

BILL ANALYSIS

Senate Research Center
83R14236 PMO-F

H.B. 701
By: Farney (Schwertner)
Administration
4/19/2013
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Corn Hill Regional Water Authority of Bell and Williamson Counties currently encompasses land within its member entities, the Sonterra Municipal Utility District and the CLL Municipal Utility District No. 1, that is planned for residential and commercial development. Interested parties note that a recent regional water planning study identified the need for construction and financing of extensive water development infrastructure in order to serve the needs of the member entities and other political subdivisions in the planning area. The interested parties contend that under the authority's original enabling legislation the authority was empowered to provide regional water supplies but that in order to facilitate a plan for long-term development for its member entities the authority needs additional powers, including wastewater and drainage authority. H.B. 701 seeks to address these issues by establishing relevant provisions relating to the authority.

H.B. 701 amends current law relating to the Corn Hill Regional Water Authority and provides authority to impose fees and taxes.

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 Section 8364.004(c), Special District Local Laws Code, as follows:

- (c) Provides that the Corn Hill Regional Water Authority (authority) is created to accomplish:
- (1) Creates this subdivision from existing text and makes no further change to this subdivision;
 - (2) the reclamation and drainage of the district's overflowed lands and other lands needing drainage;
 - (3) the control, abatement, and change of any shortage or harmful excess of water; and
 - (4) the protection, preservation, and restoration of the purity and sanitary condition of water within the state.

SECTION 2. Amends Subchapter B, Chapter 8364, Special District Local Laws Code, by adding Section 8364.052, as follows:

Sec. 8364.052. EX OFFICIO DIRECTORS. (a) Authorizes the authority's board of directors (board), at any time, to by resolution appoint a nonvoting ex officio director to serve at the pleasure of the board, and to by resolution remove an ex officio director.

(b) Provides that an ex officio director is entitled to all notices and information given to and accessible to a director and may attend and participate in any board meeting.

SECTION 3. Amends Section 8364.072(a), Special District Local Laws Code, to authorize a municipality, county, or other political subdivision to petition the board to add that municipality, county, or other political subdivision as a member entity.

SECTION 4. Amends Section 8364.103, Special District Local Laws Code, as follows:

Sec. 8364.103. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES; LIMITATIONS. (a) Provides that the authority, except as provided by Subsection (b), rather than except as provided by Subsections (b) and (c), has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts created under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), Texas Constitution.

(b) Prohibits the authority from providing solid waste disposal or road facilities or services, rather than prohibiting the authority from providing wastewater, drainage, solid waste disposal, or road facilities or services.

Deletes existing Subsection (c) providing that the authority does not have any power that the member entities do not have.

SECTION 5. Amends Section 8364.151(a), Special District Local Laws Code, to authorize the authority, for any authorized authority purpose, to issue bonds or other obligations payable wholly or partly from revenue of the authority's water system, sanitary sewer system, or drainage system, including revenue from contracts with member entities or customers, or any combination of those sources of revenue.

SECTION 6. Amends Subchapter D, Chapter 8364, Special District Local Laws Code, by adding Section 8364.153, as follows:

Sec. 8364.153. FUNDING BY MEMBERS. Authorizes a member entity, under a contract with the authority, to make payments from any of the member entity's sources of revenue, including ad valorem taxes, impact fees, grants, sales and use taxes, and any other source to provide money for the administrative and operating expenses of the authority.

SECTION 7. 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 8. Effective date: upon passage or September 1, 2013.