

1-1 By: Williams S.B. No. 914
1-2 (In the Senate - Filed February 17, 2009; March 9, 2009,
1-3 read first time and referred to Committee on Natural Resources;
1-4 March 25, 2009, reported favorably by the following vote: Yeas 8,
1-5 Nays 0; March 25, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the powers and duties of the Liberty Lakes Fresh Water
1-9 Supply District No. 1; providing authority to impose a tax and issue
1-10 bonds; granting the power of eminent domain.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. The name of Liberty Lakes Fresh Water Supply
1-13 District No. 1 of Liberty County is changed to Liberty Lakes Fresh
1-14 Water Supply District No. 1.

1-15 SECTION 2. Subtitle B, Title 6, Special District Local Laws
1-16 Code, is amended by adding Chapter 6908 to read as follows:

1-17 CHAPTER 6908. LIBERTY LAKES FRESH WATER SUPPLY DISTRICT NO. 1

1-18 SUBCHAPTER A. GENERAL PROVISIONS

1-19 Sec. 6908.001. DEFINITIONS. In this chapter:

1-20 (1) "Board" means the district's board of directors.

1-21 (2) "Director" means a board member.

1-22 (3) "District" means the Liberty Lakes Fresh Water
1-23 Supply District No. 1.

1-24 Sec. 6908.002. NATURE OF DISTRICT. The district is a fresh
1-25 water supply district created under and essential to accomplish the
1-26 purposes of Section 52, Article III, and Section 59, Article XVI,
1-27 Texas Constitution.

1-28 Sec. 6908.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. All
1-29 land and other property in the district will benefit from the
1-30 improvements and services to be provided by the district.

1-31 [Sections 6908.004-6908.050 reserved for expansion]

1-32 SUBCHAPTER B. BOARD OF DIRECTORS

1-33 Sec. 6908.051. GOVERNING BODY; TERMS. (a) The district is
1-34 governed by a board of five elected directors.

1-35 (b) Directors serve staggered four-year terms.

1-36 Sec. 6908.052. QUALIFICATIONS. To be qualified to serve as
1-37 a director, a person must be:

1-38 (1) at least 18 years of age;

1-39 (2) a resident of this state; and

1-40 (3) an owner of land subject to taxation in the
1-41 district or a qualified voter of the district.

1-42 [Sections 6908.053-6908.100 reserved for expansion]

1-43 SUBCHAPTER C. POWERS AND DUTIES

1-44 Sec. 6908.101. GENERAL POWERS AND DUTIES. The district has
1-45 the powers and duties necessary to accomplish the purposes for
1-46 which the district is created.

1-47 Sec. 6908.102. FRESH WATER SUPPLY DISTRICT POWERS AND
1-48 DUTIES. The district has the powers and duties provided by the
1-49 general law of this state applicable to fresh water supply
1-50 districts created under Section 59, Article XVI, Texas
1-51 Constitution, including Chapters 49 and 53, Water Code.

1-52 Sec. 6908.103. AUTHORITY FOR DRAINAGE PROJECTS. The
1-53 district may purchase, construct, acquire, own, operate, maintain,
1-54 repair, or improve all works, improvements, facilities, plants,
1-55 equipment, and appliances necessary to gather, conduct, divert, and
1-56 control local stormwater or other local harmful excesses of water
1-57 in the district.

1-58 Sec. 6908.104. DIVISION OF DISTRICT. (a) The district may
1-59 be divided into two or more new districts only if the district:

1-60 (1) has no outstanding bonded debt; and

1-61 (2) is not imposing ad valorem taxes.

1-62 (b) This chapter applies to any new district created by the
1-63 division of the district, and a new district has all the powers and
1-64 duties of the district.

2-1 (c) Any new district created by the division of the district
 2-2 may not, at the time the new district is created, contain any land
 2-3 outside the territory of the district as it existed on the date the
 2-4 district was created.

2-5 (d) The board, on its own motion or on receipt of a petition
 2-6 signed by the owner or owners of a majority of the assessed value of
 2-7 the real property in the district, may adopt an order dividing the
 2-8 district.

2-9 (e) The board may adopt an order dividing the district
 2-10 before or after the date the board holds an election to confirm the
 2-11 district's creation.

2-12 (f) An order dividing the district shall:

2-13 (1) name each new district;

2-14 (2) include the metes and bounds description of the
 2-15 territory of each new district;

2-16 (3) appoint temporary directors for each new district;
 2-17 and

2-18 (4) provide for the division of assets and liabilities
 2-19 between or among the new districts.

2-20 (g) On or before the 30th day after the date of adoption of
 2-21 an order dividing the district, the district shall file the order
 2-22 with the Texas Commission on Environmental Quality and record the
 2-23 order in the real property records of each county in which the
 2-24 district is located.

2-25 (h) Any new district created by the division of the district
 2-26 shall hold a confirmation and directors' election as provided by
 2-27 Section 49.102, Water Code.

2-28 (i) Municipal consent to the creation of the district and to
 2-29 the inclusion of land in the district acts as municipal consent to
 2-30 the creation of any new district created by the division of the
 2-31 district and to the inclusion of land in the new district.

2-32 (j) Any new district created by the division of the district
 2-33 must hold an election as required by this chapter to obtain voter
 2-34 approval before the district may impose a maintenance tax or issue
 2-35 bonds payable wholly or partly from ad valorem taxes.

2-36 Sec. 6908.105. ADDITION OF LAND. Land that is adjacent to
 2-37 the district may be added to the district in the manner provided by
 2-38 and in accordance with the requirements of Subchapter J, Chapter
 2-39 49, Water Code, whether or not the land is located in the same
 2-40 county.

2-41 [Sections 6908.106-6908.150 reserved for expansion]

2-42 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2-43 Sec. 6908.151. ELECTIONS REGARDING TAXES OR BONDS.

2-44 (a) The district may issue, without an election, bonds and other
 2-45 obligations secured by:

2-46 (1) revenue other than ad valorem taxes; or

2-47 (2) contract payments described by Section 6908.153.

2-48 (b) The district must hold an election in the manner
 2-49 provided by Chapters 49 and 53, Water Code, to obtain voter approval
 2-50 before the district may impose an ad valorem tax or issue bonds
 2-51 payable from ad valorem taxes.

2-52 (c) The district may not issue bonds payable from ad valorem
 2-53 taxes to finance a road project unless the issuance is approved by a
 2-54 vote of a two-thirds majority of the district voters voting at an
 2-55 election held for that purpose.

2-56 Sec. 6908.152. OPERATION AND MAINTENANCE TAX. (a) If
 2-57 authorized at an election held under Section 6908.151, the district
 2-58 may impose an operation and maintenance tax on taxable property in
 2-59 the district in accordance with Section 49.107, Water Code.

2-60 (b) The board shall determine the tax rate. The rate may not
 2-61 exceed the rate approved at the election.

2-62 Sec. 6908.153. CONTRACT TAXES. (a) In accordance with
 2-63 Section 49.108, Water Code, the district may impose a tax other than
 2-64 an operation and maintenance tax and use the revenue derived from
 2-65 the tax to make payments under a contract after the provisions of
 2-66 the contract have been approved by a majority of the district voters
 2-67 voting at an election held for that purpose.

2-68 (b) A contract approved by the district voters may contain a
 2-69 provision stating that the contract may be modified or amended by

3-1 the board without further voter approval.

3-2 Sec. 6908.154. TAX ASSESSOR AND COLLECTOR. Sections
3-3 53.072-53.075, Water Code, do not apply to the district. The board
3-4 may employ or contract with a tax assessor and collector for the
3-5 district as provided by Chapter 49, Water Code.

3-6 [Sections 6908.155-6908.200 reserved for expansion]

3-7 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-8 Sec. 6908.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-9 OBLIGATIONS. The district may issue bonds or other obligations
3-10 payable wholly or partly from ad valorem taxes, impact fees,
3-11 revenue, contract payments, grants, or other district money, or any
3-12 combination of those sources, to pay for any authorized district
3-13 purpose.

3-14 Sec. 6908.202. TAXES FOR BONDS. At the time the district
3-15 issues bonds payable wholly or partly from ad valorem taxes, the
3-16 board shall provide for the annual imposition of a continuing
3-17 direct ad valorem tax, without limit as to rate or amount, while all
3-18 or part of the bonds are outstanding as required and in the manner
3-19 provided by Section 53.188, Water Code.

3-20 Sec. 6908.203. BONDS FOR ROAD PROJECTS. At the time of
3-21 issuance, the total principal amount of bonds or other obligations
3-22 issued or incurred to finance road projects and payable from ad
3-23 valorem taxes may not exceed one-fourth of the assessed value of the
3-24 real property in the district.

3-25 SECTION 3. (a) The legal notice of the intention to
3-26 introduce this Act, setting forth the general substance of this
3-27 Act, has been published as provided by law, and the notice and a
3-28 copy of this Act have been furnished to all persons, agencies,
3-29 officials, or entities to which they are required to be furnished
3-30 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
3-31 Government Code.

3-32 (b) The governor, one of the required recipients, has
3-33 submitted the notice and Act to the Texas Commission on
3-34 Environmental Quality.

3-35 (c) The Texas Commission on Environmental Quality has filed
3-36 its recommendations relating to this Act with the governor, the
3-37 lieutenant governor, and the speaker of the house of
3-38 representatives within the required time.

3-39 (d) All requirements of the constitution and laws of this
3-40 state and the rules and procedures of the legislature with respect
3-41 to the notice, introduction, and passage of this Act are fulfilled
3-42 and accomplished.

3-43 SECTION 4. This Act takes effect immediately if it receives
3-44 a vote of two-thirds of all the members elected to each house, as
3-45 provided by Section 39, Article III, Texas Constitution. If this
3-46 Act does not receive the vote necessary for immediate effect, this
3-47 Act takes effect September 1, 2009.

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