

By: Otto

H.B. No. 1367

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Liberty Lakes Fresh Water Supply District No. 1; providing authority to impose a tax and issue bonds; granting the power of eminent domain.

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

SECTION 1. The name of Liberty Lakes Fresh Water Supply District No. 1 of Liberty County is changed to Liberty Lakes Fresh Water Supply District No. 1.

SECTION 2. Subtitle B, Title 6, Special District Local Laws Code, is amended by adding Chapter 6908 to read as follows:

CHAPTER 6908. LIBERTY LAKES FRESH WATER SUPPLY DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6908.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Liberty Lakes Fresh Water Supply District No. 1.

Sec. 6908.002. NATURE OF DISTRICT. The district is a fresh water supply district created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 6908.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. All land and other property in the district will benefit from the improvements and services to be provided by the district.

1 [Sections 6908.004-6908.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 6908.051. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5 (b) Directors serve staggered four-year terms.

6 Sec. 6908.052. QUALIFICATIONS. To be qualified to serve as  
7 a director, a person must be:

8 (1) at least 18 years of age;

9 (2) a resident of this state; and

10 (3) an owner of land subject to taxation in the  
11 district or a qualified voter of the district.

12 [Sections 6908.053-6908.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 6908.101. GENERAL POWERS AND DUTIES. The district has  
15 the powers and duties necessary to accomplish the purposes for  
16 which the district is created.

17 Sec. 6908.102. FRESH WATER SUPPLY DISTRICT POWERS AND  
18 DUTIES. The district has the powers and duties provided by the  
19 general law of this state applicable to fresh water supply  
20 districts created under Section 59, Article XVI, Texas  
21 Constitution, including Chapters 49 and 53, Water Code.

22 Sec. 6908.103. AUTHORITY FOR DRAINAGE PROJECTS. The  
23 district may purchase, construct, acquire, own, operate, maintain,  
24 repair, or improve all works, improvements, facilities, plants,  
25 equipment, and appliances necessary to gather, conduct, divert, and  
26 control local stormwater or other local harmful excesses of water  
27 in the district.

1       Sec. 6908.104. DIVISION OF DISTRICT. (a) The district may  
2 be divided into two or more new districts only if the district:

3               (1) has no outstanding bonded debt; and

4               (2) is not imposing ad valorem taxes.

5       (b) This chapter applies to any new district created by the  
6 division of the district, and a new district has all the powers and  
7 duties of the district.

8       (c) Any new district created by the division of the district  
9 may not, at the time the new district is created, contain any land  
10 outside the territory of the district as it existed on the date the  
11 district was created.

12       (d) The board, on its own motion or on receipt of a petition  
13 signed by the owner or owners of a majority of the assessed value of  
14 the real property in the district, may adopt an order dividing the  
15 district.

16       (e) The board may adopt an order dividing the district  
17 before or after the date the board holds an election to confirm the  
18 district's creation.

19       (f) An order dividing the district shall:

20               (1) name each new district;

21               (2) include the metes and bounds description of the  
22 territory of each new district;

23               (3) appoint temporary directors for each new district;

24 and

25               (4) provide for the division of assets and liabilities  
26 between or among the new districts.

27       (g) On or before the 30th day after the date of adoption of

1 an order dividing the district, the district shall file the order  
2 with the Texas Commission on Environmental Quality and record the  
3 order in the real property records of each county in which the  
4 district is located.

5 (h) Any new district created by the division of the district  
6 shall hold a confirmation and directors' election as provided by  
7 Section 49.102, Water Code.

8 (i) Municipal consent to the creation of the district and to  
9 the inclusion of land in the district acts as municipal consent to  
10 the creation of any new district created by the division of the  
11 district and to the inclusion of land in the new district.

12 (j) Any new district created by the division of the district  
13 must hold an election as required by this chapter to obtain voter  
14 approval before the district may impose a maintenance tax or issue  
15 bonds payable wholly or partly from ad valorem taxes.

16 Sec. 6908.105. ADDITION OF LAND. Land that is adjacent to  
17 the district may be added to the district in the manner provided by  
18 and in accordance with the requirements of Subchapter J, Chapter  
19 49, Water Code, whether or not the land is located in the same  
20 county.

21 [Sections 6908.106-6908.150 reserved for expansion]

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 6908.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
24 district may issue, without an election, bonds and other  
25 obligations secured by:

26 (1) revenue other than ad valorem taxes; or

27 (2) contract payments described by Section 6908.153.

1       (b) The district must hold an election in the manner  
2 provided by Chapters 49 and 53, Water Code, to obtain voter approval  
3 before the district may impose an ad valorem tax or issue bonds  
4 payable from ad valorem taxes.

5       (c) The district may not issue bonds payable from ad valorem  
6 taxes to finance a road project unless the issuance is approved by a  
7 vote of a two-thirds majority of the district voters voting at an  
8 election held for that purpose.

9       Sec. 6908.152. OPERATION AND MAINTENANCE TAX. (a) If  
10 authorized at an election held under Section 6908.151, the district  
11 may impose an operation and maintenance tax on taxable property in  
12 the district in accordance with Section 49.107, Water Code.

13       (b) The board shall determine the tax rate. The rate may not  
14 exceed the rate approved at the election.

15       Sec. 6908.153. CONTRACT TAXES. (a) In accordance with  
16 Section 49.108, Water Code, the district may impose a tax other than  
17 an operation and maintenance tax and use the revenue derived from  
18 the tax to make payments under a contract after the provisions of  
19 the contract have been approved by a majority of the district voters  
20 voting at an election held for that purpose.

21       (b) A contract approved by the district voters may contain a  
22 provision stating that the contract may be modified or amended by  
23 the board without further voter approval.

24       Sec. 6908.154. TAX ASSESSOR AND COLLECTOR. Sections  
25 53.072-53.075, Water Code, do not apply to the district. The board  
26 may employ or contract with a tax assessor and collector for the  
27 district as provided by Chapter 49, Water Code.

1 [Sections 6908.155-6908.200 reserved for expansion]

2 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3 Sec. 6908.201. AUTHORITY TO ISSUE BONDS AND OTHER  
4 OBLIGATIONS. The district may issue bonds or other obligations  
5 payable wholly or partly from ad valorem taxes, impact fees,  
6 revenue, contract payments, grants, or other district money, or any  
7 combination of those sources, to pay for any authorized district  
8 purpose.

9 Sec. 6908.202. TAXES FOR BONDS. At the time the district  
10 issues bonds payable wholly or partly from ad valorem taxes, the  
11 board shall provide for the annual imposition of a continuing  
12 direct ad valorem tax, without limit as to rate or amount, while all  
13 or part of the bonds are outstanding as required and in the manner  
14 provided by Section 53.188, Water Code.

15 Sec. 6908.203. BONDS FOR ROAD PROJECTS. At the time of  
16 issuance, the total principal amount of bonds or other obligations  
17 issued or incurred to finance road projects and payable from ad  
18 valorem taxes may not exceed one-fourth of the assessed value of the  
19 real property in the district.

20 SECTION 3. (a) The legal notice of the intention to  
21 introduce this Act, setting forth the general substance of this  
22 Act, has been published as provided by law, and the notice and a  
23 copy of this Act have been furnished to all persons, agencies,  
24 officials, or entities to which they are required to be furnished  
25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
26 Government Code.

27 (b) The governor, one of the required recipients, has

1 submitted the notice and Act to the Texas Commission on  
2 Environmental Quality.

3 (c) The Texas Commission on Environmental Quality has filed  
4 its recommendations relating to this Act with the governor, the  
5 lieutenant governor, and the speaker of the house of  
6 representatives within the required time.

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

11 SECTION 4. This Act takes effect immediately if it receives  
12 a vote of two-thirds of all the members elected to each house, as  
13 provided by Section 39, Article III, Texas Constitution. If this  
14 Act does not receive the vote necessary for immediate effect, this  
15 Act takes effect September 1, 2009.