

BILL ANALYSIS

H.B. 1367
By: Otto
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Liberty Lakes Fresh Water Supply District No. 1 encompasses an area of land outside the corporate limits and partially within the extraterritorial jurisdiction of the City of Plum Grove. The district is an existing fresh water supply district created by the Liberty County Commissioners Court, and is authorized to manage water sewer services and undertake certain road projects. The land located within the district will be developed into single family residential and commercial development. The district needs the authority to manage drainage services for future residents of the area.

H.B. 1367 authorizes the Liberty Lakes Fresh Water Supply District No. 1 to undertake drainage projects and issue bonds and impose certain taxes.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1367 amends the Special District Local Laws Code to add an enabling statute relating to the Liberty Lakes Fresh Water Supply District No. 1 of Liberty County, which was created non-legislatively under general-law provisions of the Water Code. The bill sets forth general provisions for the nature of the district, the district's public purpose and benefit, the terms of the board of directors of the district and the qualifications of directors; the powers and duties of the district, including the authority to undertake certain drainage projects and annex adjacent land; and the procedures for the division of the district.

H.B. 1367 sets forth general financial provisions authorizing the district, subject to the approval of a majority of district voters with limited exception, to issue bonds and obligations, impose a property tax for operations and maintenance, and impose contract taxes. The bill authorizes the district to employ or contract with a tax assessor or collector. The bill requires the board, on bonds payable wholly or partly from property taxes, to provide for the annual imposition of a continuing direct property tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required. The bill requires the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from property taxes to not exceed one-fourth of the assessed value of the real property in the district at the time of issuance. The bill changes the name of the Liberty Lakes Fresh Water Supply District No. 1 of Liberty County to Liberty Lakes Fresh Water Supply District No. 1. The bill defines the terms "board," "director," and "district."

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.