

## **BILL ANALYSIS**

Senate Research Center  
77R11967 SGA-F

C.S.S.B. 1777  
By: Lindsay  
Intergovernmental Relations  
4/11/2001  
Committee Report (Substituted)

### **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. C.S.S.B. 1777 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 in Harris County, to be known as the Harris County Municipal Utility District No. 388 (district), subject to approval at a confirmation election under Section 10 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 Section 59, Article XVI (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 Section 59, Article XVI, 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 Section 59, Article XVI, 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) Prohibits the district from imposing an impact fee or assessment on the property, equipment, rights of way, facilities, or improvements of an electric utility or a power generation company as defined by Section 31.002 (Definitions), Utilities Code, or a gas utility as defined by Section 101.003 (Definitions) or 121.001 (Definition of Gas Utility), Utilities Code.

**SECTION 7. RELOCATION OF FACILITIES.** Authorizes the district, if necessary, to relocate, raise, reroute, or otherwise alter a highway, railroad, electric transmission line, pipeline, canal, or drainage ditch. Requires the district to pay for any such action under this section, unless otherwise agreed in writing by the interested parties. Limits the cost of replacement of a facility to an amount equal to the cost of replacing the facility with a comparable facility, less the replaced facility's net salvage value.

**SECTION 8. BOARD OF DIRECTORS.** Sets forth provisions for the governance of the district by a board of directors.

**SECTION 9. APPOINTMENT OF TEMPORARY DIRECTORS.** Sets forth provisions for the appointment of a temporary board of directors.

**SECTION 10. 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. Provides that Section 41.001(a) (Uniform Election Dates), Election Code, does not apply to a confirmation election under this section.

**SECTION 11. ELECTION OF DIRECTORS.** Sets forth provisions for the election of the board of directors.

**SECTION 12. 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 13. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS.** Sets forth findings that the procedural requirements related to this Act are fulfilled and accomplished.

**SECTION 14. EFFECTIVE DATE; EXPIRATION DATE.** Effective date: September 1, 2001. Makes this Act expire on September 1, 2003, if the creation of the district is not confirmed at a confirmation election held under SECTION 10 of this Act before that date.

## **SUMMARY OF COMMITTEE CHANGES**

Differs from the original as follows:

- Conforms language throughout the bill to legislative drafting standards.
- Amends the caption.
- Adds the prohibition included in SECTION 6(c).

- Adds the provisions in SECTION 7 and redesignates subsequent SECTIONS 7-13 as SECTIONS 8-14.
- Conforms references throughout the bill to SECTION redesignations.
- Makes clarifications in SECTIONS 9 and 11.
- Adds the provision in SECTION 10 regarding the nonapplicability of Section 41.001(a), Election Code.
- Replaces the emergency clause with the effective and expiration dates.