

BILL ANALYSIS

Senate Research Center

H.B. 2571
By: McReynolds (Staples)
Natural Resources
5/10/2001
Committee Report (Amended)

DIGEST AND PURPOSE

The Wildwood community, located in the southern part of Angelina County, lacks a basic infrastructure, and most of its residents have low income levels. The Wildwood community is currently in need of a sewer system, but its tax base is not sufficient to provide an adequate system. This community would qualify for a combination grant and low interest loan from the United States Department of Agriculture/Rural Development to install this sewer system, but the community must have a governmental entity with taxing authority before it can receive such funds. H.B.2571 creates a water control and improvement district in Angelina County to be a governmental taxing authority.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Angelina County Water Control and Improvement District No. 4 in SECTIONS 3.02 and 3.06 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. 1.01. CREATION. Sets forth provisions regarding the creation of the Angelina County Water Control and Improvement District No. 4.

SECTION 1.02. DEFINITIONS. Defines “board,” “commission,” “director,” “disposal system,” “district,” “local government,” “person,” “pollution,” “system,” “treatment facility,” “waste,” and “water.”

SECTION 1.03. BOUNDARIES. Sets forth provisions regarding the boundaries of the Angelina County Water Control and Improvement District No. 4. (district).

SECTION 1.04. FINDINGS RELATIVE TO BOUNDARIES. Provides that the findings of the boundaries and field notes of the district form a closure. Provides that any mistakes in the field notes does not prohibit the district from performing certain acts.

SECTION 1.05. FINDING OF BENEFIT. Provides that the district is created to serve a public use and benefit.

ARTICLE 2. ADMINISTRATIVE PROVISIONS

SECTION 2.01. BOARD OF DIRECTORS. Sets forth the composition, terms, and eligibility of the district’s board of directors and provides for the filing of a board vacancy.

SECTION 2.02. TEMPORARY DIRECTORS. Sets forth provisions regarding the composition of the temporary board of directors.

SECTION 2.03. CONFIRMATION AND INITIAL DIRECTORS’ ELECTION. Sets forth provisions regarding the confirmation and initial directors’ election.

SECTION 2.04. ELECTION OF DIRECTORS. Requires an election to be held for the election of directors.

SECTION 2.05. MEETINGS AND ACTIONS OF THE BOARD. Sets forth provisions regarding meetings and actions of the board.

SECTION 2.06. ORGANIZATION OF BOARD. Sets forth provisions regarding the organization of the board.

SECTION 2.07. INTEREST IN CONTRACT. Requires a director, if the director is financially interested in a certain contract, to disclose the interest to the board and to not vote on acceptance of the contract.

SECTION 2.08. DIRECTORS' COMPENSATION. Provides that a director is entitled to certain compensation.

SECTION 2.09. GENERAL MANAGER. Authorizes the board to hire a general manger to perform certain duties.

SECTION 2.10. EMPLOYEE BONDS. Requires certain persons to execute a fidelity bond in an amount determined by the board and in a form and with a surety approved by the board.

SECTION 2.11. PRINCIPAL OFFICE. Requires the district to maintain its principal office at any place in Angelina County designated by the board.

SECTION 2.12. RECORDS. Requires the district to keep certain records.

SECTION 2.13. SEAL. Requires the district to adopt a seal.

SECTION 2.14. SUIT. Authorizes the district to sue and be sued.

ARTICLE 3. POWERS AND DUTIES.

SECTION 3.01. GENERAL POWERS AND DUTIES. Sets forth the district's powers and duties.

SECTION 3.02. DISTRICT RULES. Requires the district to adopt and enforce rules. Requires the district to print its rules and furnish copies of the rules to certain persons. Requires certain rules to be consisted within no more stringent than state or federal requirements.

SECTION 3.03. INSPECTIONS AND INVESTIGATIONS. Authorizes the district to inspect and investigate certain conditions in the district's territory.

SECTION 3.04. CIVIL PENALTY; INJUNCTION. Authorizes the district to sue for certain reasons.

SECTION 3.05. COURT REVIEW. Sets forth conditions and procedures pertaining to court review.

SECTION 3.06. SEPTIC TANKS. Authorizes the district by rule, under certain conditions, to take certain actions regarding septic tanks.

SECTION 3.07. ACQUISITION, CONSTRUCTION, AND OPERATION OF SYSTEMS. Authorizes the district to perform certain procedures.

SECTION 3.08. SYSTEM CONTRACTS. Sets forth provisions regarding the district contracting for the treatment or disposal of water, wastewater, drainage, or waste from any person in the district.

SECTION 3.09. EMINENT DOMAIN. Authorizes the district to exercise the power of eminent domain to acquire property in Angelina County.

SECTION 3.10. RELOCATION OF FACILITIES. Requires the district to pay the cost of certain actions so as to provide comparable replacement of any replaced facility, less the replaced facility's net salvage value.

SECTION 3.11. USE OF PUBLIC EASEMENTS. Sets forth provisions regarding the district utilizing public easements.

SECTION 3.12. ADDITION OF TERRITORY. Authorizes the district to annex territory.

SECTION 3.13. ACQUISITION AND DISPOSITION OF PROPERTY. Authorizes the district to acquire and dispose of certain properties.

SECTION 3.14. FACILITIES. Authorizes the district to perform certain procedures for any facility necessary or convenient to the exercise of its powers, rights, duties, or functions.

SECTION 3.15. CONTRACTS. Authorizes the district to make contracts under certain conditions.

SECTION 3.16. COOPERATIVE AGREEMENTS. Authorizes the district to enter into cooperative agreements with certain entities for certain purposes.

ARTICLE 4. GENERAL FISCAL PROVISIONS

SECTION 4.01. DISBURSEMENT OF MONEY. Authorizes the district to disburse money only by certain instruments signed by certain authorized persons.

SECTION 4.02. FEES AND CHARGES. Authorizes the district to establish certain fees and charges.

SECTION 4.03. LOANS AND GRANTS. Authorizes the district to borrow money and accept gifts from certain sources for corporate purposes. Provides that information of the source, amount, and any restriction on expenditure of money the district accepts is public information.

SECTION 4.04. FISCAL YEAR. Requires the board to establish the district's fiscal year.

SECTION 4.05. INDEPENDENT AUDIT AND REPORT. Requires an independent audit and report to be performed annually by certain persons.

SECTION 4.06. DEPOSITORY BANKS. Requires the board to designate one or more banks to be the depository for the district's money under certain restrictions.

ARTICLE 5. BONDS AND TAXES

SECTION 5.01. REVENUE BONDS. Authorizes the district to issue bonds at certain rates and conditions.

SECTION 5.02. REFUNDING BONDS. Authorizes the district to issue refunding bonds under certain conditions.

SECTION 5.03. APPROVAL AND REGISTRATION OF BONDS. Sets forth provisions regarding the approval and registration of bonds by the district.

SECTION 5.04. AUTHORIZED INVESTMENTS. Provides that the bonds and refunding bonds of the district meet certain conditions.

SECTION 5.05. AD VALOREM TAXATION. Provides that the district has the power to impose ad valorem taxes.

ARTICLE 6. MISCELLANEOUS PROVISIONS

SECTION 6.01. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS. Provides that proper and legal notice of the intention of this Act has been published and furnished to certain persons.

SECTION 6.02. EXISTING COUNTIES, RIVER AUTHORITIES, AND UNDERGROUND WATER CONSERVATION DISTRICTS. Provides that this Act does not impede the jurisdiction of a river authority in existence on the effective date of this Act, except that such a river authority is prohibited from imposing or applying any regulatory ordinance, rule, or regulation within the district without the agreement of the district.

SECTION 6.03. SEVERABILITY. Sets forth provisions regarding the severability of this Act.

SECTION 6.04. EFFECTIVE DATE. upon passage or September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

SECTION 3.02. Adds new proposed Subsection (c), regarding consistency and stringency of rules adopted by the district.