

BILL ANALYSIS

Senate Research Center
86R8663 GRM-D

H.B. 1820
By: Bailes (Nichols)
Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

After Hurricane Harvey, Liberty County's neighbor to the south, Harris County, found themselves in a dilemma, needing approximately \$23 billion to fix their flooding issues. To be proactive after the hurricane and to avoid that type of investment, several stakeholders from the county provided the idea of creating a county-wide drainage district in Liberty County. Areas within Liberty County are prone to flooding, especially where there are low-lying areas, undersized culverts and bridges, and railroads, just to name a few. The creation of a drainage district would provide an additional funding mechanism, through grants or ad valorem taxes, for improvements.

H.B. 1820 amends current law relating to the creation of the Liberty County Drainage District; provides authority to issue bonds; provides authority to impose assessments, fees, or taxes; and grants a limited power of eminent domain.

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. Amends Subtitle A, Title 6, Special District Local Laws Code, by adding Chapter 6616, as follows:

CHAPTER 6616. LIBERTY COUNTY DRAINAGE DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 6616.0101. DEFINITIONS. Defines "board" as the Liberty County Drainage District's board of directors (district; board). Defines "director" and "district."

Sec. 6616.0102. NATURE OF DISTRICT. Provides that the district is a drainage district created in Liberty County under Section 59 (Conservation and Development of Natural Resources; Development of Parks and Recreational Facilities; Conservation and Reclamation Districts; Indebtedness and Taxation Authorized), Article XVI, Texas Constitution, subject to approval at a confirmation election under Section 6616.0152.

Sec. 6616.0103. FINDINGS OF BENEFIT AND PURPOSE. (a) Provides that the district is created to serve a public use and benefit.

(b) Provides that all land and other property included in the district will benefit from the works and projects that are to be accomplished by the district under powers conferred by Section 59, Article XVI, Texas Constitution.

(c) Provides that the district is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 6616.0104. DISTRICT TERRITORY. Provides that the district territory is coextensive with the boundaries of Liberty County, Texas.

SUBCHAPTER A-1. TEMPORARY PROVISIONS

Sec. 6616.0151. DEFINITION. Defines "existing district" as Liberty County Drainage District No. 4, Old River Drainage District 1-Liberty County, or Raywood Drainage District 2 (existing district).

Sec. 6616.0152. CONFIRMATION ELECTION. (a) Requires the temporary directors, before September 1, 2022, to hold an election to confirm the creation of the district in accordance with Chapters 49 (Provisions Applicable to All Districts) and 56 (Drainage Districts), Water Code.

(b) Requires the temporary board of directors to determine the method for determining the initial term of each person on the initial board of directors. Requires a confirmation election to be held as provided by Section 41.001(a) (relating to requiring each general or special election in this state, except as otherwise provided by this subchapter (Election Dates), to be held on certain listed dates), Election Code.

Sec. 6616.0153. TRANSFER OF ASSETS; DISSOLUTION. (a) Requires each existing district, if the creation of the district is confirmed under Section 6616.0152, to transfer the assets, debts, and contractual rights and obligations of that existing district to the district.

(b) Requires the board of directors of each existing district, not later than the 30th day after the date of the transfer under Subsection (a), to commence dissolution proceedings of the existing district that board of directors represents.

(c) Requires the board of directors of the district to notify the Texas Commission on Environmental Quality of the dissolution of each existing district.

Sec. 6616.0154. EXPIRATION OF SUBCHAPTER. Provides that this subchapter expires September 1, 2023.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 6616.0201. DIRECTORS. (a) Provides that the district is governed by a board of five directors appointed by the Commissioners Court of Liberty County as follows:

(1) one director from each of the four county commissioners precincts;
and

(2) one director at large.

(b) Requires a person, to be eligible to serve as a director, to reside in Liberty County and be a qualified voter in the district or own land that is taxable in the district.

(c) Provides that the board has all powers conferred on a board of directors under Chapter 56, Water Code.

(d) Provides that directors serve staggered terms of four years except for initial directors, two of whom serve two-year terms as agreed on by the initial directors.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 6616.0301. GENERAL POWERS AND DUTIES. Provides that the district has all rights, powers, privileges, functions, and duties provided by the general law of this state

applicable to a drainage district created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 56, Water Code.

SECTION 2. Repealer: Chapter 52 (Liberty County Drainage District No. 5), Acts of the 57th Legislature, 1st Called Session, 1961.

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. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 6616, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 6616.0302 to read as follows:

Sec. 6616.0302. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. Provides that if the creation of the district is not confirmed at a confirmation election held under Section 1 of this Act before September 1, 2022, this Act and Chapter 6616, Special District Local Laws Code, as added by this Act, expire on that date.

SECTION 6. Effective date: upon passage or September 1, 2019.