

1-1 By: Bell of Montgomery (Senate Sponsor - Alvarado) H.B. No. 2914
 1-2 (In the Senate - Received from the House April 26, 2019;
 1-3 April 29, 2019, read first time and referred to Committee on Water
 1-4 & Rural Affairs; May 13, 2019, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0; May 13, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14			X	

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the necessity of hearings regarding the dissolution or
 1-18 conversion of certain conservation and reclamation districts.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Subchapter K, Chapter 49, Water Code, is amended
 1-21 by adding Section 49.3225 to read as follows:

1-22 Sec. 49.3225. ORDER WITHOUT HEARING. (a) The commission
 1-23 may adopt an order under Section 49.324 without conducting a
 1-24 hearing if it receives a petition under this section from:

1-25 (1) the owners of the majority in value of the land in
 1-26 the district, as shown by the most recent certified tax roll of the
 1-27 central appraisal district of the county or counties in which the
 1-28 district is located; or

1-29 (2) the board of directors of the district.

1-30 (b) Not later than the 10th day after the date a petition is
 1-31 submitted under Subsection (a), the petitioners shall:

1-32 (1) provide notice of the petition by certified mail:

1-33 (A) to all the landowners in the district, as
 1-34 shown by the most recent certified tax roll of the central appraisal
 1-35 district of the county or counties in which the district is located,
 1-36 who did not sign the petition; and

1-37 (B) if the petition was submitted by persons
 1-38 described by Subsection (a)(1), to the board of directors; and

1-39 (2) certify in writing to the commission that the
 1-40 requirements of Subdivision (1) have been met.

1-41 (c) A notice provided under Subsection (b)(1) must state
 1-42 that the landowner may file a written objection to the dissolution
 1-43 of the district not later than the 30th day after the date the
 1-44 notice was received.

1-45 (d) If a landowner files a written objection to the
 1-46 dissolution of the district with the commission within the period
 1-47 specified in the notice, the commission shall hold a hearing on the
 1-48 dissolution of the district. The commission shall mail notice of
 1-49 the hearing by first class mail to:

1-50 (1) the petitioners, and the board of directors if the
 1-51 board of directors did not submit the petition; and

1-52 (2) each landowner who timely filed a written
 1-53 objection to the dissolution.

1-54 (e) A district may not be dissolved under this section or
 1-55 any other provision of law if the district:

1-56 (1) has any outstanding bonded indebtedness unless the
 1-57 bonded indebtedness is assumed by a third party, or repaid or
 1-58 defeased in accordance with the order or resolution authorizing the
 1-59 issuance of the bonds;

1-60 (2) has a contractual obligation to pay money unless
 1-61 the obligation is assumed by a third party, fully paid in accordance

2-1 with the contract, or waived by the obligee; or
2-2 ~~(3) owns, operates, or maintains public works,~~
2-3 ~~facilities, or improvements, unless the ownership, operation, or~~
2-4 ~~maintenance is assumed by a third party.~~

2-5 SECTION 2. Section 54.030(b), Water Code, is amended to
2-6 read as follows:

2-7 (b) The governing body of a district which desires to
2-8 convert into a district operating under this chapter shall adopt
2-9 and enter in the minutes of the governing body a resolution
2-10 declaring that in its judgment, conversion into a municipal utility
2-11 district operating under this chapter and under Article XVI,
2-12 Section 59, of the Texas Constitution, would serve the best
2-13 interest of the district and would be a benefit to the land and
2-14 property included in the district. The resolution shall also
2-15 request that the commission approve ~~[to hold a hearing on the~~
2-16 ~~question of]~~ the conversion of the district.

2-17 SECTION 3. Section 54.032, Water Code, is amended to read as
2-18 follows:

2-19 Sec. 54.032. CONVERSION OF DISTRICT: NOTICE. (a) Notice
2-20 of the conversion ~~[hearing]~~ shall be given by publishing notice in a
2-21 newspaper with general circulation in the county or counties in
2-22 which the district is located.

2-23 (b) The notice shall be published once a week for two
2-24 consecutive weeks ~~[with the first publication to be made not less~~
2-25 ~~than 14 full days before the time set for the hearing].~~

2-26 (c) The notice shall:

2-27 (1) ~~[state the time and place of the hearing,~~
2-28 ~~[-2-]]~~ set out the resolution adopted by the district
2-29 in full; and

2-30 (2) ~~[-3-]]~~ notify all interested persons how they may
2-31 offer comments ~~[to appear and offer testimony]~~ for or against the
2-32 proposal contained in the resolution.

2-33 SECTION 4. Section 54.033(a), Water Code, is amended to
2-34 read as follows:

2-35 (a) If ~~[After a hearing, if]~~ the commission finds that
2-36 conversion of the district into one operating under this chapter
2-37 would serve the best interest of the district and would be a benefit
2-38 to the land and property included in the district, it shall enter an
2-39 order making this finding and the district shall become a district
2-40 operating under this chapter and no confirmation election shall be
2-41 required.

2-42 SECTION 5. Section 54.031, Water Code, is repealed.

2-43 SECTION 6. This Act takes effect September 1, 2019.

2-44 * * * * *