

I certify that the attached is a true and correct copy of AB 3172 which was filed of record on MAY 2 1989 and referred to the committee on:

1989 MAY -5 AM 8:31

HOUSE OF REPRESENTATIVES

Natural Resources

Betty Murray

Chief Clerk of the House

FILED MAY 02 1989

By *[Signature]* / *[Signature]*

#B. No. 3172

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

1 the Texas Constitution. The district is created to serve a public
2 use and benefit.

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

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

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

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

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

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

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

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

26 SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a)
27 The Commissioners Court of Bell County by formal resolution may

1 authorize creation of the district on confirmation of the creation
2 by the voters at an election called and held as provided by Section
3 9 of this Act.

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

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

9 SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

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

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

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

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

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

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

18 SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in
19 May of the second year after the year in which the district is
20 authorized to be created at a confirmation election, an election
21 shall be held in the district for the election of two directors who
22 shall each serve two-year terms and three directors who shall each
23 serve four-year terms. Thereafter, on the same date in each
24 subsequent second year, the appropriate number of directors shall
25 be elected to the board.

26 SECTION 11. TAXES. (a) Except as provided by Subsection
27 (b) of this section, on approval of a majority of the qualified

1 voters of the district at an election called and held for that
2 purpose, the district may levy and collect a property tax in an
3 amount not to exceed five cents on each \$100 of valuation of
4 property in the district to pay for the maintenance and operation
5 of the district.

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

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

20 SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

21 (a) The proper and legal notice of the intention to introduce this
22 Act, setting forth the general substance of this Act, has been
23 published as provided by law, and the notice and a copy of this Act
24 have been furnished to all persons, agencies, officials, or
25 entities to which they are required to be furnished by the
26 constitution and other laws of this state, including the governor,
27 who has submitted the notice and Act to the Texas Water Commission.

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

4 (c) All requirements of the constitution and laws of this
5 state and the rules and procedures of the legislature with respect
6 to the notice, introduction, and passage of this Act are fulfilled
7 and accomplished.

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

KILLEEN DAILY HERALD

PUBLISHED MORNINGS/7 DAYS A WEEK

PUBLISHER'S AFFIDAVIT THE STATE OF TEXAS COUNTY OF BELL

Personally appeared before the undersigned

authority Margaritha 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,

_____ 19 89

at a cost of \$ 5.40

Margaritha Garza
XXXXXXXXXXXXXXXXXXXX

Classified Supervisor

Subscribed and sworn to me this 5th

day of April 19 89

Annice Bane
Notary Public, Bell County, Texas

Annice Bane
Name Typed or Printed

My commission expires 03.23.93

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.

(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

Stan Thomas, Classified Manager

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

Zelda M. Williams

My commission expires May 31, 1989.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

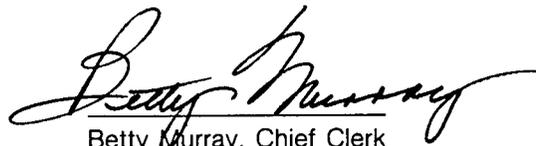
TO: The Honorable William P. Clements, Jr.
Governor of Texas

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. 3172, 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

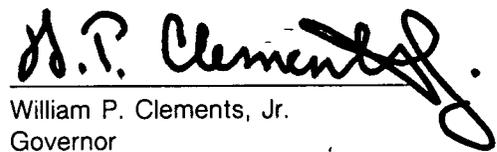
TO: Texas Water Commission

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

TEXAS WATER COMMISSION

B. J. Wynne, III, Chairman
Paul Hopkins, Commissioner
John O. Houchins, Commissioner



Allen Beinke, Executive Director
Michael E. Field, General Counsel
Brenda W. Foster, Chief Clerk

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,

A handwritten signature in cursive script that reads "Allen Beinke".

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.

HOUSE COMMITTEE REPORT

COMMITTEE REPORT

1st Printing

By Schlueter, Shine

H.B. No. 3172

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:

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(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

1 the Texas Constitution. The district is created to serve a public
2 use and benefit.

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

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

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15 governed by a board of five directors.

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17 directors are elected under Section 9.

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19 directors are elected under Section 10.

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21 directors serve staggered four-year terms.

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

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25 qualified.

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27 The Commissioners Court of Bell County by formal resolution may

1 authorize creation of the district on confirmation of the creation
2 by the voters at an election called and held as provided by Section
3 9 of this Act.

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

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

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11 election to confirm establishment of the district and to elect five
12 initial directors.

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14 initial director may file an application with the temporary board
15 to have the candidate's name printed on the ballot as provided by
16 Section 51.075, Water Code.

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

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

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

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

18 SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in
19 May of the second year after the year in which the district is
20 authorized to be created at a confirmation election, an election
21 shall be held in the district for the election of two directors who
22 shall each serve two-year terms and three directors who shall each
23 serve four-year terms. Thereafter, on the same date in each
24 subsequent second year, the appropriate number of directors shall
25 be elected to the board.

26 SECTION 11. TAXES. (a) Except as provided by Subsection
27 (b) of this section, on approval of a majority of the qualified

1 voters of the district at an election called and held for that
2 purpose, the district may levy and collect a property tax in an
3 amount not to exceed five cents on each \$100 of valuation of
4 property in the district to pay for the maintenance and operation
5 of the district.

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

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

20 SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

21 (a) The proper and legal notice of the intention to introduce this
22 Act, setting forth the general substance of this Act, has been
23 published as provided by law, and the notice and a copy of this Act
24 have been furnished to all persons, agencies, officials, or
25 entities to which they are required to be furnished by the
26 constitution and other laws of this state, including the governor,
27 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".

Yost

COMMITTEE AMENDMENT NO. 2

Amend HB 3172 as follows:

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

Smith of Travis

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

4 (c) All requirements of the constitution and laws of this
5 state and the rules and procedures of the legislature with respect
6 to the notice, introduction, and passage of this Act are fulfilled
7 and accomplished.

8 SECTION 13. EMERGENCY. The importance of this legislation
9 and the crowded condition of the calendars in both houses create an
10 emergency and an imperative public necessity that the
11 constitutional rule requiring bills to be read on three several
12 days in each house be suspended, and this rule is hereby suspended,
13 and that this Act take effect and be in force from and after its
14 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 have had the same under consideration and beg to report
(measure)

back with the recommendation that it

() do pass, without amendment.

(X) 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 (x) no

An actuarial analysis was requested. () yes (x) no

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

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

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

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

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

House Sponsor of Senate Measure _____

The measure was reported from Committee by the following vote:

| | AYE | NAY | PNV | ABSENT |
|-----------------|-----|-----|-----|--------|
| Smith, T., Ch. | X | | | |
| Willy, V.C. | X | | | |
| Collazo, C.B.O. | | | | X |
| Culberson | X | | | |
| Holzheuser | | | | X |
| Junell | X | | | |
| Swift | X | | | |
| Wentworth | X | | | |
| Yost | X | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total

7 aye

0 nay

0 present, not voting

2 absent



CHAIRMAN



COMMITTEE COORDINATOR

BILL ANALYSIS

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.



STAN SCHLUETER
STATE REPRESENTATIVE

CHAIRMAN
CALENDARS
COMMITTEE

WAYS AND MEANS
GOVERNMENT ORGANIZATION
LEGISLATIVE COUNCIL

May 3, 1989

Honorable Terral Smith
Committee on Natural Resources
Room 214
Reagan Building

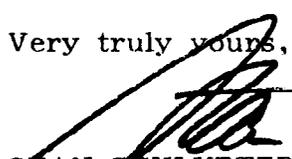
Dear Terral:

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

4

TEXAS WATER COMMISSION

B. J. Wynne, III, Chairman
Paul Hopkins, Commissioner
John O. Houchins, Commissioner



Allen Beinke, Executive Director
Michael E. Field, General Counsel
Brenda W. Foster, Chief Clerk

May 9, 1989

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

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

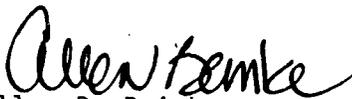
Re: Responsibility of the Texas Water Commission to submit a recommendation on legislation pursuant to Article XVI, Section 59(d), Texas Constitution.

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

5

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.

ADOPTED

MAY 16 1989

Betty Mussey
Chief Clerk
House of Representatives

COMMITTEE AMENDMENT NO. 1

BY Yost

- 1 Amend H.B. No. 3172 as follows:
- 2 (1) On page 1, line 8, strike "Bell County" and substitute
- 3 "Clearwater".
- 4 (2) On page 1, line 16, strike "Bell County" and substitute
- 5 "Clearwater".

ADOPTED

MAY 16 1989

Betty Murray
Chief Clerk
House of Representatives

COMMITTEE AMENDMENT NO. 2

BY T. Smith

1 Amend HB 3172 as follows:

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

HOUSE ENGROSSMENT

89 MAY 16 PM 11:31
HOUSE OF REPRESENTATIVES

By Schlueter, Shine

H.B. No. 3172

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation, administration, powers, duties,
3 operation, and financing of the Clearwater Underground Water
4 Conservation District.

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

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

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

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

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

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

21 SECTION 5. FINDING OF BENEFIT. All of the land and other
22 property included within the boundaries of the district will be
23 benefited by the works and projects that are to be accomplished by
24 the district under powers conferred by Article XVI, Section 59, of

1 the Texas Constitution. The district is created to serve a public
2 use and benefit.

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

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

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

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

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

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

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

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

26 SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a)
27 The Commissioners Court of Bell County by formal resolution may

1 authorize creation of the district on confirmation of the creation
2 by the voters at an election called and held as provided by Section
3 9 of this Act.

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

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

9 SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

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

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

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

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

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

7 SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in
8 May of the second year after the year in which the district is
9 authorized to be created at a confirmation election, an election
10 shall be held in the district for the election of two directors who
11 shall each serve two-year terms and three directors who shall each
12 serve four-year terms. Thereafter, on the same date in each
13 subsequent second year, the appropriate number of directors shall
14 be elected to the board.

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

22 (b) If the district's board of directors determines that the
23 maximum tax authorized by Subsection (a) of this section is not
24 sufficient to pay the maintenance and operating expenses of the
25 district and on approval of a majority of the qualified voters of
26 the district voting at an election called and held for that
27 purpose, the board of directors may increase the maximum amount of

1 property taxes that may be levied and collected in the district.
2 The maximum amount of taxes that may be authorized under this
3 subsection may not exceed 25 cents on each \$100 of valuation of
4 property in the district.

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

9 SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

10 (a) The proper and legal notice of the intention to introduce this
11 Act, setting forth the general substance of this Act, has been
12 published as provided by law, and the notice and a copy of this Act
13 have been furnished to all persons, agencies, officials, or
14 entities to which they are required to be furnished by the
15 constitution and other laws of this state, including the governor,
16 who has submitted the notice and Act to the Texas Water Commission.

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

20 (c) All requirements of the constitution and laws of this
21 state and the rules and procedures of the legislature with respect
22 to the notice, introduction, and passage of this Act are fulfilled
23 and accomplished.

24 SECTION 13. EMERGENCY. The importance of this legislation
25 and the crowded condition of the calendars in both houses create an
26 emergency and an imperative public necessity that the
27 constitutional rule requiring bills to be read on three several

H.B. No. 3172

1 days in each house be suspended, and this rule is hereby suspended,
2 and that this Act take effect and be in force from and after its
3 passage, and it is so enacted.



STAN SCHLUETER
STATE REPRESENTATIVE

CHAIRMAN
CALENDARS
COMMITTEE

WAYS AND MEANS
GOVERNMENT ORGANIZATION
LEGISLATIVE COUNCIL

May 3, 1989

Honorable Terral Smith
Committee on Natural Resources
Room 214
Reagan Building

Dear Terral:

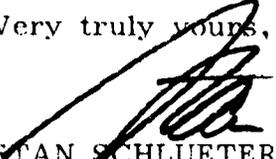
In response to your request for an Author's Fiscal Statement on House Bill 3172, I have determined the following:

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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If you need additional information, please let me know.

Very truly yours,


STAN SCHLUETER
CHAIRMAN
CALENDARS COMMITTEE

SS:cj

TEXAS WATER COMMISSION

B. J. Wynne, III, Chairman
Paul Hopkins, Commissioner
John O. Houchins, Commissioner



Allen Beinke, Executive Director
Michael E. Field, General Counsel
Brenda W. Foster, Chief Clerk

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,

A handwritten signature in cursive script that reads "Allen Beinke".

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

2

TEXAS WATER COMMISSION AND TEXAS WATER DEVELOPMENT BOARD
COMMENTS RELATING TO THE BELL COUNTY
UNDERGROUND WATER CONSERVATION DISTRICT

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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).

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- 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.

- 6 -

7

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, 1989
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.

SENATE FAVORABLE COMMITTEE REPORT

Lt. Governor William P. Hobby
President of the Senate

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

Sir:

We, your Committee on NATURAL RESOURCES to which was referred
HB 3172 by SCHLJETER have on MAY 24, 19 89, 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 DICKSON

The measure was reported from Committee by the following vote:

| | YEA | NAY | PNV | ABSENT |
|------------------------|-------------------------------------|-----|-----|-------------------------------------|
| Santiesteban, Chairman | <input checked="" type="checkbox"/> | | | |
| Lyon, Vice Chairman | <input checked="" type="checkbox"/> | | | |
| Armbrister | <input checked="" type="checkbox"/> | | | |
| Bivins | | | | <input checked="" type="checkbox"/> |
| Brown | <input checked="" type="checkbox"/> | | | |
| Carriker | | | | <input checked="" type="checkbox"/> |
| Montford | | | | <input checked="" type="checkbox"/> |
| Ratliff | <input checked="" type="checkbox"/> | | | |
| Sims | | | | <input checked="" type="checkbox"/> |
| Uribe | <input checked="" type="checkbox"/> | | | |
| Zaffirini | | | | <input checked="" type="checkbox"/> |
| TOTAL VOTES | <u>6</u> | | | <u>5</u> |

Grace M. Kennel COMMITTEE CLERK W. J. Santiesteban CHAIRMAN

1 By: Schlueter, Shine (Senate Sponsor - Dickson) H.B. No. 3172
 2 (In the Senate - Received from the House May 17, 1989;
 3 May 18, 1989, read first time and referred to Committee on Natural
 4 Resources; May 25, 1989, reported favorably by the following vote:
 5 Yeas 6, Nays 0; May 25, 1989, sent to printer.)

6 COMMITTEE VOTE

| | Yea | Nay | PNV | Absent |
|----------------|-----|-----|-----|--------|
| 7 Santiesteban | x | | | |
| 8 Lyon | x | | | |
| 9 Armbrister | x | | | |
| 10 Bivins | | | | x |
| 11 Brown | x | | | |
| 12 Carriker | | | | x |
| 13 Montford | | | | x |
| 14 Ratliff | x | | | |
| 15 Sims | | | | x |
| 16 Uribe | x | | | |
| 17 Zaffirini | | | | x |

19 A BILL TO BE ENTITLED
 20 AN ACT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS.

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

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

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

13 SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

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

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

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

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

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

38 SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in
39 May of the second year after the year in which the district is
40 authorized to be created at a confirmation election, an election
41 shall be held in the district for the election of two directors who
42 shall each serve two-year terms and three directors who shall each
43 serve four-year terms. Thereafter, on the same date in each
44 subsequent second year, the appropriate number of directors shall
45 be elected to the board.

46 SECTION 11. TAXES. (a) Except as provided by Subsection

47 (b) of this section, on approval of a majority of the qualified
48 voters of the district at an election called and held for that
49 purpose, the district may levy and collect a property tax in an
50 amount not to exceed five cents on each \$100 of valuation of
51 property in the district to pay for the maintenance and operation
52 of the district.

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

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

67 SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

68 (a) The proper and legal notice of the intention to introduce this
69 Act, setting forth the general substance of this Act, has been
70 published as provided by law, and the notice and a copy of this Act

1 have been furnished to all persons, agencies, officials, or
2 entities to which they are required to be furnished by the
3 constitution and other laws of this state, including the governor,
4 who has submitted the notice and Act to the Texas Water Commission.

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

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

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

19 * * * * *

20 Austin, Texas
21 May 25, 1989

22 Hon. William P. Hobby
23 President of the Senate

24 Sir:

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

29 Santiesteban, Chairman

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

May 20, 1989

TO: Honorable H. Tati Santiesteban, Chairman In Re: House Bill No. 3172
Committee on Natural Resources as engrossed
Senate Chamber By: Schlueter, et. al.
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



STAN SCHLUETER
STATE REPRESENTATIVE

CHAIRMAN
CALENDARS
COMMITTEE

WAYS AND MEANS
GOVERNMENT ORGANIZATION
LEGISLATIVE COUNCIL

May 3, 1989

Honorable Terral Smith
Committee on Natural Resources
Room 214
Reagan Building

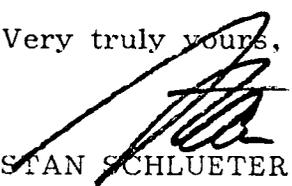
Dear Terral:

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

TEXAS WATER COMMISSION

B. J. Wynne, III, Chairman
Paul Hopkins, Commissioner
John O. Houchins, Commissioner



Allen Beinke, Executive Director
Michael E. Field, General Counsel
Brenda W. Foster, Chief Clerk

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,

A handwritten signature in cursive script that reads "Allen Beinke".

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.

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

Stan Thomas, Classified Manager

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

Zelda M. Williams

My commission expires May 31, 1989.

KILLEEN DAILY HERALD

PUBLISHED MORNINGS/7 DAYS A WEEK

PUBLISHER'S AFFIDAVIT THE STATE OF TEXAS COUNTY OF BELL

Personally appeared before the undersigned
authority Margaritha 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,

19 89

at a cost of \$ 5.40

Margaritha Garza
~~XXXXXXXXXXXXXXXXXXXX~~
Classified Supervisor
Subscribed and sworn to me this 5th

day of April 19 89

Annice Lane
Notary Public, Bell County, Texas

Annice Lane
Name Typed or Printed

My commission expires 03-23-93

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.

(Legal Notice Published in the Killeen Daily Herald April 5, 1989.)

ENROLLED

H.B. No. 3172

1 AN ACT

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

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

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

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

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

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

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

21 SECTION 5. FINDING OF BENEFIT. All of the land and other
22 property included within the boundaries of the district will be
23 benefited by the works and projects that are to be accomplished by
24 the district under powers conferred by Article XVI, Section 59, of

1 the Texas Constitution. The district is created to serve a public
2 use and benefit.

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

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

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

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

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

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

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

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

26 SECTION 8. CREATION RESOLUTION; TEMPORARY DIRECTORS. (a)
27 The Commissioners Court of Bell County by formal resolution may

1 authorize creation of the district on confirmation of the creation
2 by the voters at an election called and held as provided by Section
3 9 of this Act.

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

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

9 SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION.

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

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

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

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

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

7 SECTION 10. ELECTION OF DIRECTORS. On the first Saturday in
8 May of the second year after the year in which the district is
9 authorized to be created at a confirmation election, an election
10 shall be held in the district for the election of two directors who
11 shall each serve two-year terms and three directors who shall each
12 serve four-year terms. Thereafter, on the same date in each
13 subsequent second year, the appropriate number of directors shall
14 be elected to the board.

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

22 (b) If the district's board of directors determines that the
23 maximum tax authorized by Subsection (a) of this section is not
24 sufficient to pay the maintenance and operating expenses of the
25 district and on approval of a majority of the qualified voters of
26 the district voting at an election called and held for that
27 purpose, the board of directors may increase the maximum amount of

1 property taxes that may be levied and collected in the district.
2 The maximum amount of taxes that may be authorized under this
3 subsection may not exceed 25 cents on each \$100 of valuation of
4 property in the district.

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

9 SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.

10 (a) The proper and legal notice of the intention to introduce this
11 Act, setting forth the general substance of this Act, has been
12 published as provided by law, and the notice and a copy of this Act
13 have been furnished to all persons, agencies, officials, or
14 entities to which they are required to be furnished by the
15 constitution and other laws of this state, including the governor,
16 who has submitted the notice and Act to the Texas Water Commission.

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

20 (c) All requirements of the constitution and laws of this
21 state and the rules and procedures of the legislature with respect
22 to the notice, introduction, and passage of this Act are fulfilled
23 and accomplished.

24 SECTION 13. EMERGENCY. The importance of this legislation
25 and the crowded condition of the calendars in both houses create an
26 emergency and an imperative public necessity that the
27 constitutional rule requiring bills to be read on three several

H.B. No. 3172

1 days in each house be suspended, and this rule is hereby suspended,
2 and that this Act take effect and be in force from and after its
3 passage, and it is so enacted.

H.B. No. 3172

President of the Senate

Speaker of the House

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

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

Speaker of the House

I certify that H.B. No. 3172[✓] was passed by the House
(1)

on May 16[✓], 1989, by the following vote:
(2)

Yeas 145[✓], Nays 0[✓]
(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:
(5)

Yeas 31[✓], Nays 0[✓]
(6) (7)

Secretary of the Senate

APPROVED:

Date

Governor

**** Preparation: 'A;CT25;

H. B. No. 3172

By [Signature]
[Signature]

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.

MAY 2 1989

1. Filed with the Chief Clerk.

MAY 2 1989

2. Read first time and referred to Committee on

Natural Resources

5-5-89

3. Reported favorably (as amended) and sent to Printer at 10:30 am
(as substituted) MAY 9 1989

MAY 9 1989

4. Printed and distributed at 2:47 pm

MAY 10 1989

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

MAY 16 1989

6. Read second time (amended) passed to third reading (failed) by (Non-Record Vote)
(Record Vote of _____ years, _____ nays, _____ present, not voting).

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 _____ years, _____ 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 _____ years, _____ nays, and _____ present, not voting.

MAY 16 1989

9. Read third time (amended); finally passed (failed) by (Non-Record Vote) (Record Vote of 145 yeas, 0 nays, 0 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 _____ yeas, _____ nays, and _____ present, not voting).

MAY 16 1989

12. Ordered Engrossed at 12:45 pm

MAY 16 1989

13. Engrossed.

MAY 16 1989

14. Returned to Chief Clerk at 11:31 pm

MAY 17 1989

15. Sent to Senate.

[Signature]

Chief Clerk of the House

MAY 17 1989

16. Received from the House

MAY 18 1989

17. Read, referred to Committee on NATURAL RESOURCES

MAY 25 1989

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

Laid before the Senate

23. Read second time _____ passed to third reading by: (a viva voce vote) _____ 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 (a viva voce vote.) 31 yeas, 0 nays.)

OTHER ACTION:

OTHER ACTION:

Betty King

Secretary of the Senate

MAY 27 1989

27. Returned to the House.

MAY 27 1989

28. Received from the Senate (with amendments,) (as substituted.)

29. House (Concurred) (Refused to Concur) in Senate (Amendments) (Substitute) 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 12:00 pm

HOUSE OF REPRESENTATIVES

89 MAY 16 PM 11:31

COMM-F-10-111100

NR