislation pursuant to Article XVI, Section 59(d), Texas Constitution.

Bill No. (S.B. 1809/H.B. 3172) - Proposed creation of a conservation and reclamation district pursuant to Article III, S52 and Article XVI, S59(d), Texas Constitution: Bell County Underground Water Conservation District

Dear Lieutenant Governor Hobby:

The following attachment is submitted in response to the above-referenced constitutional requirements. Items 1) and 4) were provided by the Texas Water Development Board and comments on the remaining items were provided by the Texas Water Commission.

Sincerely,

Allen P. Beinke
Executive Director

cc w/enclosure: Ms. Betty Murray, Chief Clerk, House of Representatives
Ms. Betty King, Secretary of the Senate
Representative Terral Smith, Chairman,
House Natural Resources Committee
Speaker of the House Gib Lewis, House of Representatives
Senator H. Tati Santiesteban, Chairman,
Senate Natural Resources Committee
Senator Bill Sims, State Senate
Senator Temple Dickson, State Senate
Representative Stan Schlueter, House of Representatives
TEXAS WATER COMMISSION AND TEXAS WATER DEVELOPMENT BOARD
COMMENTS RELATING TO THE BELL COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

Water Development Policy Impact Statements for Senate Bill 1809/House Bill 3172 (S.B.1809/H.B.3172) relating to the creation, administration, powers, duties, operation, and financing of the Bell County Underground Water Conservation District follow.

Wells located within the confines of this proposed district, which includes all of Bell County, obtain their water principally from the Trinity Group aquifer which underlies the entire county. Additionally, the Edwards (Balcones Fault Zone) aquifer yields ground water in the south-central part of the county. Other aquifers which are also known to produce significant amounts of usable-quality water are the Paluxy, Glen Rose, and Georgetown Formations. There appears to be no hydrogeologic justification for the determination of district boundaries. This county is currently involved in the state's critical area process.

S.B.1809/H.B.3172 provide that the proposed district would have all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 50 and 52, Texas Water Code, applicable to underground water conservation districts created under Article XVI, Section 59, of the Texas Constitution. Specific impact statements related to required headings follow.

1) Population projections - The boundaries of the proposed District are coterminous with the boundaries of Bell County. The Board's current projections of population for Bell County indicate an anticipated increase in population ranging from 30,423 to 78,853 over the next 20 years, above an estimated current population of 179,579.
2) **District finances** - The district may issue and sell bonds, and levy ad valorem taxes to pay for all or part of the bonds and for the district's maintenance. The district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district, to pay for its maintenance and operation. In the event the board determines that this amount is not sufficient to pay for these expenses and on the approval of the majority of the qualified district voters at an election called and held for that purpose, the board may increase the maximum amount of taxes not to exceed 25 cents on each $100 of valuation of district property. Except as specifically set out above, ad valorem taxes levied and collected and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code. The board shall also include in any bond proposition the maximum amount of the bonds to be issued and their maximum maturity date.

3) **Board of directors & powers** - This proposed district is to be governed by a board of five directors. The bill provides for and describes three sets of boards of directors. These are a temporary board, an initial permanent board, and the final permanent board. The Commissioners Court of Bell County, by formal resolution, may authorize creation of the district on confirmation of the creation by the voters at an election called and held as provided in the act. In this same resolution, the Commissioners Court shall appoint a temporary board of five directors. If a temporary director fails to qualify for office, the county Commissioners Court shall appoint a person to fill the vacancy. Temporary directors serve until initial permanent directors are elected and the initial permanent directors serve until the permanent directors are elected. Other than initial permanent directors, permanent directors serve staggered four-year terms. Each director serves until his successor has qualified. Each director must qualify in the manner provided by Sections 51.078 and 51.079, Texas Water Code.

The temporary board shall call and hold a confirmation election and elect five initial permanent directors. A person who desires to be a candidate
for the office of initial permanent director may file an application with the temporary board to have their name printed on the ballot as provided by Section 51.075, Texas Water Code. At the election, the names of the five persons serving as temporary directors, together with any candidate filing for the office of director, shall be placed on the ballot. The ballot shall also provide blank spaces to write in the names of other persons. If the district is created at this election, the temporary directors at the time the vote is canvassed, shall declare the persons who receive the most votes to be elected as the initial permanent directors. The district shall include the results of the election in its election report to the Texas Water Commission. Section 41.001(a), Election Code, does not apply to the confirmation election; however, it must be conducted as provided by Sections 52.058(b) - (g), Texas Water Code, and the Election Code.

On the first Saturday of May of the second year after the year in which the district is authorized to be created, an election shall be held for the election of two permanent directors who shall serve two-year terms and three permanent directors who shall each serve four-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board. Thus, the permanent directors serve staggered four-year terms.

The district will have all of the rights, powers, privileges, authority, functions, and duties provided by the general law of the state, including Chapters 50 and 52, Texas Water Code, applicable to underground water conservation districts created under Article XVI, Section 59 of the Texas Constitution. These will primarily include the making and enforcement of rules for conserving, preserving, protecting, recharging, controlling subsidence, and preventing the waste of water of an underground water reservoir. The district would also have the authority to regulate spacing and production of water wells. This act prevails over any provision of general law that is in conflict or inconsistent with it.
4) **Effect on Texas Water Development Board's water plan** - The Board finds that the creation of the proposed District agrees with the State Water Plan objective of promoting more efficient use of local groundwater resources through the management and conservation of available water supplies.

5) **Texas Water Commission's supervision** - This proposed district will be under the "continuing right of supervision of the State of Texas" by the Commission as set out by Section 12.081 of the Texas Water Code. It is also subject to applicable general reporting provision requirements for all districts as set out in Subchapter A, Section 50.001 through 50.106, Texas Water Code, as well as the general reporting requirements mandated by the Texas Water Commission.

Annually, the district shall make available to the Commission information that it acquires concerning underground water resources within its jurisdiction. The district shall also provide information to the Commission concerning its plans and activities in conserving and protecting underground water resources (Section 52.173).

Issuance of bonds and notes authorized for certain items must be approved by the Commission in the manner provided for bonds of municipal utility districts under Section 54.516 of Chapter 54, Texas Water Code. These include those authorized to: 1) erect or construct dams or to drain lakes, draws, depressions, and creeks; and 2) install pumps and other equipment.

6) **Eminent domain power** - This district may exercise this power to acquire any land or other property necessary to carry out this act.

7) **Exclusion of land from district** - This bill contains no specific provisions for the exclusion of land from the district.

8) **Adequacy of the boundary description** - The bill provides that the district include all the area of Bell County, therefore, the boundary
description is adequate in terms of closure. Since this district has no water conservation and improvement district powers, it will not conflict with the five active districts of this nature which operate within the county. There now appears to be no apparent conflicts between the boundaries of this district and those of other existing districts.

9) **Comment on powers and duties different from similar types of districts** - This bill proposes the creation of an underground water conservation district, and as such it will be given all of the powers that are normally associated with Chapters 50 and 52, Texas Water Code, related to these districts; therefore, there are no unusual powers or duties which have been granted to this district.
Amend H.B. No. 3172 as follows:

(1) On page 1, line 8, strike "Bell County" and substitute "Clearwater".

(2) On page 1, line 16, strike "Bell County" and substitute "Clearwater".
COMMITTEE AMENDMENT NO. 2  

BY T. Smith

1 Amend HB 3172 as follows:

2 Delete on page 4, subsection (f), lines 7-17.
A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, powers, duties, 
operation, and financing of the Clearwater Underground Water 
Conservation District.

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

SECTION 1. CREATION. (a) The Commissioners Court of Bell 
County may authorize creation of an underground water conservation 
district, to be known as the Clearwater Underground Water 
Conservation District, subject to approval at a confirmation 
election under Section 9 of this Act. The district is a 
governmental agency and a body politic and corporate.

(b) The district is created under and is essential to 
accomplish the purposes of Article XVI, Section 59, of the Texas 
Constitution.

SECTION 2. DEFINITION. In this Act, "district" means the 
Clearwater Underground Water Conservation District.

SECTION 3. BOUNDARIES. The district includes all the 
territory located within Bell County.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. The legislature 
finds that the boundaries of the district form a closure.

SECTION 5. FINDING OF BENEFIT. All of the land and other 
property included within the boundaries of the district will be 
benefited by the works and projects that are to be accomplished by 
the district under powers conferred by Article XVI, Section 59, of
the Texas Constitution. The district is created to serve a public
use and benefit.

SECTION 6. POWERS. (a) The district has all of the rights,
powers, privileges, authority, functions, and duties provided by
the general law of this state, including Chapters 50 and 52, Water
Code, applicable to underground water conservation districts
created under Article XVI, Section 59, of the Texas Constitution.
This Act prevails over any provision of general law that is in
conflict or inconsistent with this Act.

(b) The rights, powers, privileges, authority, functions,
and duties of the district are subject to the continuing right of
supervision of the state to be exercised by and through the Texas
Water Commission.

SECTION 7. BOARD OF DIRECTORS. (a) The district is
governed by a board of five directors.

(b) Temporary directors serve until initial permanent
directors are elected under Section 9.

(c) Initial permanent directors serve until permanent
directors are elected under Section 10.

(d) Permanent directors other than initial permanent
directors serve staggered four-year terms.

(e) Each director must qualify to serve as director in the
manner provided by Sections 51.078 and 51.079, Water Code.

(f) A director serves until the director's successor has
qualified.

SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a)
The Commissioners Court of Bell County by formal resolution may
H.B. No. 3172

authorize creation of the district on confirmation of the creation
by the voters at an election called and held as provided by Section
9 of this Act.

(b) In the resolution, the commissioners court shall appoint
a temporary board of five directors.

(c) If a temporary director fails to qualify for office or
if a vacancy occurs on the temporary board, the Commissioners Court
of Bell County shall appoint a person to fill the vacancy.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

(a) The temporary board of directors shall call and hold an
election to confirm establishment of the district and to elect five
initial directors.

(b) A person who desires to be a candidate for the office of
initial director may file an application with the temporary board
to have the candidate's name printed on the ballot as provided by
Section 51.075, Water Code.

(c) At the confirmation and initial directors' election, the
temporary board of directors shall have the names of the five
persons serving as temporary directors placed on the ballot
together with the name of any candidate filing for the office of
director as provided by Subsection (b) of this section and blank
spaces to write in the names of other persons. If the district is
created at the election, the temporary directors, at the time the
vote is canvassed, shall declare the five persons who receive the
most votes to be elected as the initial directors and shall include
the results of the directors' election in its election report to
the Texas Water Commission.
(d) Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

(e) Except as provided by this section, a confirmation and initial directors' election must be conducted as provided by Sections 52.058(b)-(g), Water Code, and the Election Code.

SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in May of the second 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 who shall each serve two-year terms and three directors who shall each serve four-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board.

SECTION 11. TAXES. (a) Except as provided by Subsection (b) of this section, on approval of a majority of the qualified voters of the district at an election called and held for that purpose, the district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district to pay for the maintenance and operation of the district.

(b) If the district's board of directors determines that the maximum tax authorized by Subsection (a) of this section is not sufficient to pay the maintenance and operating expenses of the district and on approval of a majority of the qualified voters of the district voting at an election called and held for that purpose, the board of directors may increase the maximum amount of
property taxes that may be levied and collected in the district. The maximum amount of taxes that may be authorized under this subsection may not exceed 25 cents on each $100 of valuation of property in the district.

(c) Except as provided by this section, ad valorem taxes levied and collected by the district and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code.

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

(a) The proper and 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 by the constitution and other laws of this state, including the governor, who has submitted the notice and Act to the Texas Water Commission.

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

(c) 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 13. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended,
and that this Act take effect and be in force from and after its
passage, and it is so enacted.
May 3, 1989

Honorable Terral Smith  
Committee on Natural Resources  
Room 214  
Reagan Building

Dear Terral:

In response to your request for an Author's Fiscal Statement on House Bill 3172, I have determined the following:

1. COST TO STATE GOVERNMENT: No fiscal implication to the State is anticipated.

2. COST TO BELL COUNTY GOVERNMENT: As provided in the bill, the County would create the Bell County Underground Water District. If a special election is called the cost would be approximately $3000.00. If the election is held during a previously called election, the additional cost would be negligible.

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   1993...no additional cost anticipated

If you need additional information, please let me know.

Very truly yours,

STAN SCHLUETER  
CHAIRMAN  
CALENDARS COMMITTEE

SS: cj
May 9, 1989

The Honorable Gib Lewis
Speaker of the House of Representatives
P.O. Box 2910
Austin, Texas 78769

Re: Responsibility of the Texas Water Commission to submit a recommendation on legislation pursuant to Article XVI, Section 59(d), Texas Constitution; and Responsibility of the Texas Water Commission and the Texas Water Development Board to submit a water development policy impact statement pursuant to HOUSE RULE 4 Sec. 36.

Bill No. (S.B. 1809/H.B. 3172) - Proposed creation of a conservation and reclamation district pursuant to Article III, S52 and Article XVI, S59(d), Texas Constitution: Bell County Underground Water Conservation District

Dear Speaker Lewis:

The following attachment is submitted in response to the above-referenced constitutional and house rule requirements. Comments on items 1) and 4) were provided by the Texas Water Development Board and comments on the remaining items were provided by the Texas Water Commission.

Sincerely,

Allen Beinke
Executive Director

cc w/enclosure: Ms. Betty Murray, Chief Clerk, House of Representatives
Ms. Betty King, Secretary of the Senate
Representative Terral Smith, Chairman, House Natural Resources Committee
Senator Bill Sims, State Senate
Senator Temple Dickson, State Senate
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TEXAS WATER COMMISSION AND TEXAS WATER DEVELOPMENT BOARD
COMMENTS RELATING TO THE BELL COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

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2) **District finances** - The district may issue and sell bonds, and levy ad valorem taxes to pay for all or part of the bonds and for the district's maintenance. The district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district, to pay for its maintenance and operation. In the event the board determines that this amount is not sufficient to pay for these expenses and on the approval of the majority of the qualified district voters at an election called and held for that purpose, the board may increase the maximum amount of taxes not to exceed 25 cents on each $100 of valuation of district property. Except as specifically set out above, ad valorem taxes levied and collected and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code. The board shall also include in any bond proposition the maximum amount of the bonds to be issued and their maximum maturity date.

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for the office of initial permanent director may file an application with
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five persons serving as temporary directors, together with any candidate
filing for the office of director, shall be placed on the ballot. The
ballot shall also provide blank spaces to write in the names of other
persons. If the district is created at this election, the temporary
directors at the time the vote is canvassed, shall declare the persons
who receive the most votes to be elected as the initial permanent
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election report to the Texas Water Commission. Section 41.001(a),
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district is authorized to be created, an election shall be held for the
election of two permanent directors who shall serve two-year terms and three
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shall be elected to the board. Thus, the permanent directors serve staggered
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provision of general law that is in conflict or inconsistent with it.
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7) Exclusion of land from district - This bill contains no specific provisions for the exclusion of land from the district.

8) Adequacy of the boundary description - The bill provides that the district include all the area of Bell County, therefore, the boundary
description is adequate in terms of closure. Since this district has no water conservation and improvement district powers, it will not conflict with the five active districts of this nature which operate within the county. There now appears to be no apparent conflicts between the boundaries of this districts and those of other existing districts.

9) **Comment on powers and duties different from similar types of districts** - This bill proposes the creation of an underground water conservation district, and as such it will be given all of the powers that are normally associated with Chapters 50 and 52, Texas Water Code, related to these districts; therefore, there are no unusual powers or duties which have been granted to this district.
REQUEST FOR LOCAL & UNCONTESTED CALENDAR PLACEMENT

Hon. Bill Sims, Chairman
Administration Committee

Sir:

Notice is hereby given that HB 3172 by: Schloeder / Dickson
was heard by the Committee on Natural Resources on 4-24, 1987
and reported out with the recommendation that it be placed on the Local and Uncontested Calendar.

Clerk of the reporting committee

IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A PRINTED COPY OF THE BILL OR RESOLUTION, WHICH ALONG WITH 14 ADDITIONAL COPIES OF THE BILL OR RESOLUTION SHOULD BE DELIVERED TO THE OFFICE OF THE COMMITTEE ON ADMINISTRATION, ROOM 419. PLEASE CALL 3-0350 IF YOU HAVE ANY QUESTIONS. DEADLINE FOR SUBMITTING BILLS FOR THE LOCAL CALENDAR IS 5:00 P.M. FRIDAY.

Paper clip the original to the bill; retain one copy for reporting committee files; deliver one copy to the bill sponsor.
Lt. Governor William P. Hobby  
President of the Senate

5-24-89
(date)/(time)

Sir:

We, your Committee on ___________ to which was referred
   HB 3172 by ___________ have on ___________, 1989, had the same
   (measure) (sponsor) (hearing date)

under consideration and I am instructed to report it back with the recommendation(s) that it

(✓) do pass and be printed

( ) do pass and be ordered not printed

(✓) and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. (✓) yes ( ) no
A revised fiscal note was requested. ( ) yes ( ) no
An actuarial analysis was requested. ( ) yes ( ) no
Considered by subcommittee. ( ) yes ( ) no

Senate Sponsor of House Measure ___________

The measure was reported from Committee by the following vote:

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By: Schlueter, Shine (Senate Sponsor - Dickson) H.B. No. 3172

(On the Senate - Received from the House May 17, 1989; May 18, 1989, read first time and referred to Committee on Natural Resources; May 25, 1989, reported favorably by the following vote: Yeas 6, Nays 0; May 25, 1989, sent to printer.)

COMMITTEE VOTE

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A BILL TO BE ENTITLED
AN ACT

relating to the creation, administration, powers, duties, operation, and financing of the Clearwater Underground Water Conservation District.

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

SECTION 1. CREATION. (a) The Commissioners Court of Bell County may authorize creation of an underground water conservation district, to be known as the Clearwater Underground Water Conservation District, subject to approval at a confirmation election under Section 9 of this Act. The district is a governmental agency and a body politic and corporate.

(b) The district is created under and is essential to accomplish the purposes of Article XVI, Section 59, of the Texas Constitution.

SECTION 2. DEFINITION. In this Act, "district" means the Clearwater Underground Water Conservation District.

SECTION 3. BOUNDARIES. The district includes all the territory located within Bell County.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. The legislature finds that the boundaries of the district form a closure.

SECTION 5. FINDING OF BENEFIT. All of the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conferred by Article XVI, Section 59, of the Texas Constitution. The district is created to serve a public use and benefit.

SECTION 6. POWERS. (a) The district has all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 50 and 52, Water Code, applicable to underground water conservation districts created under Article XVI, Section 59, of the Texas Constitution. This Act prevails over any provision of general law that is in conflict or inconsistent with this Act.

(b) The rights, powers, privileges, authority, functions, and duties of the district are subject to the continuing right of supervision of the state to be exercised by and through the Texas Water Commission.

SECTION 7. BOARD OF DIRECTORS. (a) The district is governed by a board of five directors.

(b) Temporary directors serve until initial permanent directors are elected under Section 9.

(c) Initial permanent directors serve until permanent directors are elected under Section 10.

(d) Permanent directors other than initial permanent directors serve staggered four-year terms.

(e) Each director must qualify to serve as director in the manner provided by Sections 51.078 and 51.079, Water Code.
(f) A director serves until the director's successor has qualified.

SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS.

(a) The Commissioners Court of Bell County by formal resolution may authorize creation of the district on confirmation of the creation by the voters at an election called and held as provided by Section 9 of this Act.

(b) In the resolution, the commissioners court shall appoint a temporary board of five directors.

(c) If a temporary director fails to qualify for office or if a vacancy occurs on the temporary board, the Commissioners Court of Bell County shall appoint a person to fill the vacancy.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

(a) The temporary board of directors shall call and hold an election to confirm establishment of the district and to elect five initial directors.

(b) A person who desires to be a candidate for the office of initial director may file an application with the temporary board to have the candidate's name printed on the ballot as provided by Section 51.075, Water Code.

(c) At the confirmation and initial directors' election, the temporary board of directors shall have the names of the five persons serving as temporary directors placed on the ballot together with the name of any candidate filing for the office of director in accordance with subsection (b) of this section and blank spaces to write in the names of other persons. If the district is created at the election, the temporary directors, at the time the vote is canvassed, shall declare the five persons who receive the most votes to be elected as the initial directors and shall include the results of the directors' election in its election report to the Texas Water Commission.

(d) Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

(e) Except as provided by this section, a confirmation and initial directors' election must be conducted as provided by Sections 52.058(b)-(g), Water Code, and the Election Code.

SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in May of the second 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 who shall each serve two-year terms and three directors who shall each serve three-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board.

SECTION 11. TAXES. (a) Except as provided by Subsection (b) of this section, on approval of a majority of the qualified voters of the district at an election called and held for that purpose, the district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district to pay for the maintenance and operation of the district.

(b) If the district's board of directors determines that the maximum tax authorized by Subsection (a) of this section is not sufficient to pay the maintenance and operating expenses of the district and on approval of a majority of the qualified voters of the district voting at an election called and held for that purpose, the board of directors may increase the maximum amount of property taxes that may be levied and collected in the district. The maximum amount of taxes that may be authorized under this subsection may not exceed 25 cents on each $100 of valuation of property in the district.

(c) Except as provided by this section, ad valorem taxes levied and collected by the district and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code.

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

(a) The proper and 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
to which they are required to be furnished by the
constitution and other laws of this state, including the governor,
who has submitted the notice and Act to the Texas Water Commission.
(b) The Texas Water Commission has filed its recommendations
relating to this Act with the governor, lieutenant governor, and
speaker of the house of representatives within the required time.
(c) 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 13. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended,
and that this Act take effect and be in force from and after its
passage, and it is so enacted.

* * * * *

Austin, Texas
May 25, 1989

Hon. William P. Hobby
President of the Senate

Sir:

We, your Committee on Natural Resources to which was referred H.B.
No. 3172, have had the same under consideration, and I am
instructed to report it back to the Senate with the recommendation
that it do pass and be printed.

Santiesteban, Chairman
TO:  Honorable H. Tati Santiesteban, Chairman
     Committee on Natural Resources
     Senate Chamber
     Austin, Texas

FROM:  Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 3172, as
engrossed (relating to the creation, administration, powers, duties, operation,
and financing of the Clearwater Underground Water Conservation District) this
office has determined the following:

No fiscal implication to the State is anticipated.

Because the bill would not have statewide impact on units of local
government of the same type or class, no comment from this office is required by
the rules of the Senate as to its probable fiscal implication on units of local
government.

Source:  LBB Staff:  JO, JWH, AL, SKM, NH
May 3, 1989

Honorable Terral Smith
Committee on Natural Resources
Room 214
Reagan Building

Dear Terral:

In response to your request for an Author's Fiscal Statement on House Bill 3172, I have determined the following:

1. COST TO STATE GOVERNMENT: No fiscal implication to the State is anticipated.

2. COST TO BELL COUNTY GOVERNMENT: As provided in the bill, the County would create the Bell County Underground Water District. If a special election is called the cost would be approximately $3000.00. If the election is held during a previously called election, the additional cost would be negligible.

3. FISCAL YEAR PROJECTIONS:

   1989...anticipated cost $3000.00
   1990...no additional cost anticipated
   1991...no additional cost anticipated
   1992...no additional cost anticipated
   1993...no additional cost anticipated

If you need additional information, please let me know.

Very truly yours,

[Signature]

STAN SCHLUETER
CHAIRMAN
CALENDARS COMMITTEE

SS: cj
May 9, 1989

The Honorable Gib Lewis
Speaker of the House of Representatives
P.O. Box 2910
Austin, Texas 78769

Re: Responsibility of the Texas Water Commission to submit a recommendation on legislation pursuant to Article XVI, Section 59(d), Texas Constitution; and Responsibility of the Texas Water Commission and the Texas Water Development Board to submit a water development policy impact statement pursuant to HOUSE RULE 4 Sec. 36.

Bill No. (S.B. 1809/H.B. 3172) - Proposed creation of a conservation and reclamation district pursuant to Article III, S52 and Article XVI, S59(d), Texas Constitution: Bell County Underground Water Conservation District

Dear Speaker Lewis:

The following attachment is submitted in response to the above-referenced constitutional and house rule requirements. Comments on items 1) and 4) were provided by the Texas Water Development Board and comments on the remaining items were provided by the Texas Water Commission.

Sincerely,

Allen Beinke
Executive Director

cc w/enclosure: Ms. Betty Murray, Chief Clerk, House of Representatives
Ms. Betty King, Secretary of the Senate
Representative Terral Smith, Chairman, House Natural Resources Committee
Senator Bill Sims, State Senate
Senator Temple Dickson, State Senate
Representative Stan Schlueter, House of Representatives
TEXAS WATER COMMISSION AND TEXAS WATER DEVELOPMENT BOARD
COMMENTS RELATING TO THE BELL COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

Water Development Policy Impact Statements for Senate Bill 1809/House Bill 3172
(S.B.1809/H.B.3172) relating to the creation, administration, powers, duties, operation, and financing of the Bell County Underground Water Conservation District follow.

Wells located within the confines of this proposed district, which includes all of Bell County, obtain their water principally from the Trinity Group aquifer which underlies the entire county. Additionally, the Edwards (Balcones Fault Zone) aquifer yields ground water in the south-central part of the county. Other aquifers which are also known to produce significant amounts of usable-quality water are the Paluxy, Glen Rose, and Georgetown Formations. There appears to be no hydrogeologic justification for the determination of district boundaries. This county is currently involved in the state's critical area process.

S.B.1809/H.B.3172 provide that the proposed district would have all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 50 and 52, Texas Water Code, applicable to underground water conservation districts created under Article XVI, Section 59, of the Texas Constitution. Specific impact statements related to required headings follow.

1) Population projections - The boundaries of the proposed District are coterminous with the boundaries of Bell County. The Board's current projections of population for Bell County indicate an anticipated increase in population ranging from 30,423 to 78,853 over the next 20 years, above an estimated current population of 179,579.
2) **District finances** - The district may issue and sell bonds, and levy ad valorem taxes to pay for all or part of the bonds and for the district's maintenance. The district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district, to pay for its maintenance and operation. In the event the board determines that this amount is not sufficient to pay for these expenses and on the approval of the majority of the qualified district voters at an election called and held for that purpose, the board may increase the maximum amount of taxes not to exceed 25 cents on each $100 of valuation of district property. Except as specifically set out above, ad valorem taxes levied and collected and elections authorizing those taxes are governed by Chapter 52 of the Water Code, Title 1 of the Tax Code, and the Election Code. The board shall also include in any bond proposition the maximum amount of the bonds to be issued and their maximum maturity date.

3) **Board of directors & powers** - This proposed district is to be governed by a board of five directors. The bill provides for and describes three sets of boards of directors. These are a temporary board, an initial permanent board, and the final permanent board. The Commissioners Court of Bell County, by formal resolution, may authorize creation of the district on confirmation of the creation by the voters at an election called and held as provided in the act. In this same resolution, the Commissioners Court shall appoint a temporary board of five directors. If a temporary director fails to qualify for office, the county Commissioners Court shall appoint a person to fill the vacancy. Temporary directors serve until initial permanent directors are elected and the initial permanent directors serve until the permanent directors are elected. Other than initial permanent directors, permanent directors serve staggered four-year terms. Each director serves until his successor has qualified. Each director must qualify in the manner provided by Sections 51.078 and 51.079, Texas Water Code.

The temporary board shall call and hold a confirmation election and elect five initial permanent directors. A person who desires to be a candidate
for the office of initial permanent director may file an application with the temporary board to have their name printed on the ballot as provided by Section 51.075, Texas Water Code. At the election, the names of the five persons serving as temporary directors, together with any candidate filing for the office of director, shall be placed on the ballot. The ballot shall also provide blank spaces to write in the names of other persons. If the district is created at this election, the temporary directors at the time the vote is canvassed, shall declare the persons who receive the most votes to be elected as the initial permanent directors. The district shall include the results of the election in its election report to the Texas Water Commission. Section 41.001(a), Election Code, does not apply to the confirmation election; however, it must be conducted as provided by Sections 52.058(b) - (g), Texas Water Code, and the Election Code.

On the first Saturday of May of the second year after the year in which the district is authorized to be created, an election shall be held for the election of two permanent directors who shall serve two-year terms and three permanent directors who shall each serve four-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board. Thus, the permanent directors serve staggered four-year terms.

The district will have all of the rights, powers, privileges, authority, functions, and duties provided by the general law of the state, including Chapters 50 and 52, Texas Water Code, applicable to underground water conservation districts created under Article XVI, Section 59 of the Texas Constitution. These will primarily include the making and enforcement of rules for conserving, preserving, protecting, recharging, controlling subsidence, and preventing the waste of water of an underground water reservoir. The district would also have the authority to regulate spacing and production of water wells. This act prevails over any provision of general law that is in conflict or inconsistent with it.
4) Effect on Texas Water Development Board's water plan - The Board finds that the creation of the proposed District agrees with the State Water Plan objective of promoting more efficient use of local groundwater resources through the management and conservation of available water supplies.

5) Texas Water Commission's supervision - This proposed district will be under the "continuing right of supervision of the State of Texas" by the Commission as set out by Section 12.081 of the Texas Water Code. It is also subject to applicable general reporting provision requirements for all districts as set out in Subchapter A, Section 50.001 through 50.106, Texas Water Code, as well as the general reporting requirements mandated by the Texas Water Commission.

Annually, the district shall make available to the Commission information that it acquires concerning underground water resources within its jurisdiction. The district shall also provide information to the Commission concerning its plans and activities in conserving and protecting underground water resources (Section 52.173).

Issuance of bonds and notes authorized for certain items must be approved by the Commission in the manner provided for bonds of municipal utility districts under Section 54.516 of Chapter 54, Texas Water Code. These include those authorized to: 1) erect or construct dams or to drain lakes, draws, depressions, and creeks; and 2) install pumps and other equipment.

6) Eminent domain power - This district may exercise this power to acquire any land or other property necessary to carry out this act.

7) Exclusion of land from district - This bill contains no specific provisions for the exclusion of land from the district.

8) Adequacy of the boundary description - The bill provides that the district include all the area of Bell County, therefore, the boundary
description is adequate in terms of closure. Since this district has no water conservation and improvement district powers, it will not conflict with the five active districts of this nature which operate within the county. There now appears to be no apparent conflicts between the boundaries of this districts and those of other existing districts.

9) Comment on powers and duties different from similar types of districts - This bill proposes the creation of an underground water conservation district, and as such it will be given all of the powers that are normally associated with Chapters 50 and 52, Texas Water Code, related to these districts; therefore, there are no unusual powers or duties which have been granted to this district.
PUBLISHER'S AFFIDAVIT

STATE OF TEXAS
COUNTY OF BELL

Before me, a Notary Public in and for Bell County this day personally appeared Stan Thomas, Classified Mgr, Temple Daily Telegram, who, being duly sworn, states that the following advertisement was published in the Temple Daily Telegram, on April 4, 1989.

\[
\text{Notice is hereby given of intent to terminate during the 7th Texas Legislative session, the creation, administration, and control of an underground water conservation district in Bell County.}
\]

\[\text{Stan Thomas, Classified Manager}\]

Sworn to and subscribed before me this 5th day of April, 1989.

\[\text{Zelda F. Walker}\]

PUBLISHER'S AFFIDAVIT
THE STATE OF TEXAS
COUNTY OF BELL

Personally appeared before the undersigned authority Margarita Garza

who being sworn says that the attached Legal Notice

was published in the Killeen Daily Herald on the following dates to-wit: April 5, 1989

at a cost of $5.40

 Classified Supervisor
Subscribed and sworn to me this 5th day of April 1989

Notary Public, Bell County, Texas

My commission expires 03/23/93

(Legal Notice Published in the Killeen Daily Herald April 5, 1989.)
AN ACT
relating to the creation, administration, powers, duties, operation, and financing of the Clearwater Underground Water Conservation District.

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

SECTION 1. CREATION. (a) The Commissioners Court of Bell County may authorize creation of an underground water conservation district, to be known as the Clearwater Underground Water Conservation District, subject to approval at a confirmation election under Section 9 of this Act. The district is a governmental agency and a body politic and corporate.

(b) The district is created under and is essential to accomplish the purposes of Article XVI, Section 59, of the Texas Constitution.

SECTION 2. DEFINITION. In this Act, "district" means the Clearwater Underground Water Conservation District.

SECTION 3. BOUNDARIES. The district includes all the territory located within Bell County.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. The legislature finds that the boundaries of the district form a closure.

SECTION 5. FINDING OF BENEFIT. All of the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conferred by Article XVI, Section 59, of
the Texas Constitution. The district is created to serve a public use and benefit.

SECTION 6. POWERS. (a) The district has all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 50 and 52, Water Code, applicable to underground water conservation districts created under Article XVI, Section 59, of the Texas Constitution. This Act prevails over any provision of general law that is in conflict or inconsistent with this Act.

(b) The rights, powers, privileges, authority, functions, and duties of the district are subject to the continuing right of supervision of the state to be exercised by and through the Texas Water Commission.

SECTION 7. BOARD OF DIRECTORS. (a) The district is governed by a board of five directors.

(b) Temporary directors serve until initial permanent directors are elected under Section 9.

(c) Initial permanent directors serve until permanent directors are elected under Section 10.

(d) Permanent directors other than initial permanent directors serve staggered four-year terms.

(e) Each director must qualify to serve as director in the manner provided by Sections 51.078 and 51.079, Water Code.

(f) A director serves until the director's successor has qualified.

SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a) The Commissioners Court of Bell County by formal resolution may
authorize creation of the district on confirmation of the creation by the voters at an election called and held as provided by Section 9 of this Act.

(b) In the resolution, the commissioners court shall appoint a temporary board of five directors.

(c) If a temporary director fails to qualify for office or if a vacancy occurs on the temporary board, the Commissioners Court of Bell County shall appoint a person to fill the vacancy.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

(a) The temporary board of directors shall call and hold an election to confirm establishment of the district and to elect five initial directors.

(b) A person who desires to be a candidate for the office of initial director may file an application with the temporary board to have the candidate's name printed on the ballot as provided by Section 51.075, Water Code.

(c) At the confirmation and initial directors' election, the temporary board of directors shall have the names of the five persons serving as temporary directors placed on the ballot together with the name of any candidate filing for the office of director as provided by Subsection (b) of this section and blank spaces to write in the names of other persons. If the district is created at the election, the temporary directors, at the time the vote is canvassed, shall declare the five persons who receive the most votes to be elected as the initial directors and shall include the results of the directors' election in its election report to the Texas Water Commission.
(d) Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

(e) Except as provided by this section, a confirmation and initial directors' election must be conducted as provided by Sections 52.058(b)-(g), Water Code, and the Election Code.

SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in May of the second 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 who shall each serve two-year terms and three directors who shall each serve four-year terms. Thereafter, on the same date in each subsequent second year, the appropriate number of directors shall be elected to the board.

SECTION 11. TAXES. (a) Except as provided by Subsection (b) of this section, on approval of a majority of the qualified voters of the district at an election called and held for that purpose, the district may levy and collect a property tax in an amount not to exceed five cents on each $100 of valuation of property in the district to pay for the maintenance and operation of the district.

(b) If the district's board of directors determines that the maximum tax authorized by Subsection (a) of this section is not sufficient to pay the maintenance and operating expenses of the district and on approval of a majority of the qualified voters of the district voting at an election called and held for that purpose, the board of directors may increase the maximum amount of
property taxes that may be levied and collected in the district. The
maximum amount of taxes that may be authorized under this
subsection may not exceed 25 cents on each $100 of valuation of
property in the district.

(c) Except as provided by this section, ad valorem taxes
levied and collected by the district and elections authorizing
those taxes are governed by Chapter 52 of the Water Code, Title 1

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

(a) The proper and 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 by the
constitution and other laws of this state, including the governor,
who has submitted the notice and Act to the Texas Water Commission.

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

(c) 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 13. EMERGENCY. The importance of this legislation
and the crowded condition of the calendars in both houses create an
emergency and an imperative public necessity that the
constitutional rule requiring bills to be read on three several
days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.
H.B. No. 3172

President of the Senate

I certify that H.B. No. 3172 was passed by the House on May 16, 1989, by the following vote: Yeas 145, Nays 0.

Speaker of the House

Chief Clerk of the House

I certify that H.B. No. 3172 was passed by the Senate on May 27, 1989, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: ___________________________

Date

Governor
President of the Senate

I certify that H.B. No. 3172 was passed by the House on May 16, 1989, by the following vote:

Yeas 145, Nays 0

(1) (2) (3) (4)

Chief Clerk of the House

I certify that H.B. No. 3172 was passed by the Senate on May 27, 1989, by the following vote:

Yeas 31, Nays 0

(5) (6) (7)

Secretary of the Senate

APPROVED:

Date

Governor

**** Preparation: 'A;CT25;
A BILL TO BE ENTITLED
AN ACT
relating to the creation, administration, powers, duties, operation, and
financing of the Bell County Underground Water Conservation District.

1. Filed with the Chief Clerk.

2. Read first time and referred to Committee on

3. Reported favorably and sent to Printer at 10:30 am

4. Printed and distributed at 2:47 pm

5. Sent to Committee on Calendars at 9:51 am

6. Read second time amended and passed to third reading failed by Non-Record Vote of

7. Motion to reconsider and table the vote by which H.B. ________ was ordered engrossed prevailed (failed) by a (Non-Record Vote) (Record Vote of ________ year, ________ nays, and ________ present, not voting).

8. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of ________ year, ________ nays, and ________ present, not voting.

9. Read third time amended; finally passed (failed) by (Non-Record Vote) (Record Vote of ________ year, ________ nays, ________ present, not voting).

10. Caption ordered amended to conform to body of bill.

11. Motion to reconsider and table the vote by which H. B. ________ was finally passed prevailed (failed) by a (Non-Record Vote) (Record Vote of ________ year, ________ nays, and ________ present, not voting).

12. Ordered Engrossed at 12:45 pm

13. Engrossed.

14. Returned to Chief Clerk at 11:31 am

15. Sent to Senate.

16. Received from the House

17. Read, referred to Committee on NATURAL RESOURCES

18. Reported favorably

19. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

20. Ordered not printed.

21. Regular order of business suspended by (a viva voce vote.) ________ yeas, ________ nays.)
22. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of yeas, nays.

MAY 27 1989

23. Read second time passed to third reading by: (yeas, nays.)

24. Caption ordered amended to conform to body of bill

MAY 27 1989

25. Senate and Constitutional 3-Day Rules suspended by vote of 30 yeas, nays to place bill on third reading and final passage.

MAY 27 1989

26. Read third time and passed by (yeas, nays.)

OTHER ACTION: OTHER ACTION:

Secretary of the Senate

MAY 27 1989

27. Returned to the House.

MAY 27 1989

28. Received from the Senate (with amendments) (Amendments rejected.)

29. House (Concurred) (Refused to Concur) in Senate (Amendments) by a (Non-Record Vote) (Record Vote of yeas, nays, present, not voting).

30. Conference Committee Ordered.

31. Conference Committee Report Adopted (Rejected) by a (Non-Record Vote) (Record Vote of yeas, nays, and present, not voting).

MAY 27 1989

32. Ordered Enrolled at