

## BILL ANALYSIS

Senate Research Center

S.B. 1891  
By: Armbrister  
Natural Resources  
5/10/2005  
As Filed

### AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 1891 creates the La Salle Water Control and Improvement District No. 1 in Calhoun County. The district has the authority to impose a tax and issue bonds, and has the power of eminent domain.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle I, Title 6, Special District Local Laws Code, by adding Chapter 9008, as follows:

#### CHAPTER 9008. LA SALLE WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9008.001. DEFINITIONS. Defines "board," "commission," and "district."

Sec. 9008.002. CREATION. Provides that a conservation and reclamation district to be known as the La Salle Water Control and Improvement District No. 1 (district) is created in Calhoun County, Texas, subject to approval at a confirmation election to be conducted in accordance with Section 9008.053.

Sec. 9008.003. AUTHORITY FOR CREATION. Provides that the district is a governmental agency and a political subdivision of this state and is created under and is essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 9008.004. FINDING OF BENEFIT AND PUBLIC PURPOSE. (a) Provides that the district is created to serve a public use and benefit.

(b) Provides that 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 Section 52, Article III, and Section 59, Article XVI, Texas Constitution. Authorizes the district to enter into contracts with owners of real property within the district for the construction, acquisition, financing, ownership, maintenance, and operation of such works and projects to provide water, sanitary sewer, drainage, and road services to each portion of the district not actually receiving such services on the effective date the Act creating this chapter.

Sec. 9008.005. INITIAL DISTRICT TERRITORY. (a) Provides that the district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) Provides that the boundaries and field notes of the district contained in Section 2 of the Act creating this chapter form a closure. Provides that a mistake

in the field notes or in copying the field notes in the legislative process does not in any way affect specific aspects of the district.

[Reserves Sections 9008.006-9008.050 for expansion.]

#### SUBCHAPTER B. BOARD OF DIRECTORS; CONFIRMATION ELECTION

Sec. 9008.051. BOARD OF DIRECTORS. Requires the district to be governed by a board of five directors. Sets forth the five specific persons designated to serve as temporary directors of the district until permanent directors are elected under Section 9008.053. Requires permanent directors to serve staggered four-year terms and qualify to serve as director in the manner provided by Section 49.055 (Sworn Statement, Bond, and Oath of Office), Water Code.

Sec. 9008.052. APPOINTMENT OF TEMPORARY DIRECTORS. (a) Requires the Texas Commission on Environmental Quality, if for any reason a temporary director fails to qualify for office, to appoint a person to fill the vacancy.

(b) Requires temporary directors, as soon as practicable after the temporary directors have qualified, to meet and elect officers from among their membership.

Sec. 9008.053. CONFIRMATION AND PERMANENT DIRECTORS' ELECTION. Requires the temporary board of directors of the district to call and hold an election to confirm establishment of the district and to elect five permanent directors in the manner provided by Chapter 49 (Provisions Applicable to All Districts), Water Code, before September 1, 2007.

[Reserves Sections 9008.054-9008.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 9008.101. GENERAL POWERS. (a) Provides that the district has all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state to water control and improvement districts, including Chapters 49 and 51, Water Code, and all general powers granted to a conservation and reclamation district created under Section 52, Article III, and Section 59, Article XVI, Texas Constitution. Provides that the district has the specific powers granted by Section 53.029, Water Code, if the exercise of those powers is approved at an election called and held for that purpose. Provides that this chapter prevails over any provision of general law that is in conflict or inconsistent with this chapter.

(b) Requires the district to specifically have authority to use proceeds from the sale of its bonds to acquire improvements or facilities from a private water supply corporation or political subdivision of this state to furnish water or sanitary sewer services to territory within the district's boundaries.

(c) Authorizes the district to divide itself into two or more districts in the manner specified in Section 53.029 (Division of or Assumption of Authority by Certain Districts), Water Code.

Sec. 9008.102. ADDITIONAL POWERS. (a) Provides that the district has the additional rights, powers, privileges, authority, and functions provided by this section.

(b) Authorizes the district to provide for the construction, acquisition, financing, maintenance, and operation of macadamized, graveled, or paved roads or improvements in aid of those roads, to the extent authorized by Section 52, Article III, and Section 59, Article XVI, Texas Constitution, including, but not limited to, the authority of the district pursuant to an election held in accordance with Section 53.029, Water Code.

(c) Authorizes the district to provide water, sanitary sewer, drainage, and road services to each portion of the district not actually receiving such services on the effective date of the Act creating this chapter and enter into contracts with landowners within the district to construct, acquire, finance, own, maintain, and operate works and projects to provide such services. Authorizes the district to use proceeds from the sale of its bonds to acquire improvements or facilities to provide such services. Provides that no portion of the district is located within the boundaries of a municipality nor within the extraterritorial jurisdiction of a municipality.

Sec. 9008.103. EMINENT DOMAIN. Provides that the district has the power of eminent domain granted by the general laws to water control and improvement districts.

[Reserves Sections 9008.104-9008.150 for expansion.]

#### SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 9008.151. BONDS; AD VALOREM TAX. (a) Authorizes the district to issue bonds as provided by Chapters 49 and 51 (Water Control and Improvement Districts) and Section 53.029, Water Code, and the general laws of this state.

(b) Authorizes the district to issue bonds, notes, or other obligations of the district to finance the construction, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes or improvements in aid of those roads and turnpikes. Authorizes the district to impose an ad valorem tax to pay the principal of or interest on bonds issued under this subsection.

(c) Prohibits the district from issuing bonds under Section 53.029, Water Code, unless the issuance is authorized by a vote of a two-thirds majority of the qualified voters of the district voting at an election called for that purpose. Prohibits bonds, notes, or other obligations issued or incurred under Section 53.029, Water Code, from exceeding one-fourth of the assessed value of the real property in the district.

(d) Provides that Sections 49.181 (Authority of Commission Over Issuance of District Bonds) and 49.182 (Commission Supervision of Projects and Improvements), Water Code, do not apply to projects undertaken by the district under Section 53.029, Water Code.

Sec. 9008.052. AD VALOREM PLAN OF TAXATION. Requires the district to use the ad valorem plan of taxation.

SECTION 2. Sets forth the boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introductions, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2005.