

## **BILL ANALYSIS**

Senate Research Center  
83R7602 RWG-F

H.B. 3889  
By: Darby (Duncan)  
Intergovernmental Relations  
4/30/2013  
Engrossed

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

Pursuant to powers enumerated in Chapter 49 (Provisions Applicable to All Districts) of the Texas Water Code, the Lipan Flood Control District was formed in 1965 by an enabling act of the 59th Legislature. Upon its inception, the district possessed authority to levy an ad valorem tax on property within its boundaries, and to carry out flood control measures in Tom Green and Concho Counties through the construction of several dams.

As such, the district collected ad valorem taxes for two years. However, when it became evident that opposition from landowners would impede and ultimately prevent construction of the dams, the district ceased collecting taxes. The revenue that the district generated during that span was therefore never appropriated, and over time, the corpus of that fund accrued significant interest.

In the last decade, the board of directors of the flood control district elected to use its unexpended funds to grant technical donations to three volunteer fire departments within the boundaries of the district. When an increase in wildfires in the area placed additional financial strain on the volunteer fire departments, a more efficient granting mechanism became necessary.

In 1998, the Lipan-Kickapoo Water Conservation District was also created. Water conservation districts derive authority from both Chapters 36 (Groundwater Conservation Districts) and 49 of the Texas Water Code.

In order to facilitate the timely administration of grants from the unexpended balance of the Lipan Flood Control District funds, its board of directors entered into an inter-local agreement with the Lipan-Kickapoo Water Conservation District. The agreement allowed for an inter-transfer of funds and gave the Lipan-Kickapoo Water Conservation District administrative authority over the grant program. Because the Lipan-Kickapoo Water Conservation District concurrently possesses flood control authority, and all funds for the flood control district have been transferred to the water conservation district, there is no longer a need for the flood control district.

Upon the request of the district's board of directors, H.B. 3889 dissolves the Lipan Flood Control District.

H.B. 3889 amends current law relating to the dissolution of the Lipan Creek Flood Control District.

### **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. Provides that on the effective date of this Act:

- (1) the Lipan Creek Flood Control District (district) is dissolved;
- (2) the terms of the directors of the district expire; and

(3) any assets of the district, including any tax or assessment revenue, that remain after payment of the district's liabilities are transferred to Concho and Tom Green Counties, in the proportion that the area of each county located in the territory of the district bears to the total area of the district.

SECTION 2. Repealer: Chapter 628 (relating to creating the Lipan Creek Flood Control District), Acts of the 59th Legislature, Regular Session, 1965.

Repealer: Chapter 473 (relating to the terms of office for directors of the Lipan Creek Flood Control District), Acts of the 67th Legislature, Regular Session, 1981.

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

SECTION 4. Effective date: upon passage or September 1, 2013.