## **BILL ANALYSIS**

Senate Research Center 77R10696 T S.B. 1775 By: Lindsay Intergovernmental Relations 4/6/2001 As Filed

## **DIGEST AND PURPOSE**

The Texas Constitution provides for the creation of conservation and reclamation districts which are authorized to incur debt to provide permanent improvements such as water distribution facilities, wastewater collection and transportation lines, and drainage projects. As proposed, S.B. 1775 establishes such a district in Harris County.

## **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. CREATION. (a) Creates a conservation and reclamation district, to be known as Harris County Municipal Utility District No. 386, of Harris County, Texas (district), subject to approval at a confirmation election under Section 9 of this Act. Provides that the district is a governmental agency and a body politic and corporate.

(b) Provides that the district is created under and is essential to accomplish the purposes of Article XVI, Section 59 (Conservation and Development of Natural Resources; Conservation and Reclamation Districts), Texas Constitution.

SECTION 2. DEFINITION. Defines "district."

SECTION 3. BOUNDARIES. Sets forth the geographical composition of the district.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. Provides that the legislature finds that the boundaries and field notes of the district form a closure. Provides that a mistake in the field notes or in copying the field notes in the legislative process does not affect the organization, existence, or validity of the district, the validity of its bonds, notes, or indebtedness, the right of the district to levy and collect taxes, or the legality or operation of the district or its governing body.

SECTION 5. FINDING OF BENEFIT. Provides that all of the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conferred by Article XVI, Section 59, of the Texas Constitution. Provides that the district is created to serve a public use and benefit.

SECTION 6. POWERS. (a) Grants the district all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts), 50 (Provisions Generally Applicable to Districts) and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts created under Article XVI, Section 59, of the Texas Constitution. Provides that this Act prevails over any provision of general law that is in conflict or inconsistent with this Act.

(b) Provides that the rights, powers, privileges, authority, functions, and duties of the district are subject to the continuing right of supervision of the state to be exercised by and through the Texas Natural Resource Conservation Commission (commission).

(c) Provides that so long as and to the extent that the district does not utilize groundwater produced within the district or the county in which the district is situated, the district shall not be subject to or affected by any rule, regulation, requirement, restraint, order, rate, fee, or other direction or charge adopted, promulgated, imposed, or enforced directly or indirectly, under the authority of Chapter 151 (Harris-Galveston Coastal Subsidence District), Water Code, or Chapter 1029 (relating to the North Harris County Regional Water Authority), Acts of the 76th Texas Legislature, Regular Session, 1999.

SECTION 7. BOARD OF DIRECTORS. Sets forth provisions for the governance of the district by a board of directors.

SECTION 8. APPOINTMENT OF TEMPORARY DIRECTORS. Sets forth provisions for the appointment of a temporary board of directors.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. Requires the temporary board of directors to call and hold an election to confirm establishment of the district and to elect five initial directors as provided by Chapter 49, Water Code.

SECTION 10. ELECTION OF DIRECTORS. Sets forth provisions for the election of the board of directors.

SECTION 11. COMPLIANCE WITH CITY ORDINANCE OR RESOLUTION. Requires the district, subject to the limitations of Section 54.016 (Consent of City), Water Code, to comply with all valid and applicable requirements of any ordinance or resolution adopted by the city council of the City of Houston, including an ordinance or resolution adopted before the effective date of this Act, that consents to the creation of the district or to the inclusion of lands within the district.

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. Sets forth findings that the procedural requirements related to this Act are fulfilled and accomplished.

SECTION 13. EMERGENCY. Sets forth emergency clause. Effective date: upon passage.