

# Texas Water Development Board Legislative Wrap-Up



2005  
79<sup>th</sup> Legislative Regular Session





# **POST SESSION WRAP UP REPORT**

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## **Numerical information about the 79<sup>th</sup> Regular Legislative Session**

- **5,512 bills and joint resolutions filed in House and Senate (143 joint resolutions)**
- **1,386 bills and joint resolutions passed (25%), including nine proposed constitutional amendments**
- **19 bills vetoed by Governor**
- **5 bills became law without Governor’s signature**
- **>500 bills and joint resolutions tracked by TWDB**
- **359 bill analyses completed by TWDB**
- **135 Water Development Policy Impact Statements completed by TWDB**
- **53 fiscal notes completed by TWDB**

## Appropriations/Finance Summary (Agency 580 and 58a)

S.B. 1

Effective: 09/01/05  
Analyst: Melanie Callahan

### Article VI:

Excluding debt service, the agency's "baseline" budget request (before exceptional item requests) was funded except for (1) \$587,636 of general revenue (GR) removed from the water conservation strategy; (2) \$5,114,556 reduction in GR and replaced with Water Assistance Fund for regional water planning. TWDB is considering options for funding the conservation reduction from other sources. The GR appropriation for the agency (excluding debt service and exceptional items) is \$30.13 million, or 22.8% lower than in FY 04-05 biennium. For "all funds," it is \$75.3 million, or 0.2% higher than in the FY 04-05 biennium.

#### AGENCY

	GR	All Funds
Baseline funded	\$30,134,580	\$75,375,680
Exceptional items	\$7,025,153	\$7,025,153
Total, excluding debt service	\$37,159,733	\$82,400,833

The Legislature also provided funding for the following exceptional items, all funded out of GR:

<u>Desalination Projects</u>	\$ 3,300,000
DWSRF - Match for Disadvantaged Communities Program <i>Note: The cap for the match to Drinking Water State Revolving Fund Disadvantaged Communities program was increased by \$706,831 each year, which should allow utilization of the full 30% of the grant for disadvantaged communities.</i>	\$1,413,662
<u>Restoration of Previous Salary Reductions</u>	\$311,491
Regional Water Planning <i>Note: As requested in the exceptional item, funding for regional water planning grants was increased to \$4.17 million each year; however, only \$1.6 million of this will be GR. The remaining \$2.56 million was reduced from GR and will be paid from existing balances in the Water Assistance Fund (WAF), which were originally designated for other projects.</i>	\$1,600,000
Brushy Creek Reservoir (Lake Marlin)*	\$400,000
<b>TOTAL:</b>	<b>\$ 7,025,153</b>

\* was not a Board exceptional request

**Rider 7** appropriates the Agricultural Water Conservation Fund up to a maximum of \$3 million each year. While this fund has traditionally received estimated appropriation, for the FY 06-07 biennium, only amounts necessary to administer and disburse loans will be estimated. Grants and operational costs will fall within the \$3 million maximum.

In addition to the monetary additions and reductions of the bill, riders are included which provide estimated appropriation authority for the Water Infrastructure Fund, exempt federal funds and appropriated receipts from capital rider provisions in Article IX with notification to the LBB and the Governor, and direct the TWDB to conduct a study of Toledo Bend Reservoir.

The cap on the executive administrator's salary is increased to \$115,000.

**Non-Self Supporting G.O. Bond Debt Service (agency 58a):**

Debt service for the agency's "baseline" budget request (before exceptional item requests) was fully funded. General revenue appropriation for debt service is \$38.15 million, or 8.2% lower than in the FY 04-05 biennium; for "all funds", it is \$52.2 million, or 1.4% higher than in the FY 04-05 biennium.

The Legislature also provided \$2.15 million in general revenue funding for the exceptional item request for debt service on an additional EDAP bond issue, which will allow \$25 million in projects to be funded in FY 07.

DEBT SERVICE

	GR	All Funds
Baseline funded	\$38,151,990	\$52,244,126
Exceptional items	<u>\$2,156,458</u>	<u>\$2,156,458</u>
Total	<u>\$40,308,448</u>	<u>\$54,400,584</u>

The Legislature maintained general revenue to pay for Agricultural Water Conservation Bond debt service.

**Article IX:**

**Sec 4.04** increases the allowed amount of meals and lodging for board members to \$121 per day.

**Section 4.07** rescinds the contract workforce report previously due December 1 of each year.

**Section 5.03** increases meals and lodging allowances.

**Section 5.09** directs the Comptroller to reduce appropriations to all agencies by a total of \$4,994,716 based on historical information from the TBPC related to agency travel.

**Section 6.08** reduces the flexibility to transfer from one appropriation item to another to 12.5 percent.

**Section 6.14** reduces the allowable FTEs for any agency by 2% except for agencies with less than 300 FTEs, the Office of the Governor, the Office of the Comptroller and the Office of the Attorney General.

Includes authority and appropriation for a general pay raise for state employees of 4% in FY 06 and 3% in FY 07. Employees will receive a minimum of \$100/month increase in FY 06 and a minimum of \$50/month in FY 07.

Increases longevity payments for \$20/month for every two years of lifetime service. This increase was not funded with additional appropriations.

## **Board Priority Bills (7 of 11 or 63.6% passed)**

### **H.B. 828                      Callegari/Fraser**

Effective: 05/30/05

Amends Sec. 49.181, Water Code, clarifying that TCEQ does not have to make project feasibility determinations on refinancing bonds issued by water districts and sold to TWDB.

### **H.B. 1224                      Puente/Duncan**

Effective: 06/17/05

Requires the TWDB to conduct a study to determine the effects, if any, of take-or-pay contracts on efforts to conserve water and to submit its findings and recommendations in a report to the Legislature on or before January 1, 2007. The report shall include a summary of the findings made during the course of the study and recommendations for legislative action based on those findings.

### **H.B. 1225                      Puente/Duncan**

Effective: 06/18/05

Amends Sec. 11.173(b), Water Code, to exempt from cancellation that portion of a water right that is not used as a result of the implementation of water conservation measures.

### **H.B. 1657                      Hope/Averitt**

Effective: 05/09/05

Amends Sec. 16.093, Water Code, clarifying the TWDB's authority to receive federal grant, loan and other assistance from any federal agency for water supply projects, treatment works, or structural or nonstructural flood control measures. Also deletes the requirement for a grant processing fee.

### **S.B. 9                              Staples/Corte**

Effective: 06/18/05

Makes TWDB a member of the Homeland Security Council.

### **S.B. 374                         Jackson/Callegari**

Effective: 05/17/05

Repeals Sec. 6.110, Water Code, requiring the Executive Administrator of the TWDB to develop and prepare a plan due to the Board, the Legislature and the LBB detailing the capital spending plans for several agency-administered programs.

### **S.B. 509                         Armbrister/Geren**

Effective: 06/17/05

Amends Sec. 15.974 (b), Water Code, giving the TWDB maximum flexibility in determining which needs to address with WIF appropriations, if given funding by the Legislature.

## **Board Priority Bills (4 of 11 or 36.4% did not pass)**

### **H.B. 3310                      Callegari**

Amends Ch. 36, Water Code, Groundwater legislation. Requires groundwater conservation districts (GCDs) to develop a management goal addressing the GCD's desired future conditions for the aquifer for inclusion in the GCD's management plan; require TWDB to provide technical assistance for all GCDs within a groundwater management area (GMA); and revise the review process of groundwater management plans from an administrative completeness review to a more qualitative review.

### **H.B. 2431                      Puente**

Amends 16.053 (h), Water Code, authorizing the TWDB Executive Administrator to approve a request from a Regional Water Planning Group to expedite an amendment to a regional water plan in limited circumstances.

### **H.B. 1226                      Puente**

Amends the public awareness program; requires the TWDB to create regional conservation assistance via a local coordinator; creates a preference for Texas Water Development Fund water supply financial assistance for applications submitted by entities that have undertaken conservation measures; creates and establishes duties of a 17-member Water Conservation Advisory Council made up of state, federal and local governments, stakeholders, and providers.

### **H.B. 1223                      Puente**

Declares legislative findings for water conservation and energy savings. Requires TCEQ to establish rules and sets specifications for toilet testing for performance and conservation. Allows independent testing agencies to certify list of plumbing fixtures.



## Summary of Bills – by Subject Areas

### **Appropriations/Finance**

#### **H.B. 10                      Pitts/Ogden**

*Relating to making supplemental appropriations and reductions in appropriations.*

Effective: 6/18/05

Analyst: Senate Research Center

Makes adjustments in appropriations for various state agencies. Appropriates funds from various sources including: the general revenue fund, general revenue dedicated funds, matching federal funds, the Economic Stabilization Fund, and other funds, none of which directly impact the TWDB.

#### **H.B. 256                      Hobson/Estes**

*Relating to investments in certificates of deposit by certain governmental entities.*

Effective: 09/01/05

Analyst: Mary Jo Wright and Srin Surapanani

Allows investment of public funds in share certificates or certificates of deposit, without requiring that the financial institution be domiciled in the State of Texas. Rather, the institution must have either its main office or a branch office in the State of Texas. Allows investment in Certificate of Deposit Account Registry Service (CDARS), which insures deposits up to \$10 million, versus the current \$100,000 insurance.

Allows state agencies to invest in CDARS as certificates of deposits. However, the current rules of the TWDB do not authorize investment in certificates of deposits. To take advantage of this change to statute, the TWDB would have to determine the utility of investing in certificates of deposit and amend its investment rules accordingly.

#### **H.B. 2753                      Pitts/Ogden**

*Relating to the powers, duties, and functions of the Legislative Budget Board.*

Effective: 6/18/05

Analyst: Melanie Callahan

Allows the Legislative Budget Board (LBB) access to databases of criminal justice agencies. Specifies that reporting of the equalized funding elements shall be as determined by the LBB. Specifies open meeting and quorum requirements if the LBB meets in Austin. Allows the LBB director, instead of the board, to employ personnel and set salaries. Exempts LBB work papers on school district reviews, performance reviews of institutions of higher education and efficiency reviews of state agencies from public disclosure until the LBB has completed its review and analysis. Allows the LBB to develop and perform functions related to the

criminal justice system. Exempts communications between legislators and employees of the LBB from public information requirements. Repeals several sections including those which eliminate reporting requirements on training, memberships with entities employing lobbyists and non-resident bidders.

**S.B. 1605**                      **Ogden/Luna**

*Relating to the creation and re-creation of funds and accounts in the state treasury, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes.*

Effective: 6/18/05

Analyst: Melanie Callahan

Defines state agency to exclude institutions of higher education.

Section 2 abolishes funds, accounts and dedications of revenue created or re-created by the 79<sup>th</sup> Legislature, except as specifically provided by this Act.

Specifies that Section 2 does not apply to previously exempt dedication, funds and accounts.

Provides the framework for exempting accounts and revenue from Section 2, and creating the account in the general revenue fund. In this version of the bill accounts created or re-created under H.B. 2, H.B. 3, H.B. 3540, H.B. 1863, H.B. 1765 or S.B. 831, S.B. 3, H.B. 2793, H.B. 2479, H.B. 2100, H.B. 2101 or similar legislation to any of these are exempt from Section 2.

Provides the framework to create, or re-create, existing funds as accounts in the general revenue fund. In this version of the bill funds created or re-created by S.B. 1096 or similar legislation to any of these are exempt from Section 2.

Provides the framework for exempting revenue dedication from Section 2. In this version of the bill revenues dedicated or rededicated by S.B. 368, H.B. 2, H.B. 3, H.B. 7, H.B. 3540 or S.B. 1863 or similar legislation, or revenues dedicated or rededicated to Fund 0006, Account 9 (except for dedications or rededications in H.B. 3051), Account 36, Account 151, Account 0027, Account 153 and Account 165 are exempt from Section 2.

Exempts federal funds requiring separate accounting under federal law from Section 2.

Exempts trust funds from Section 2.

Exempts bond funds or pledged funds from Section 2.

Exempts funds created or re-created by the Texas Constitution from Section 2.

Exempts the Scholarship Fund for Architectural Examination from sections 2 and 8 as created or re-created by S.B. 1279 or similar legislation.

Provides the framework for exempting funds from Section 2, and creating separate funds. In this version of the bill funds created or re-created by H.B. 3540, S.B. 1863, H.B. 2 and H.B. 3 are exempt from Section 2.

Amends Sec. 403.095, Government Code, to update legislative session references, and fiscal year end references.

Exempts dedication of revenue from license plates authorized by an Act of the 79th Legislative Session.

Specifies that this Act prevails over any other Act of the 79<sup>th</sup> Legislative Session which creates or re-creates special funds, accounts, or dedications of revenue.

**S.B. 1863                      Ogden/Pitts**

*Relating to certain fiscal matters affecting governmental entities.*

Effective: some parts 6/17/05, others 9/1/05

Analyst: Melanie Callahan

Increases the registration fee for certain lobbyists.

Relates to audits of agency expenditures contracted by the comptroller, and recovery of overpayments discovered. Recovery audits are required for agencies with total biennial expenditures to vendors exceeding \$100 million.

Relates to eligibility for medical assistance and children's health insurance programs.

Allows state employees to waive basic coverage insurance if the employee can prove he is covered by another substantially equivalent plan. Also allows optional supplemental coverage for employees eligible under TRICARE Military Health. Incentive payments are authorized for these employees to use to pay for other group coverage. The state contribution for coverage may be reduced for the reduced coverage.

Relates to extending the state's reimbursement program on petroleum storage tanks.

Relates to drug purchasing for state agencies.

Relates to quality assurance fees repealing Sec. 252.209, Health and Safety Code.

Relates to the Texas Mobility Fund and the temporary disposition of money allocated to it.

Relates to the Telecommunications Infrastructure Fund.

Relates to collection of certain costs, fees and fines in criminal cases and collection improvement program.

Relates to interest on certain tax refunds.

Relates to public school facilities and payments made on bonds.

Relates to compensation for certain state employees who return to work. Excludes retirees who retire after May 31, 2005 from receiving longevity pay; revises longevity pay to \$20 per month for every two years worked instead of every three years worked; retirees who retired prior to June 1, 2005 and returned to work prior to September 1, 2005 receive the amount of longevity the retiree was entitled to prior to September 1, 2005; an employee otherwise eligible for benefit replacement pay who leaves state employment after August 31, 1995, for at least 30 consecutive days is ineligible to receive benefit replacement pay; retirees who retire on or after June 1, 2005 accrue vacation leave based on the rehire date; revises hazardous duty pay.

Relates to the System Benefit Fund as the Utility Code is amended.

Relates to funding and uses of the Coastal Protection Fund allowing the legislature to appropriate an amount greater than the amount of interest accruing annually for the FY 06-07 biennium.

Relates to reimbursement of excessive or unfairly discriminatory rates charged by certain insurers.

Related to certain provisions relating to retirement system contributions and benefits for retired school employees which requires a state contribution of 6 - 10% instead of 8%.

Related to compensation supplementation for certain school employees.

Related to retirement system contributions for certain members of the Teachers Retirement System.

## **Contracts**

### **H.B. 26                      Delisi/Zaffirini**

*Relating to an electronic database of major state contracts and related documents.*

Effective: 06/17/05

Analyst: Randy Galbreath and James LeBas

Amends and expands Subchapter B (Electronic Procurement Marketplace) of Chapter 2177, Government Code, (Electronic Commerce) to require state agencies to provide to the Texas Building and Procurement Commission (TBPC) copies of all major contracts (contracts of \$5,000,000 or more for the procurement of goods or services) entered into by the agency and related solicitation documents including request for proposal and invitation to bid. The TBPC will post this information to the electronic procurement marketplace. This information will be accessible to Texas governmental entities, legislative entities, and the public. State agencies will be required to comply with these new provisions by June 1, 2006.

**H.B. 905 Delisi/Williams**

*Relating to the power and duties of the state auditor in connection with state contracts.*

Effective: 6/18/05

Analyst: Ron Pigott

This bill requires state agency contractors to provide information to the State Auditor's Office (SAO) so the SAO can assess the contractor's performance, determine the state's remedies for performance breaches, and evaluate if the contractor has acted in the best interest of the state. In order to comply with this new law, the TWDB revised the language it includes in its payable contracts concerning the SAO's ability to audit the contractor.

**H.B. 908 Turner/Estes**

*Relating to the use of the reverse auction procedure by the Texas Building and Procurement Commission.*

Effective: 9/1/05

Analyst: Tom Tagliabue

Requires the Texas Building and Procurement Commissioner (TBPC) to use reverse auctions for purchase of goods and services in certain circumstances. H.B. 908 requires the TBPC to offer historically underutilized businesses (HUBs) assistance and training relating to the reverse auction procedure and advise HUBs on contracts available using the reverse auction procedure. H.B. 908 adds new language requiring the TBPC to set a goal of purchasing at least 20 percent of the dollar value of goods or services purchased by the TBPC using the reverse auction procedure. Although the bill does not directly impact TWDB, it could indirectly if the TWDB utilizes TBPC for obtaining goods and services.

**H.B. 2525 Callegari/Lindsay**

*Relating to contracts by governmental entities for construction projects and related professional services and to public works performance and payment bonds.*

Effective: VETOED BY GOVERNOR 6/17/06.

Analyst: Mike Lynn

Would have added Chapter 2264 to Subtitle F, Title 10 (General Government) of the Government Code. The new chapter would apply to governmental entities including state agencies, counties, municipalities, school districts, hospital districts, river authorities, any type of water district, defense base development authorities, any other political subdivision of the state and Sec. 61.003, Education Code (Public Junior Colleges).

The proposed new chapter explains methods by which these entities may contract for facility construction (defined as improvements to real property) services including competitive bidding, competitive sealed proposals, a method employing a construction-manager agent, a method termed construction manager-at-risk, design-build, and job order contracts. The bill contains stipulations for the use of each method.

In addition, the bill contains several sections that repeal or alter various portions of the Government Code and Education Code to eliminate conflicts with the proposed legislation.

**H.B. 2932**                      **Delisi, Rodriguez, Isett/Zaffirini**

*Relating to requiring state agency purchasing personnel to disclose certain family relationships with business entities receiving certain state agency contracts.*

Effective: 9/1/05

Analyst: Phyllis Thomas and Ron Pigott

Requires certain staff to disclose relationships they have with potential vendors. This bill will apply only to “purchasing personnel” involved in the management of "major" contracts. The bill defines “purchasing personnel” as those employees who make decisions or recommendations regarding: (1) contract terms or conditions on a major contract; (2) the selection of the vendor; (3) preparation of a solicitation for a major contract; or (4) evaluation of a bid or proposal. A “major contract” is defined as a contract with a value of at least \$1,000,000.

Under this bill, before the TWDB may award a major contract for the purchase of goods or services to a business entity, the purchasing personnel working on the contract must disclose, in writing to the Executive Administrator, if an employee, a partner, a major stockholder, a paid consultant with a contract with the business entity the value of which exceeds \$25,000, or other owner of the business entity is that TWDB employee’s spouse, mother, father, brother, sister, child, first cousin, aunt, uncle, niece, nephew, grandparent, or grandchild.

**S.B. 1569**                      **Williams/T. Smith**

*Relating to audits of state agency expenditures to recover overpayments and lost discounts.*

Effective: 06/17/05

Analyst: Melanie Callahan

Amends the Government Code to provide for recovery of state agency overpayments, providing that the comptroller shall contract with consultants to conduct recovery audits, requiring recovery audits on each state agency with payments to vendors in excess of \$100 million, and addresses reporting of the consultant reports.

Directs the comptroller to adopt rules so that the comptroller can contract with a consultant for recovery audits by January 1, 2006.

## State Agencies

### **H.B. 22**                      **F. Brown/Shapiro**

*Relating to the disposition of state agency surplus or salvage property.*

Effective: 05/24/05

Analyst: Ryan Long

Nonprofit organizations that provide affordable housing can now receive donations of state surplus and salvage property from state agencies and institutions of higher education.

### **H.B. 2377**                      **Swinford/Ellis**

*Relating to the use of private firms by the Texas Building and Procurement Commission in leasing space for state agencies.*

Effective: 5/27/05

Analyst: Ryan Long

The TBPC will establish a system of charges and billings to recover the cost of contracting with private brokers or real estate firms.

### **H.B. 2379**                      **Swinford/Ellis**

*Relating to the allocation of certain state office space.*

Effective: 9/1/05

Analyst: Ryan Long

Repeals the 135 square feet per person rule and will allow the TBPC to determine space needs for an agency based on private sector standards and industry practices. This could impact the TWDB when its staff is relocated to other floors in the Stephen F. Austin Building. Hopefully, the TWDB will have more flexibility and consideration when office space is allocated.

### **H.B. 2553**

*Relating to the publication of mobile service customer telephone numbers by commercial mobile service providers.*

Effective: 9/1/05

Analyst: Ron Pigott

Under this bill, commercial mobile service providers must obtain written consent from customers before publishing names and mobile telephone numbers in a directory. Consent may be revoked at any time. Further, customers may not incur additional charges for refusing to consent. The TWDB should exercise its right, as a customer, to refuse consent to publish agency mobile phone numbers in order to avoid phone solicitors from using up minutes and/or incurring a cost to the state with unnecessary calls.

**H.B. 3227 Swinford/Lucio**

*Relating to requirements imposed under the vehicle fleet management plan.*

Effective: Effective 06/17/05

Analyst: Ryan Long

State agencies can now report information to the TBPC on a quarterly instead of monthly basis.

**S.B. 1139 Eltife/Frost**

*Relating to monitoring by the Texas Building and Procurement Commission and the Legislative Budget Board of the transfer of surplus or salvage property by state agencies.*

Effective: 9/1/05

Analyst: Ryan Long

On direct transfers of surplus and salvage property, state agencies will now coordinate this effort through the TBPC. The TBPC will ensure the transferring agency is properly conducting this process. Non-compliant agencies will be reported to the LBB.

## **Human Resources/State Employee Issues**

**H.B. 67 McClendon, et al/Van de Putte**

*Relating to designating August 26 as Women's Independence Day.*

Effective: 05/09/05

Analyst: Robert Ruiz

Establishes August 26 as Women's Independence Day to commemorate the ratification in 1920 of the Nineteenth Amendment to the United States Constitution, which guaranteed women the right to vote. Women's Independence Day shall be regularly observed by appropriate programs in the public schools and other places to inspire a greater appreciation of the importance of women's suffrage.

**H.B. 70 McClendon, Escobar/Wentworth**

*Relating to the expedited payment of the lump-sum death benefit for members of the Employees Retirement System of Texas.*

Effective: 5/30/05

Analyst: Robert Ruiz

This bill would require the Employee Retirement System Board (board) to issue a lump-sum death benefit in the amount of \$5,000 if the board of trustees receives proof satisfactory to it of the death, on or after September 1, 1975, of a person retired under a retirement system administered by the board. The board by rule shall adopt procedures to provide for the payment of this benefit not later than the seventh day after the date the board receives the required proof of death.



**H.B. 410**                    **Goodman/Harris**

*Relating to the property interests of spouses in connection with certain separate and community property.*

Effective: 09/01/05

Analyst: Smiley Garcia

Clarifies applicable rules regarding characterization of community property, the various types of pension rights, stock options, and insurance benefits. Additionally, it requires the community property interest in a defined benefit plan to be determined as if the spouse began to participate in the plan on the date of marriage and ended that participation on the date of dissolution or termination of the marriage, regardless of whether the benefit had vested.

**H.B. 417**                    **Delisi, Miller, Seaman/Williams**

*Relating to a supplemental health coverage program under the Texas Employees Group Benefits Act for certain persons.*

Effective: 05/27/05

Analyst: Smiley Garcia

Authorizes the Employees Retirement System of Texas to offer a TRICARE supplemental policy to state employees as an alternative to the state's standard health care benefits. This only applies to state employees with prior military service, who are eligible to purchase a TRICARE policy.

**H.B. 481**                    **Hochberg/Zaffirini**

*Relating to the eligibility for unemployment benefits of certain persons with disabilities.*

Effective: 06/17/05

Analyst: Smiley Garcia

Allows persons with disabilities who are seeking part-time work to be eligible to receive partial unemployment benefits.

**H.B. 762**                    **Nixon, Swinford, Bailey, Keel, Woolley/Ellis, Van de Putte**

*Relating to the solicitation by state officers and employees of and recommendations regarding contributions to charitable organizations and governmental entities.*

Effective: 09/01/05

Analyst: Ron Pigott

This bill adds Sec. 572.060, Government Code, which provides requirements for charitable contributions that are solicited by a state officer or state employee on behalf of a charitable organization. Any contribution that is solicited by a state officer or employee must be provided directly by the giver to the charitable organization (checks should be made payable to the organization). A state employee or officer may also solicit contributions for governmental entities or recommend that a person make a contribution (as opposed to solicit a contribution). The bill allows state employee contributions to be made as deductions from

salary payments. As long as the requirements are met, such solicitations and contributions are not violations of the Election Code, lobbying laws, or the Penal Code (prohibitions against gifts and benefits).

**H.B. 765**                      **Menendez/Van de Putte**

*Relating to notice of coverage under certain group health insurance policies and standard health benefit plans.*

Effective: 09/01/05

Analyst: Smiley Garcia

Requires certain insurers to include, among other certain information provided to the policyholder for delivery to each employee or member of the insured group, the annual deductibles, annual and lifetime policy limits, and maximum out-of-pocket expenses under the policy; and a notice that informs the employee or member of the availability of and premiums for a rider or separate insurance policy that would provide coverage in addition to the coverage provided under the policy.

**H.B. 860**                      **Casteel/Ellis**

*Relating to charitable contributions by state employees to certain General Land Office programs.*

Effective: 06/18/05

Analyst: Smiley Garcia

Changes the name of the Adopt-A-Map/Adopt-A-Document Program at the Texas General Land Office to the Save Texas History Program, which continues to be eligible for the state employee charitable campaign. Adds the Adopt-A-Beach program to the list of eligible state employee charitable campaign programs.

**H.B. 912**                      **Isett/Ellis**

*Relating to the maximum cost of certain awards presented to state agency employees for professional achievement or outstanding service.*

Effective: 05/30/05

Analyst: Robert Ruiz

Increases the maximum cost of certain awards presented to state agency employees for professional achievement or outstanding service. Awards purchased under this section may not exceed \$100 instead of \$50 for an individual employee.

**H.B. 952****Delisi/Barrientos**

*Relating to a pilot program to provide health services to state employees in state office complexes.*

Effective: 9/1/05

Analyst: Robert Ruiz

This legislation would require a pilot program to provide health services to state employees in state office complexes. To reduce the cost of health care and increase the wellness and productivity of state employees, The Employees Retirement System (ERS) of Texas shall develop and implement a pilot program to make available a licensed advanced practice nurse to provide authorized on-site health services at a selected location to state employees who choose to make use of the services.

The pilot program must provide the following:

- (1) a licensed advanced practice nurse employed by the state or whose services are acquired by contract, who will be located at a state office complex;
- (2) a licensed physician, who is employed by a state governmental entity for purposes other than the pilot program or whose services are acquired by contract, who will perform all supervisory functions;
- (3) appropriate office space and equipment for the advanced practice nurse to provide basic medical care to employees at the state office complex where the nurse is located; and
- (4) professional liability insurance covering services provided by the advanced practice nurse.

The board of trustees of the ERS shall adopt necessary rules and seek the assistance of state agencies as necessary. The first site for the pilot program is at the TCEQ's office in Austin.

The ERS shall determine whether it is more efficient to pay directly for some or all of the expenses associated with implementing this chapter or to reimburse expenses through an interagency agreement as the expenses are incurred by an agency participating in the program.

The ERS may order the pilot program continued or expanded to cover more state office complexes on finding: (1) the pilot program has proven beneficial in meeting the health care needs of state employees, and (2) continuation or expansion of the pilot program is economically beneficial.

Not later than December 31, 2006, the ERS shall issue a report containing a summary of employee participation rates, a costs and benefits analysis, and legislative recommendations concerning the future of this pilot program to the Governor, Lieutenant Governor, Speaker of the House of Representatives, standing committees of the Senate and House of Representatives having jurisdiction over state spending issues, and standing committees of the Senate and House of Representatives having jurisdiction over health or human services issue.

**H.B. 2604**                    **Guillen/Van de Putte**

*Relating to state-funded job training or employment assistance programs, services, and preferences available to veterans.*

Effective: 09/01/05

Analyst: Smiley Garcia

Extends a veteran preference for entry into job training and employment assistance programs that are offered by state agencies. It also extends this preference for entry into job training programs not run by state agencies that are at least partially funded by the state.

**H.B. 2716**                    **Swinford/Eltife**

*Relating to equal employment opportunity reports.*

Effective: 6/18/05

Analyst: Robert Ruiz

Cleans up current legislation and would change the reporting of EEO data and other HR policy data from the Governor's Office to the Texas Workforce Commission (TWC) civil rights division.

Notwithstanding any other law, equal employment opportunity reports and personnel policy statements required to be filed with the Governor shall be filed with the TWC civil rights division and a report required to be compiled by the Governor based on those equal opportunity reports and personnel policy statements and filed with the Legislature shall be compiled by the TWC civil rights division and filed with the Governor and the Legislature. The report may be made separately or as a part of any other biennial report to the Legislature.

EEO information reports will now need to be submitted no later than November 1 of each year for the preceding fiscal year.

**H.B. 2772**                    **Farabee/Duncan**

*Relating to health savings accounts and high-deductible health plans and similar programs implemented as a part of the group benefits program of the Employees Retirement System of Texas.*

Effective: 06/18/05

Analyst: Ron Pigott

This bill requires the Employees Retirement System to study and provide a report on the health savings accounts and high deductible health plans. The report, with recommendations, is due to the Legislature on December 31, 2006.

**H.B. 2819**                    **Rose, Leibowitz/Madla**

*Relating to access to state electronic and information resources by individuals with disabilities.*

Effective: 06/18/05

Analyst: Smiley Garcia

Would bring Texas in line with federal Section 508 standards for accessibility to websites and telecommunications. Any federal agency purchasing electronic and information technology requires their vendors to ensure compliance with these standards.

**S.B. 46 Nelson/Delisi**

*Relating to the establishment of a method to integrate benefits issuance and recipient identification for health and human services programs.*

Effective: 06/17/05

Analyst: Smiley Garcia

Would authorize the Health and Human Services Commission (HHSC) to develop and implement a method to consolidate recipient identification and benefits issuance if determined to be feasible and cost-effective. The bill would require the HHSC to assess the feasibility and cost-effectiveness of a method to consolidate recipient identification and benefits issuance and would authorize the HHSC to require the assistance of any health and human services agency and the Department of Information Resources.

**S.B. 1176 Armbrister/Eiland**

*Relating to systems and programs administered by the Employees Retirement System of Texas.*

Effective: 06/17/05

Analyst: Smiley Garcia

The bill makes changes to the Employees Retirement System (ERS), including making the current 90-day delay in eligibility for new state employees permanent. It is currently set to expire at the end of FY 05. Members would not be eligible for disability benefits unless they were contributing at the time of disability. Members choosing to re-establish service credit would pay interest at the rate of 10 percent, instead of the current five percent. Service credit for Texas governmental employers for retirement eligibility purposes would no longer be allowed, unless it was through the Proportionate Retirement Program. The credit purchase option, which currently allows members to establish up to 60 months of equivalent membership service, is reduced to only allow members to establish up to 36 months of equivalent membership service.

**S.B. 1345**                    **Van de Putte/Berman**

*Relating to the amount of emergency leave granted by state agencies to state employees on unpaid military leave.*

Effective: 6/17/05

Analyst: Robert Ruiz

Requires the administrative head of a state agency to grant sufficient emergency leave as differential pay to a state employee on unpaid military leave if the employee's military pay is less than the employee's state gross pay.

The combination of emergency leave and military pay may not exceed the employee's actual state gross pay.

Military pay does not include money the employee receives for service in a combat zone, as hardship pay, or for being separated from the employee's family.

The state auditor shall adopt guidelines to assist state agencies in determining the amount of emergency leave to grant to an employee under this section as differential pay.

**S.B. 1533**                    **Barrientos/Uresti**

*Relating to state employees parking in state-owned garages.*

Effective: 6/18/05

Analyst: Ryan Long

Allows state employees (with proper ID) to park without charge in state lots and garages that are leased for other events.

## Legal

### **H.B. 1940**                      **Ritter/Wentworth**

*Relating to alternative dispute resolution of certain contract claims against the state.*

Effective: 9/1/05

Analyst: Marisol Saenz

Allows contractors to claim delay and labor expenses when asserting a breach of contract claim. Any TWDB counter claim will need to be made within 60 days, instead of the 90 currently allowed. The TWDB will have to begin negotiation on a claim within 120 days, instead of 60 days. The parties must decide if they are going to mediate the claim within 120 days, instead of 270. If a contested hearing is held, the decision can now be appealed if the appellant asserts abuse of discretion by the administrative law judge. If the state agency loses the contest hearing and is ordered to pay damages that exceed \$250,000, the agency will have to pay \$250,000 on the damages and the administrative law judge will refer the remainder to the Legislature for appropriation.

### **S.B. 220**                      **Carona/Grusendorf**

*Relating to the maintenance of records by a notary public.*

Effective: 9/1/05

Analyst: Ron Pigott

Permits notaries public to maintain their required records in electronic format. The bill also clarifies that the signature of the customer is needed for each notarization performed. All records, except for the signature, can be maintained electronically.

## Public Records

### **H.B. 423**                      **Delisi/Eltife**

*Relating to the online availability of certain state publications.*

Effective: 9/1/05

Analyst: Senate Research Center

Requires state agencies that distribute free publications to make those publications accessible on the agency's website. The bill also requires agencies to include, with mailed publications, a notification that a publication is available online and to inform the subscriber that they may access the publication via the agency's website, if preferred. An agency is then required, if a subscriber chooses to access a publication on the Internet, rather than receive a hard copy in the mail, to remove the subscriber from the agency's mailing list and notify the subscriber via e-mail each time an issue becomes available online and provide an electronic link to that publication.

**H.B. 2473**                    **Delisi/Ellis**

*Relating to certain state publications maintained by the Texas State Library and Archives Commission.*

Effective: 9/1/05

Analyst: Tom Tagliabue

The bill expands the definition of “depository library” to include designated library sites for retaining and allowing public access to state publications and expands the definition of “state publication” to include both hard copy and electronic formats. Updates the state library’s requirement to establish and maintain a system to electronically access state publications. The bill requires state agencies to provide on their websites identifying and descriptive information about a publication as required by state rules. If a publication is not available electronically on the agency’s website, an agency is required to provide no more than 75 copies of the publication.

**H.B. 2988**                    **Nixon/Ellis**

*Relating to waiver of sovereign immunity.*

Effective: 9/1/05

Analyst: Ron Pigott

Amends Sec. 311.034, Government Code, to clarify that statutory prerequisites for suing a governmental entity are jurisdictional requirements for a suit. The bill does not directly impact the TWDB, only impacts those plaintiffs attempting to sue the government. If the plaintiffs do not follow the statutory prerequisites, state agencies such as the TWDB should be able to get improperly filed cases dismissed.

**S.B. 121**                    **Duncan/Gattis**

*Relating to a requestor's right of access to investment information of governmental bodies.*

Effective: 06/18/05

Analyst: Mary Jo Wright, James LeBas and Ron Pigott

This bill amends the Public Information Act to state that the following information about public investments must be released upon request:

- The name of any fund invested in;
- Each date of investment;
- Amount of money invested;
- Internal rate of return or other performance standard;
- Remaining value of the investment;
- Total amount of fees, including expenses, charges, and other compensation, assessed against or paid by the agency to any investment entity;
- Names of the principals responsible for managing any investment;
- Each recusal filed by a member of the Board in connection with an investment;
- The minutes and recordings of relevant Board meetings;



- Any annual ethics disclosure report; and
- The cash-on-cash return realized.

Any other information about public investments that is not in the above list is confidential under the bill.

**S.B. 452**                      **Wentworth/Gattis**

*Relating to transferring the duties of the Texas Building and Procurement Commission under the public information law to the attorney general.*

Effective: 9/1/05

Analyst: Ron Pigott

This bill amends the Public Information Act (PIA), which is Chapter 552, Government Code. Currently, the PIA charges the Texas Building and Procurement Commission (TBPC) with presiding over the Open Records Steering Committee (and also appointing one municipal, one county, one school district, and five public members to this committee); coordinating the PIA report all agencies must submit (including approving for form and substance of the report); informing the public of their basic rights under the PIA; adopting rules to set the fees state agencies may charge for PIA releases (copying fees, etc.); and resolving complaints of PIA overcharges.

Under S.B. 452, all of the duties of the TBPC will be transferred to the Office of the Attorney General (AG). Currently, the AG issues PIA decisions that are binding on state agencies, mans an Open Government Hotline, and publishes a manual for compliance with the PIA. If the AG changes the rules on fees, the TWDB will need to update its PIA bill template accordingly. If the PIA report is changed, the TWDB may need to have the Open Records database changed to track the information required.

**S.B. 623**                      **Hinojosa/Pena**

*Relating to the authorized charges for providing a copy of public information requested under the public information law.*

Effective: 9/1/05

Analyst: Ron Pigott

This bill amends Sec. 552.263, Government Code, (the Public Information Act). Currently, Sec. 552.263 sets up the bond requirements that governmental entities may use for requestors who file a Public Information request that will cost more than \$100 to fulfill. Under this section, state agencies can require a cash bond (prepayment) before performing the work to fulfill the request. S.B. 623 adds language to Sec. 552.263 that automatically withdraws the Public Information request if the requestor does not provide the cash bond within 10 days of it being required. This will remove the obligation on the agency to then produce any records for the request.

**S.B. 727****Wentworth/Gattis**

*Relating to the public information law.*

Effective: 9/1/05

Analyst: Jennifer Wright

Alters the composition of the open records steering committee. Open records reports will go to the Attorney General (AG) instead of the TBPC (same as S.B. 452). The open records sign requirements will be regulated by the AG instead of the TBPC (same as S.B. 452). The deadline for the requestor to complete his or her examination of the requested information is further defined as 10 “business” days from the date the information is made available. If the examination is not complete within those 10 days and no extension is filed by the requestor, the request is then to be considered withdrawn. Upon request, the time to examine the records can be extended twice for 10 days. If information is requested that requires programming or manipulation of data, once the agency provides the requestor a statement, no further obligation exists to provide the information in its requested form or in the form in which it currently exists, unless the requestor makes a written request within 30 days. If no written request is made, the request will be considered withdrawn. The AG, not the TBPC, shall set the charges for production of records. Complaints of overcharges will also now be handled by the AG. When providing an itemized estimate of charges the agency would be required to fully inform the requestor of his or her rights and responsibilities granted by the entire Required Itemized Estimate Of Charges Section (Sec. 552.2615). The “costs of copies” reporting requirements that apply to agencies would eliminate the requirement to generate reports as frequently. Compliance may be achieved by posting the information on the agency website. When requesting an AG decision, the agency would be required to provide the requestor with the written comments that were sent to the AG’s office, redacting the information at issue. Those individuals who comment concerning disclosure of the information at issue in an AG decision would be required to send copies to both the requestor and the agency, with the requestor’s copy being redacted.

## **Issues Affecting the Board**

**H.B. 2511****Denny/Harris**

*Relating to the filing of a personal financial statement by a former state officer whose successor has not qualified for office.*

Effective: 06/18/05

Analyst: Ron Pigott

Amends the financial reporting requirements to exempt a state officer or agency head if they have resigned, been abolished, or had their term expire before the reporting requirement date and if they also cease to function as a state officer. In order to qualify for the exemption, the state officer will have to report to the Governor and the Ethics Commission that they have resigned or that their term has ended and that they do not plan to participate in agency business any more for this exemption to apply. TWDB staff will assist Board Members with this law when appropriate.

**S.B. 286****Wentworth/Baxter**

*Relating to requiring public officials to receive training in the requirements of the open meetings and public information laws.*

Effective: 1/1/06

Analyst: Ron Pigott

This bill amends the Open Meetings Act (OMA) and the Public Information Act (PIA) to impose a training requirement on public officials (elected and appointed). The OMA revision will require the TWDB Board Members to receive OMA training within 90 days of taking the oath of office and by January 1, 2007, for existing public officials. The training will be provided either by the AG or by entities approved by the AG for this purpose. At least one course must be available at no cost to governmental bodies and should be in a format easily accessed, such as videotape.

OMA training must cover:

1. the legal requirements of the OMA;
2. applicability of the OMA to governmental bodies;
3. procedural requirements on quorums, notice, and recordkeeping; and
4. penalties for violations of the OMA.

Failure of a Board Member to receive the required training does not invalidate any of the actions taken by the TWDB. The Members will receive a certificate for training received and this certificate will need to be kept by the agency for public inspection.

The PIA training that is required is similar to the OMA training. However, Board Members will be able to designate a "public information coordinator" to take the training in their place if that coordinator will be primarily responsible for handling Public Information requests for the Board.

**S.B. 690****Zaffirini/Swinford**

*Relating to the requirement to post meetings of a governmental body under the open meetings law in certain circumstances.*

Effective: 06/17/05

Analyst: Marisol Saenz

State agency boards will be allowed to recess a posted meeting and continue it to the next business day without reposting, as long as this is not done to circumvent posting requirements. If the meeting is recessed and continued a second time, regular posting laws will have to be followed.

If a meeting cannot be held due to the following conditions, the meeting can be convened in a convenient location within 72 hours without reposting.

1. fire, flood, earthquake, hurricane, tornado, or wind, rain, or snow storm;
2. power failure, transportation failure, or interruption of communication facilities;
3. epidemic; or

4. riot, civil disturbance, enemy attack, or other actual or threatened act of lawlessness or violence.

## Regional Water Planning

### **H.B. 578**                      **Campbell/Armbrister**

*Relating to the inclusion in a regional water plan of information regarding water infrastructure facilities that may be used in an emergency shortage of water.*

Effective: 09/1/05

Analyst: Ernest C. Rebuck

Amends Sec. 16.053, Water Code, to require regional water planning groups to identify existing major water infrastructure facilities in regional water plans that may be used for interconnections in the event of an emergency shortage of water.

The information submitted to the TWDB in accordance with this Act is excepted from required disclosure under the public information law.

The bill is effective on September 1, 2005 and will apply to the 2006 regional water plans. The TWDB needs to develop and provide guidance to the regional water planning groups on meeting this requirement and amend the contracts with the 16 regional water planning groups to include this requirement and provide funding. In addition, TWDB staff will need to review and check the regional water plans for inclusion of the desired major water infrastructure facilities but remove this language before the regional plans are placed on the Internet or made available to the public for viewing.

### **H.B. 2201**                      **Hughes/Estes**

*Relating to implementing a clean coal project in this state.*

Effective: 06/18/05

Analyst: Ernest C. Rebuck and Jennifer Wright

States a number of findings regarding coal-fueled electric generation in Texas and declares the state's interest in procuring federal funding related to an integrated carbon sequestration and hydrogen research initiative/project commonly referred to as "FutureGen." The bill proposes a number of changes to state law and agencies and departments of the state to facilitate the financing, construction and operation of one or more components of the FutureGen project. The change that impacts the TWDB amends Subchapter C, Sec. 16.053, Water Code, by requiring the TWDB to adopt rules that provide for reasonable flexibility to allow for a timely amendment of a regional water plan, the board's approval of an amended regional water plan, and the amendment of the state water plan, to facilitate planning for water supplies reasonably required for a clean coal project. The rules may allow for amending a regional water plan without providing notice or without a public meeting or hearing under subsection (h) if the amendment does not represent a significant change to the regional water plan or adversely affect other water management strategies in the regional water plan.

**H.B. 2815****Campbell/Madla, Duncan**

*Relating to the Concho River Watermaster Program.*

Effective: 09/01/05

Analyst: Ernest C. Rebuck

Adds Subchapter K. Concho River Watermaster Program to Chapter 11 of the Water Code. Subchapter K includes definitions, specifies the jurisdiction of the watermaster as the Concho River segment of the Colorado River Basin that includes the Concho River and all of its tributaries, and sets out the appointment of the watermaster. The watermaster for the program is the watermaster for the South Texas Watermaster Program, who shall appoint a deputy who resides in the area.

The Act provides for a 13-member Concho River Watermaster Advisory Committee: representative of the City of Paint Rock, five representatives of specific stream segments or tributaries of the Concho River, six selected from a list supplied by the City of San Angelo, and one selected by the executive director of the TCEQ. All costs of the Watermaster Program shall be assessed solely upon the water rights holders.

On or after September 1, 2009, a water right holder may petition the Advisory Committee to conduct a referendum on continuation of the program. A referendum cannot be held more than once every four years. If a Colorado River Watermaster Program is established, the Concho River Watermaster Program is discontinued.

The provisions of the Act supersede any conflicting orders issued by the TCEQ regarding a watermaster program for the Concho River segment described by Sec. 11.553, Water Code.

## Water Conservation Issues

### **H.B. 1224**                      **Puente/Duncan**

*Relating to a study of the effects of take-or-pay contracts on water conservation.*

Effective: 06/17/05

Analyst: Tom Tagliabue

Requires the TWDB Executive Administrator to study the impact of “take or pay” contracts on efforts to achieve water conservation. Requires a report to Legislature by January 1, 2007.

### **H.B. 1225**                      **Puente/Duncan**

*Relating to the grounds for an exemption from cancellation of a water right for nonuse.*

Effective: 06/18/05

Analyst: Suzanne Schwartz

Exempts a surface water right from cancellation to the extent nonuse of the water right resulted from implementation of water conservation measures under a plan submitted by the water rights holder.

### **H.B. 2428**                      **Puente/Armbrister**

*Relating to water and energy saving performance standards for commercial prerinse spray valves.*

Effective: 01/01/06

Analyst: John Sutton

A commercial prerinse valve is a handheld device designed and marketed for commercial dishwashing and is used to spray water to remove food residue before items are cleaned. After January 1, 2006 any commercial prerinse valve sold in Texas that is not already in inventory or has been ordered, must have a flow rate of 1.6 gallons per minute or less and be certified and listed by the TCEQ.

### **H.B. 2430**                      **Puente/Armbrister**

*Relating to the establishment of a rainwater harvesting evaluation committee and to standards for harvested rainwater.*

Effective: 06/18/05

Analyst: Dr. Hari J. Krishna

Requires the TWDB to establish a four-member Rainwater Harvesting Evaluation Committee to study the feasibility of using rainwater as a source of water supply. The committee will consist of a representative from each of the following agencies: TWDB, Texas Commission on Environmental Quality (TCEQ), Department of State Health Services, and the Texas Section of the American Water Works Association. The representative from the TWDB will serve as the Presiding Officer of the Committee.

The Committee is required to evaluate the potential for rainwater harvesting (RWH) in the state and recommend: minimum water quality guidelines and standards for potable and non-potable indoor uses of rainwater, treatment methods for rainwater, ways in which to use RWH systems with existing municipal water systems, and ways in which Texas can further promote RWH. The Committee is required to provide a report to the Lieutenant Governor and the Speaker of the House no later than December 1, 2006.

This bill amends Subchapter C, Chapter 341, Health and Safety Code by adding Sec. 341.042, requiring the TCEQ to establish recommended standards for domestic use of rainwater. The bill also requires the TCEQ to coordinate with the evaluation committee in developing the standards and to adopt them no later than December 1, 2006.

The Rainwater Harvesting Evaluation Committee is to be abolished January 1, 2007.

# Financial Assistance Programs, Border and Colonias Issues

**H.B. 467**

**Bailey/Gallegos**

*Relating to the financing of water and sewer programs in disadvantaged areas.*

Effective: 09/01/05

Analysts: Ignacio Madera, Jr., Amanda Lavin and Jonathan Steinberg

Amends Sec. 15.407(a), Water Code, to redefine "economically distressed area" and "political subdivision" to be the definition in Section 17.921, as amended.

The bill amends Sec. 16.341, Water Code, to redefine "affected county" to be a county that has an economically distressed area which has a median household income that is not greater than 75 percent of the median state household income, removing the requirement that the county have an average per capita income that is at least 25 percent below the state average for the most recent three consecutive years for which statistics are available. This section also redefines the definition of "economically distressed area" to be as defined in Sec.17.921.

It further amends Sec. 16.343, Water Code, to require the model rules adopted by the Board assure that drinking water and sewer facilities are available to residential areas in accordance with certain rules and regulations adopted by the Texas Commission on Environmental Quality (Commission), rather than the Texas Board of Health. Requires the model rules to provide criteria applicable to certain tracts not platted or recorded prior to September 1, 2005 [rather than 1989]. Makes conforming and nonsubstantive changes.

H.B. 467 amends Sec. 17.0112, Water Code, to increase the authorization of the Board to issue bonds authorized under Article III, Texas Constitution, during a fiscal year from \$25 million to not more than \$50 million for financial assistance for certain water supply and sewer services. Makes conforming and nonsubstantive changes.

It also amends Sec. 17.921, Water Code, by amending the definition of "economically distressed area" to include in the definition an area that was an established residential subdivision as of June 1, 2005, [rather than 1989]; and, including a definition for "economically distressed areas account" that relates to the economically distressed areas account in the Texas Water Development Board Fund or the economically distressed areas account in the Texas Water Development Board Fund II.

The bill amends Sec. 17.922(b), Water Code, to make conforming changes relative to the expansion of the program and the amended definition of economically distressed area.

The bill amends Sec. 17.927, Water Code, to streamline the requirements for an Economically Distressed Areas Program (EDAP) application and plan [submitted by a political subdivision to the Board for financial assistance] by deleting redundant or inefficient provisions such as the requirement to include a description of the method to collect revenues or requiring the construction contractor to provide a payment bond (already required in Sec.



17.183.) Also makes nonsubstantive changes. Authorizes the Board, before considering an application, to require the applicant to provide information and documentation relating financial, managerial, and technical capability to operate its system, provide a written determination by the Commission on the applicant's capabilities to operate the system, and request a financial review of the applicant by the Comptroller.

In addition, the bill amends Sec. 17.929, Water Code, by adding a new consideration for the Board to consider in passing on an application for financial assistance (availability of all funding sources), and deletes other inefficient elements the board was required to consider (such as the efforts of the residents to provide the lacking water or sewer service). Makes conforming and nonsubstantive changes. Requires the Board to find that the area to be served by the proposed project has a median house hold income that is not greater than 75 percent of the median state household income for the most recent year for which statistics are available, rather than an average per capita income that is at least 25 percent below the state average for the most recent three consecutive years for which statistics are available.

In addition, it amends Sec. 17.930(b), Water Code, to authorize the Board to approve the application subject to certain requirements identified by the board or Commission, rather than by the Commission, for the applicant to obtain the managerial, financial, and technical capabilities to operate the system and any other requirements, including training under Subchapter M, Water Code, the Board considers appropriate. Makes other nonsubstantive changes.

H.B. 467 amends Sec. 17.933, Water Code, to clarify the authority of the Board to use money in the economically distressed areas account to provide financial assistance to a political subdivision in the form of a loan, including zero percent interest rate loans, grant, or other type of financial assistance to be determined by the board, rather than the general reference that the assistance be repaid in the form, manner, and time provided by Board rules and the agreement between the Board and political subdivision. Makes other nonsubstantive changes. Applies the requirement that the total amount of financial assistance from EDAP bonds for which repayment is not required may not exceed 90 percent of the total principal amount of any issued and unissued bonds under Article III of the Texas Constitution.

H.B. 467 amends Sec. 17.952, Water Code, to delete the reference to a specific portion of the Texas Constitution and make a general reference to the Constitution.

Further, it amends Sec. 17.993(a), Water Code, to authorize the Commission or the Board to evaluate whether an operating entity needs training if the operating entity requests financial assistance or an amendment to the project plan or budget, rather than only when requesting additional funding.

The bill also amends Sec. 212.0105, Local Government Code, to authorize any city in the state that applies for EDAP assistance to enforce the Model Subdivision Rules.

H.B. 467 amends Sec. 232.071, Local Government Code, to authorize any county that has an EDAP applicant in that county to enforce the Model Subdivision Rules.

The bill repeals the following sections of the Water Code: 15.407(i) (relating to continued eligibility for funds after a county has an increase in per capita income or a decrease in unemployment); 16.343(f) (providing that only an affected county may adopt the model rules); 17.923 (County Eligibility for Financial Assistance); 17.924 (Municipality Eligible for Financial Assistance); 17.925 (Districts and Nonprofit Water Supply Corporations Eligible for Financial Assistance); 17.926 (Applicants' Continued Eligibility); and, 17.933(g) (relating to the cap on the amount of financial assistance for which repayment is not required).

Finally, the bill makes application of this Act prospective to applications for financial assistance pending or filed on or after the effective date of this Act.

**H.B. 925**                      **Chavez/Lucio**

*Relating to creating an interagency work group on border issues.*

Effective: 09/01/05

Analyst: Bill Allen

Requires TxDOT to establish an Advisory Oversight Community Outreach Committee.

Creates the Texas-Mexico Strategic Investment Commission through the Governor's Office. Membership would include the Executive Administrator of the TWDB or a designee. The intent is to improve communications, reduce regulations, examine trade issues, study the flow of commerce, work with federal officials, identify transportation issues, work to increase funding for NADBank, explore the sale of electric power to Mexico, identify health care challenges, and identify other concerns. There are no specific duties assigned.

The Border Commerce Coordinator will work with the commission identified above and report annually to the Legislature.

Creates the Border Inspection, Trade, and Transportation Advisory Committee, which is a group that includes DPS, TxDOT, OSFR, and other state and federal officials to examine transportation issues.

Creates the Interagency Work Group on Border Issues, which include ORCA, TDHCA, TWDB, TxDOT, TCEQ, TWC, Dept. of State Health Services, Health and Human Services Commission, GLO, TEA, Economic Development & Tourism Office, Office of State-Federal Relations, Higher Education Coordinating Board, OAG and SOS. The group would meet at least once each year in Austin. Its purpose is to: 1) define a process to allow agencies to work together on issues that face border communities, 2) discuss and coordinate programs and services, 3) develop regulatory and legislative recommendations to eliminate duplication and combine services.

Sections 5, 6 and 7 make minor changes in the Transportation Code, and the Border Health Foundation under the Health and Safety Code. Section 8 requires the TWDB to create and maintain the Border Projects Website, also known as the Border Activity Tracker. No funding is appropriated for this task.

**H.B. 1462**                      **Flores/Hinojosa**

*Relating to the referral by the Texas Water Development Board of certain persons to another state agency, office, or division for investigation or enforcement action.*

Effective: 09/01/05

Analyst: Will-Ed Winters

Adds Sec. 6.1555, Water Code, which gives the Board explicit authority to refer applicants or recipients to other state entities for enforcement action or investigation. The referral is at the board's discretion, but once exercised the Executive Administrator is obligated to monitor the progress of the enforcement action or investigation and report to the Board on a quarterly basis.

**H.B. 3029**                      **Strama/Barrientos**

*Relating to eligibility of certain rural areas for certain state assistance.*

Effective: 06/18/05

Analyst: House Committee on Natural Resources, Tom Tagliabue and Jonathan Steinberg

Amends Subchapter O, Chapter 15 of the Water Code to authorize the board to provide grants and loans for projects that will provide service to disadvantage rural communities. It also renames Subchapter O from "Pilot Program for Water and Wastewater Loans for Rural Communities" to the "Program for Water and Wastewater Financial Assistance for Disadvantaged Rural Communities." The bill converts the program from a pilot program to a permanent program.

H.B. 3029 amends Sec. 15.901 to define "rural community" to include any portion of a political subdivision with a service population of less than 5,000 located outside a municipality or its extra-territorial jurisdiction or a "predominantly residential area with a population of 5,000 or less that is located outside the corporate boundaries of a municipality." Adds a definition of "disadvantaged rural community" to be a rural community where median household income is not greater than 75% of median state household income.

The bill amends Sec. 15.902(a) to change the name of the "rural community water and wastewater loan fund" to the "disadvantaged rural community water and wastewater financial assistance fund."

It also amends Sec. 15.903 to provide grants as well as loans to political subdivisions or water supply corporations for service to disadvantaged rural communities. The bill makes other conforming amendments.

The bill amends Sec. 15.904 to authorize water supply corporations or political subdivisions to pledge a portion of incoming revenue to repayment of program loans and makes conforming amendments to Section 15.905 and 15.909.

Amends Sec. 15.910 to conform to the application requirements for political subdivisions or water supply corporations, rather than rural communities. Amends subsection (b) to require that political subdivisions and water supply corporations must include household surveys for the area to be served to show median household income for the project area and support of the community for the project. Finally, remaining amendments conform existing provisions to the program changes. The bill repeals unnecessary statutes in the Water Code, which are no longer needed for this new program.

**S.B. 425**                      **Hinojosa/Luna**

*Relating to subdivision platting requirements and assistance for certain counties near an international border.*

Effective: 09/01/05

Analyst: Senate Research Center and Jonathan Steinberg

S.B. 425 amends the Local Government, Government and Water Codes so that a county that is located within 100 miles of an international border and that contains a city with a population of more than 250,000 can:

- (1) prevent future substandard residential subdivisions from springing up by amending Subchapter B, Chapter 232, Local Government Code, which was created in the mid-1990s and gave border counties the power to enforce minimum standards for solid waste, water, and wastewater services;
- (2) receive the assistance of a colonia ombudsman by amending Chapter 775, Government Code; and
- (3) be eligible for EDAP funds by amending Chapter 16 and 17, Water Code.

This provision appears to apply to Nueces County.

**S.B. 827**                      **Zaffirini/Guillen**

*Relating to systems for identifying colonias and for tracking the progress of state-funded projects that benefit colonias and the submission of a related report to the legislature.*

Effective: 09/01/05

Analyst: Bill Allen

Mandates the Secretary of State (SOS) to, "...establish and maintain a classification system that allows the SOS to track the progress of state-funded projects in providing water or wastewater services, paved roads, and other assistance to colonias." SOS must compile information from ORCA, TWDB, TxDOT, TDHCA, the Department of State Health Services, and any other agency deemed appropriate. Agencies are required to report to SOS on a quarterly basis a description of relevant projects, and for each: the location, the number of colonia residents served, the cost, the status/expected completion date, and other information deemed appropriate by the SOS.

The bill also changes Sec. 775.003, Government Code, to require the hire of an ombudsman in each of the six most populous border counties, and (in adding Sec. 775.004) expands their duties to include gathering and reporting to SOS colonia-specific information on platting, status of infrastructure, availability of health care, and availability of financial assistance.

Ombudsmen are to supply information to the SOS by September 1 of each even numbered year.

The SOS must report to the Legislature by December 1 of each even-numbered year. The report must include a list of colonias with the highest health risk to colonia residents, based on factors identified by the SOS.

The classification system includes only counties any part of which is within 62 miles of the international border (approximately 31 counties).

Notwithstanding this, the bill instructs the SOS to "...establish and maintain a statewide system for identifying colonias." There are no resources or reporting requirements associated with this provision.

The SOS can contract a third party to develop the classification system, or compile and maintain information relevant to the bill.

**S.B. 1202**                      **Lucio/Chavez**

*Relating to the coordination of colonia initiatives and services to colonia residents.*

Effective: 06/17/05

Analyst: Amanda Lavin

Amends sections of the Government Code relating to duties of the colonia initiatives coordinator. Language is changed to increase the effectiveness of the coordinator - Section 775.002 is amended from "may" to "shall" in reference to the coordinators work with other agencies and local officials on colonia projects.

Sect. 775.002(d) is amended to include additional agencies to the list of those the coordinator serves as a liaison on colonia initiatives to include the ORCA; Office of State-Federal Relations; Department of Insurance, and TxDOT. (Already on the list are Department of State Health Services, TDHCA, TCEQ, and TWDB.)

The bill adds language that the coordinator shall consider advice and recommendations of the colonia resident advisory committee. The coordinator shall develop a strategy to address the needs of colonia residents and make recommendations to legislature based on the advice and recommendations from the colonia resident advisory committee and that of the state agencies listed in Sec. 775.002(d). The coordinator may establish an advisory committee similar to the colonia resident advisory committee to supplement efforts by providing representation for colonia residents in counties that are not represented by a member of the colonia resident advisory committee.

# Resource Information Office/Texas Natural Resources Information System/Strategic Mapping/Information Technology

## **H.B. 1516**                    **Isett, Swinford/Duncan**

*Relating to the Department of Information Resources' management of state electronic services.*

Effective: 9/1/05

Analyst: Darryl Lindgens

This bill allows state and non-state entities to utilize Department of Information Resources (DIR) procurement contracts. It also permits two or more state agencies to select a single Information Resources Manager (IRM) to represent them. The bill also requires state agencies to use DIR specified commodity hardware configurations and provides penalties for non-compliance. The will also affect an agency's ability to purchase hardware. DIR's Texas Project Delivery Framework will be utilized for all major information resources (IR) projects. Further, state agencies will be required to complete specific documents prior to, during, and after major IR projects.

H.B. 1516 allows DIR to establish and control information resources statewide (defined as two or more agencies) including IR, IR technology, deployment and development of statewide applications, and data center services, with DIR established thresholds providing penalties and stringent guidelines for waiver. If an agency is included in a state data center proposal, it may be required to transfer ownership, custody, or control of all Information Resources, including full-time positions, to DIR.

Lastly, H.B. 1516 modifies the definition of "commodity software" to include hardware and technology services. This will give DIR the authority to make a determination on when to enter into a commodity agreement with a vendor to reduce purchase prices.

## **H.B. 1820**                    **Otto/Eltife**

*Relating to the requirements for reporting certain information to the attorney general or the legislature.*

Effective: 06/18/05

Analyst: Tom Tagliabue

State agencies no longer have to report technological innovations to the Office of the Attorney General (OAG), but must still report them to the Lieutenant Governor and the speaker of the House as required in the Government Code. Municipalities no longer have to send the OAG a copy of its annual report on tax increment financing required in the Tax Code.

**H.B. 2048**                    **Uresti/Ellis**

*Relating to certain online services and transactions involving state agencies and to the abolishment of the TexasOnline Authority and the transfer of its powers and duties to the Texas Department of Information Resources.*

Effective: 06/18/05

Analyst: Darryl Lindgens

Amends Section 2054.113(c), Government Code, by requiring state agencies to allow DIR/TexasOnline to bid on Internet Application Development if such application duplicates a TexasOnline function.

Amends Chapter 2054, Government Code, by requiring state agencies to advertise the options for completing transactions with that agency online.

**H.B. 2593**                    **Baxter/Janek**

*Relating to the TexasOnline project, the TexasOnline Authority, and related powers and fees.*

Effective: 06/18/05

Analyst: Darryl Lindgens

Amends Chapter 2054, Government Code, Information Resources, by mandating more stringent use of the Texas Online project especially with regulatory and licensing agencies. Adds the option for state agencies to use Texas Online to digitize its records and then allowing Texas Online to charge a fee for certified copies of the digitized records.

**H.B. 3112**                    **Corte/Wentworth**

*Relating to the security of computer networks in state government.*

Effective: 09/01/05

Analyst: David Thorkildsen

Under this bill, the Department of Information Resources (DIR) shall provide network security services to state agencies through a network security center if DIR makes that agency's network a part of the consolidated state network. TWDB currently maintains infrastructure, policies, and procedures for both internal and external network security. The new policies and procedures DIR may implement could potentially conflict with those already in place at TWDB. If DIR provides network security services for a state agency, it is responsible for external security threats only. Internal security threats are still the responsibility of the state agency. All state agencies shall use the network security services provided through the center to the fullest extent possible and may not purchase those services from another source unless DIR determines that the agency's requirements for services cannot be met at comparable cost through the network security center. The bill requires DIR to adopt rules to provide all state agencies with appropriate network security guidelines and standard operating procedures. Each state agency shall comply with these rules. DIR must also develop a system of billings and charges for services provided based on an agency's proportionate usage of the center.

**S.B. 9****Staples/Corte**

*Relating to homeland security; providing a penalty.*

Effective: 06/18/05

Analyst: Senate Transportation and Homeland Security Committee and Tom Tagliabue

**Inspection stations:** Allows the Department of Agriculture to contract with private entities to implement permanent road inspection stations in the State of Texas.

**Mutual Aid:** Allows a regional planning commission (Councils of Government) to enter into agreements to provide mutual aid assistance with other regional planning commissions.

**Critical Infrastructure Protection Council:** Changes the name of the council to the Homeland Security Council. Additionally, added 14 new state agencies to the council, including TWDB.

**Permanent Special Advisory Councils:** Creates two new special advisory councils: the Private Sector Council, made up of individuals from the private sector to advise on homeland security; and the First Responder Council, made up of individuals to advise on homeland security issues relevant to first responders.

**Interoperability:** Moves the responsibility for radio and computer interoperability to the Governor's Office of Homeland Security. The Governor's Office will do the planning, developing, and advising on interoperability in the state.

**Health Alert Network:** Requires the Department of State Health Services to include the Texas Association of Local Health Officials, Texas Association of Community Health Centers, and the Texas Organization of Rural and Community Hospitals in the network as long as federal funds are available.

**Water facility:** Requires the operator of a public water supply system and wastewater systems to maintain internal procedures to notify the TCEQ of certain events (unauthorized entry, theft) if they may negatively impact the production or delivery of safe and adequate drinking water.

**Critical Infrastructure Trespass:** Increases the penalty from Class B to Class A misdemeanor for trespass on certain locations enclosed by a fence or other physical barrier (i.e. a chemical manufacturing facility, a refinery, a water treatment facility, a port).



**S.B. 213**                      **Shapleigh/Martinez Fischer**

*Relating to requiring more Spanish language content for online information provided by state agencies.*

Effective: 9/1/05

Analyst: House Committee on State Affairs Committee Report

Directs state agencies that have direct and constant contact with Spanish-speaking constituents to create a Spanish version of their vital information and forms, so all Texans can have equal access to state information and resources. Only five state agencies currently have the entire contents of their sites available in Spanish and another 10 percent publish some of their content in Spanish.

**S.B. 255**                      **Carona/Uresti**

*Relating to the removal of data from data processing equipment disposed of or transferred by state agencies.*

Effective: 9/1/05

Analyst: Darryl Lindgens

Requires DIR to establish rules for wiping hard drives prior to transferring them to non-state entities.

**S.B. 327**                      **Zaffirini, Duncan/McCall**

*Relating to the installation, copying, or use of computer software for unauthorized purposes; providing a penalty.*

Effective: 9/1/05

Analyst: Tom Tagliabue

Creates the Consumer Protection Against Computer Spyware Act, which prohibits the collection of personally identifiable information by installing, copying, or using computer software for fraudulent and unauthorized purposes. S.B. 327 establishes a cause of action for providers of computer software, for the owner of a webpage or trademark, and for a telecommunications carrier or Internet service provider who are adversely affected. S.B. 327 allows the Attorney General to collect civil penalties.

**S.B. 1002**                      **Madla/Delisi**

*Relating to creating a TexasOnline project concerning grant assistance provided by state agencies.*

Effective: 9/1/05

Analyst: Anh Selissen and Marisol Saenz

This bill would require the Department of Information Resources (DIR) to develop and host an online searchable web-enabled Grant System making it available to all state granting agencies to post grants, grant announcements and awards in a standard format. The bill requires the Executive Director of DIR to determine whether a state agency, using appropriated money, may implement a system that provides the same functions as the bill's

Grant System and whether a state agency may continue operating under their existing system or be integrated into the bill's Grant System.

## **Groundwater Conservation Districts (GCD)**

### **H.B. 365                      Hegar/Armbrister**

*Relating to the date of the election of directors for the Coastal Bend Groundwater Conservation District*

Effective: 9/1/05

Analyst: House Committee on Natural Resources

Changes the election date for directors of the Coastal Bend Groundwater Conservation District to the first Tuesday after the first Monday in November. A director serving as a member of the board on the bill's effective date will continue to serve until the next election for a new director for that position.

### **H.B. 1763                      R. Cook/Duncan**

*Relating to the notice, hearing, rulemaking, and permitting procedures for groundwater conservation districts.*

Effective: 09/01/05

Analyst: Ruben Ochoa, Rima Petrossian, Robert Mace and Suzanne Schwartz

The bill is significant to the TWDB because it strengthens the joint management planning between districts in a groundwater management area and requires the districts to base their groundwater management plans on the desired future groundwater conditions established through joint planning.

Revises procedural requirements for groundwater conservation districts in conducting rulemaking and permitting hearings.

The bill requires regional water planning groups to include in their regional water plans information supplied by the Executive Administrator of the TWDB on the amount of managed available groundwater, and to also include an analysis of conjunctive use as a water management strategy.

The bill provides that groundwater conservation districts may petition the TWDB if conflicts exist between the district's approved management plan and the approved state water plan. The TWDB then provides technical assistance to and facilitates coordination between the district and involved region. Formal mediation is required if informal facilitation does not resolve the conflict. The TWDB is required to resolve the dispute within 60 days after any mediation concludes that does not resolve the conflict. As is currently the law, the TWDB may require revision of the approved regional water plan or groundwater conservation district management plan, however only the regional water plan approval is suspended if the TWDB requires such amendments. A groundwater conservation district may appeal the TWDB's decision to district court in Travis County, to be trial de novo.

Defines total aquifer storage, managed available groundwater, recharge, inflows, discharge, and evidence of historic or existing use.

Requires districts to quantitatively identify the desired future conditions of their groundwater resources in their groundwater management plans, and requires districts to include, if applicable, recharge enhancement, rainwater harvesting, precipitation enhancement or brush control where appropriate and cost-effective.

If requested, the TWDB trains districts on basic data collection methodology and provides technical assistance to districts.

H.B. 1763 requires districts to report numbers for the water budget for their aquifers in their groundwater management plans, including the managed available groundwater in the district based on desired future conditions established through a joint management process with other districts in the groundwater management area. Also requires the groundwater management plan to include projected surface water supply and total demand for water in the district based on the most recently adopted state water plan.

Removes the conflict language from Chapter 36 that a groundwater management plan must “address water supply needs in a manner that is not in conflict with the appropriate approved regional water plan.”, and replaces it with “consider the water supply needs and water management strategies included in the adopted state water plan.”

New districts now have three years to submit their plans instead of two years.

New districts have limits in what rules they can pass until they have an approved groundwater management plan.

If the Executive Administrator of the TWDB denies approval of a groundwater management plan, the district may request mediation to resolve differences. If mediation does not solve the issue, the district may appeal to a district court in Travis County, which will be heard trial de novo. Enforcement actions against the district are tolled during the mediation and appeal process.

If a person with a legally defined interest in groundwater in a district or a regional water planning group petitions the TWDB stating that a conflict exists between the district’s approved groundwater management plan and the approved state water plan, the TWDB shall provide technical assistance and facilitate coordination between the parties. If this coordination does not resolve the conflict, the conflict may go to mediation. If mediation does not resolve the conflict, the Board shall resolve the conflict, and may require the district to modify its plan. If the district disagrees with the Board’s resolution of the conflict, the district may appeal to district court in Travis County, to be heard by trial de novo.

The bill requires joint planning in groundwater management areas. Presiding officers or their designee shall meet once a year to conduct joint planning and review management plans and accomplishments. They shall also establish the desired future conditions for the relevant

aquifers in their groundwater management area considering uses and conditions of the aquifer not later than 2010. The desired future conditions may be established for each aquifer, subdivision of an aquifer, or geographic area. Groundwater management plans would be required to contain goals and objectives consistent with achieving the desired future condition of the aquifer.

A district or a person with a legally defined interest in a district may file a petition with the Texas Commission on Environmental Quality (TCEQ) requesting an inquiry if a district or districts refused to join in the planning process, if the process failed to result in adequate planning or the establishment of reasonable future desired conditions of the aquifers. Districts or persons with legally defined interests in groundwater may petition the TCEQ if districts refuse to join in the planning process or if the process does not result in adequate planning, including establishments of reasonable future conditions. The TCEQ establishes a review panel, and may take action against a district if its rules are not designed to achieve the desired future condition of the groundwater resources in a management area.

A person with a legally defined interest in the groundwater in a groundwater management area (GMA), a district in or adjacent to the GMA, or a regional water planning group for a region in the GMA may file a petition with the TWDB appealing the approval of the desired future conditions established in the joint management process. The TWDB shall review the petition, hold at least one hearing, and, if needed, submit a report to the districts that includes a list of findings and recommended revisions to the desired future conditions. The districts shall prepare a revised plan, hold a public hearing, and submit the revised conditions to the TWDB.

The bill also requires the Executive Administrator to provide each district and regional water planning group with the managed available groundwater in the management area based on the desired future condition of the groundwater resources established in the joint management process.

Districts shall issue permits up to the point of the managed available groundwater.

Includes managed depletion as an appropriate method by which the districts may limit groundwater production.

**H.B. 1981**                      **Blake, McReynolds/Staples**

*Relating to the amount of the fee that the Pineywoods Groundwater Conservation District may impose on a well.*

Effective: 6/18/05

Analyst: House Committee on Natural Resources

Authorizes the Pineywoods GCD (PGCD) to increase the production fee from one cent per 1,000 gallons of water to a maximum fee of 2.5 cents per 1,000 gallons of water. This change will help the district make up for revenue that was lost when the Abitibi Paper Mill closed in 2004. The top three contributors to the PGCD were Abitibi, the city of Lufkin and the city of Nacogdoches.

**H.B. 1996**                      **Hunter/Duncan**

*Relating to the election of directors of the Wes-Tex Groundwater Conservation District.*

Effective: 6/18/05

Analyst: House Committee on Natural Resources

The bill will also allow for the election of the directors to occur at the same time as the county commissioners' elections in November of even-numbered years. This will help ensure a greater voter turnout for the Groundwater District and save the taxpayers of Nolan County money that would be spent on duplicate elections.

**H.B. 2423**                      **Puente/Armbrister**

*Relating to discrimination by a groundwater conservation district against landowners whose land is enrolled or participating in a federal conservation program.*

Effective: 09/01/05

Analyst: Comer Tuck and Suzanne Schwartz

Defines Federal Conservation Program.

Provides that neither a district rule nor permitting processed based on existing or historic use may discriminate between land that is irrigated for production and land that was irrigated which is now in a federal conservation program.

Specifies that not later than a 90-day period after effective date of Act that Hudspeth County Underground Water Conservation District No. 1 shall amend any rules enacted before the effective date of the Act to comply with the Act. With exception of Hudspeth County District, this legislation only applies to groundwater conservation district rules adopted after effective date of Act and to permits issued or applications filed pursuant to rules adopted after the effective date of the Act.

**H.B. 3423**                      **Morrison/Armbrister**

*Relating to creation, administration, powers, duties, operation, and financing of the Victoria County Groundwater Conservation District.*

Effective: 09/01/05

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Victoria County Groundwater Conservation District (District) providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with the powers and duties of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs).

There is one GCD in Victoria County. The bill provides for the repeal of Chapter 1332, Acts of the 77th Legislature, Regular Session, 2001, (HB2643), governing the existing Crossroads Groundwater Conservation District in Victoria County. However, the bill does not provide for the repeal of Chapter 966, Article 3, Part 2, Acts of the 77th Legislature, Regular Session, 2001, (SB2, Article 3, Part 2), which also governs the existing Crossroads Groundwater Conservation District.

The primary functions of GCDs are conservation and management of groundwater resources through data collection, rules and well permitting within their boundaries. These functions do not conflict with the services provided by the other water utilities or districts in the same area.

**H.B. 3568**                      **Seaman/Zaffirini**

*Relating to the creation of the San Patricio County Groundwater Conservation District; providing authority to impose a tax.*

Effective: 06/18/05

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the San Patricio County Groundwater Conservation District (District) providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with the powers and duties of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs). The primary functions of GCDs are conservation and management of groundwater resources through data collection, rules and well permitting within their boundaries. These functions do not conflict with the services provided by the overlapping water utilities and districts.

A portion of the District would overlap another new proposed GCD. H.B. 3513 and S.B. 1831 created the Corpus Christi Aquifer Storage and Recovery Conservation District (CCASRCD) in parts of Nueces, Kleberg, and San Patricio counties. H.B. 3513/S.B. 1831 and this bill would provide that the CCASRCD and any overlapping GCD created in San Patricio County would have joint and coextensive authority.

**S.B. 967****Fraser/Hupp**

*Relating to the creation of the Central Texas Groundwater Conservation District; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Effective: 06/17/05

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill creates the Central Texas Groundwater Conservation District (District) in Burnet County providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with specific powers and duties and with those of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs).

There are no other GCDs in Burnet County. The primary functions of GCDs are conservation and management of groundwater resources through data collection, rules and well permitting within their boundaries. These functions do not conflict with the services provided by the overlapping water utilities and districts. The District's boundaries include the service areas of other water utilities and districts with Certificates of Convenience and Necessity (CCN).

Unlike general law GCDs under Texas Water Code, Chapter 36, the District is specifically authorized to regulate man-made excavations which are defined as a quarry, open pit mine, or similar cut into the surface of the ground made by a person.

Similar to general law GCDs, the District is required to consider if proposed new uses of groundwater will unreasonably affect surrounding landowners. Unlike general law GCDs, the District may require a permit for any activity that extracts groundwater or allows more than 25,000 gallons of groundwater per day to escape, whether through a well or a man-made excavation. Under Water Code, Chapter 36, wells used solely for domestic, livestock, or poultry on a tract of land larger than 10 acres that cannot produce 25,000 gallons per day; wells used to supply oil or gas exploration rigs permitted by the Railroad Commission of Texas; and, wells authorized under a permit issued by the Railroad Commission of Texas required for mining activities are exempt from general law GCD permitting provisions and regulation. Unlike general law GCDs, the District is authorized to impose additional requirements and limitations on permits to transfer groundwater out of the District if the transfers would negatively impact permit holders or other groundwater users in the District. Under Texas Water Code, Chapter 36, general law GCDs may not impose more restrictive permit conditions on transporters than on existing in-district users.

**S.B. 1017**                      **Staples/Otto**

*Relating to the creation of the Lower Trinity Groundwater Conservation District; providing authority to issue bonds.*

Effective: 06/17/05

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Lower Trinity Groundwater Conservation District (District) in Liberty, Polk, and San Jacinto counties providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with specific powers and duties and with those of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs).

Unlike general law GCDs under Texas Water Code, Chapter 36, the bill provides that adjacent counties may petition to be added to the District by resolution of a commissioners court. The bill provides that if a county is added to the District, the directors may change the number of directors so that an equal number of directors is appointed from each county and one director is appointed jointly by the counties in the District. Under general law, ability to petition to be added to a GCD is provided to either a majority of landowners in a defined area, at least 50 landowners in a defined area, or to the commissioners court of a county in a designated priority groundwater management area if the area seeking to be added to the District includes the entire county. Unlike general law GCDs, the bill provides the director jointly appointed by the county commissioners courts is the presiding officer. Unlike general law GCDs where directors are entitled to receive \$150 per day of service up to a maximum of \$9,000 per year, the directors of the District are not entitled to receive compensation for service. Unlike general law GCDs, the District may not require a permit for wells used solely for domestic or livestock purposes or a well that is incapable of producing more than 25,000 gallons per day (gpd). Under Chapter 36, domestic, livestock, or poultry wells on tracts of land larger than 10 acres incapable of producing 25,000 gpd are exempt from general law GCD permitting.

**S.B. 1847**                      **Zaffirini/Guillen**

*Relating to the creation, administration, powers, duties, operation, and financing of the Duval County Groundwater Conservation District.*

Effective: 06/17/05

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Duval County Groundwater Conservation District (District) providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with specific powers and duties and with those of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs).

There are no other GCDs in Duval County. The primary functions of GCDs are conservation and management of groundwater resources through data collection, rules and well permitting within their boundaries. These functions do not conflict with the services provided by the other water utilities or districts in the same area. The District's boundaries include the service



areas of other water utilities and districts with Certificates of Convenience and Necessity (CCN). There is, however a potential for a conflict of interest should the District assume the functions of a MUD or merge with a WCID if either of these entities relies on groundwater sources in Duval County. In this situation, the District would be responsible for permitting and regulating its own wells.

**S.B. 1848                      Zaffirini/Guillen**

*Relating to the creation, administration, powers, duties, operation, and financing of the Starr County Groundwater Conservation District.*

Effective: 06/17/05

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Starr County Groundwater Conservation District (District) providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with specific powers and duties and with those of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs).

There are no other GCDs in Starr County. The primary functions of GCDs are conservation and management of groundwater resources through data collection, rules and well permitting within their boundaries. These functions do not conflict with the services provided by the other water utilities or districts in the same area. The District's boundaries include the service areas of other water utilities and districts with Certificates of Convenience and Necessity (CCN). There is, however, a potential for a conflict of interest should the District assume the functions of a municipal utility or merge with a water supply corporation, if either of these entities relies on groundwater sources within Starr County. In this situation, the District would be responsible for permitting and regulating its own wells.

## **Wastewater/Reuse**

**H.B. 2510**

**Bonnen/Jackson**

*Relating to the regulation of on-site sewage disposal systems and the maintenance of those systems; imposing administrative and criminal penalties.*

Effective: 09/01/05

Analyst: House Committee on Environmental Regulation

### **Inspector Provisions**

Provides an enforcement mechanism for inspectors who do not meet their contractual duties by providing the required system inspections. Both TCEQ and a county may pursue enforcement action against inspectors who violate commission or county rules regarding on-site sewage disposal systems. Enforcement provisions are three-tiered, beginning with increasing fines for the first and second violations and ending with possible license revocation for three or more violations. The bill also provides that violating a maintenance contract is a Class C misdemeanor.

### **Homeowner Provisions**

Removes the limit that a homeowner could self-maintain their system only if they lived in a county of 40,000 persons or under. A person who does elect to self-maintain will, by commission rule, obtain training from a certified inspector or installer at the person's home. The commission, by rule, cannot require that this training exceed six hours. The homeowner is subject to the same reporting requirements of a licensed inspector. Currently, approximately three reports a year are due. If a homeowner violates these provisions, or if a neighbor complains and the homeowner is found not to be maintaining their system in accordance with law, they are subject to being forced into a contract with a licensed installer or inspector. For a homeowner who elects to self-maintain, the authorized agent or the TCEQ may have a licensed installer or inspector perform a check-up "audit" once during a five-year period.

**H.B. 2651**

**Krusee/Ogden**

*Relating to the regulation of subsurface area drip dispersal systems by the Texas Commission on Environmental Quality.*

Effective: 6/18/05

Analyst: Leonard Olson, Texas Commission on Environmental Quality

H.B. 2651 Requires the TCEQ to create rules separate from the underground injection category and set up a permitting system for subsurface drip dispersal systems. Subsurface drip dispersal systems reuse water for golf courses, park areas, neighborhood landscaping, school sports and playground facilities, and youth-league sports facilities. These commercial uses can help minimize total waste treatment costs by reducing the need for miles of interceptors or by producing income from the sale of reused water. The bill keeps subsurface drip dispersal systems from being placed under Underground Injection Code requirements and requires the TCEQ to create rules separate from the underground injection category and sets up a permitting system for subsurface drip dispersal systems.

## Other

### **H.B. 57**                      **Denny/Jackson**

*Relating to the dates on which elections may be held and certain procedures involving the uniform election held in May.*

Effective: 10/01/05

Analyst: Tom Tagliabue

Reduces the number of uniform election dates for general or special elections, leaving only the second Saturday in May or the first Tuesday after the first Monday in November. Election dates in February and September were eliminated. Districts created under Ch. 49, Water Code, must have board member elections only in May (February was eliminated). A vote to consolidate districts under Sec. 56.804, Water Code, must also be held in May (February was eliminated). This will impact bond elections.

### **H.B. 841**                      **Kolkhorst/Wentworth**

*Relating to the rates charged by a municipally owned utility to certain recreational vehicle parks for potable water or wastewater service.*

Effective: 09/01/05

Analyst: Jeff Walker

A municipal water and/or wastewater provider must determine the rates for service to a master metered recreational vehicle park on the same basis the utility uses to determine the rates for other commercial businesses, including hotels and motels that serve transient customers and receive non-submetered master metered utility service from the utility. Could change the analysis done in determining ability to pay for certain loan applicants, namely small utilities in the Lower Rio Grande Valley who are reliant on "Winter Texan" RV parks for income. Probability that the impact is great enough to change a loan recommendation is low.

### **H.B. 1207**                      **Haggerty/Lindsay**

*Relating to the deadline for filing a petition to exclude land from a water district with outstanding bonds for failure to provide sufficient services.*

Analyst: House Committee on Natural Resources

Extends the filing deadline for a petition by a landowner to exclude his or her property from a water district with a total area of more than 5,000 acres from August 31, 2005 to August 31, 2007. In 2003, the Texas Legislature attempted to provide relief to land owners within a water district of 5,000 acres or more who have not received service from the district during the past 28 years by creating a mechanism for landowners to petition for the removal of their lands from the water district. The legislation established an August 31, 2005 deadline for submitting petitions. Extending the sunset provision to August 31, 2007, would provide affected landowners time to organize and use the provisions of the legislation to remove their lands from the water district.

**H.B. 1208**                    **Gattis/Ogden**

*Relating to a limitation on the use of eminent domain by municipal utility districts.*

Effective: 06/09/05

Analyst: Jennifer Wright

Prohibits a MUD from exercising its power of eminent domain outside the district's boundaries to acquire sites for: 1) water treatment plants; 2) water storage facilities, 3) wastewater treatment plants; or 4) wastewater disposal plants. Except for trails and certain easements the MUD is also prohibited from exercising eminent domain to acquire sites for recreational facilities. Additionally, the North Harris County Regional Water Authority appears to be exempt from application of the provisions of this bill, however the language of the bill is not entirely clear.

**H.B. 1599**                    **Callegari/Lindsay**

*Relating to a conservation and reclamation district's use of money received under a contract with a municipality.*

Effective: 9/1/05

Analyst: Tom Tagliabue

Clarifies that if a MUD located in the Harris-Galveston or Brazoria Subsidence Districts receives funds from a municipality pursuant to a contract (i.e. a Strategic Partnership Agreement), then it may use such funds for any purpose of the MUD or the municipality. This ensures that a MUD will be able to spend contract municipal funds in the same manner and for the same purposes as the municipality.

**H.B. 1644**                    **Callegari/Lindsay**

*Relating to certain contracts, certificates of convenience and necessity, and municipal annexation of certain water-related districts or corporations.*

Effective: 06/18/05

Analyst: Srin Surapanani

Clarifies that WCIDs and MUDs have the authority to enter into a voter-approved contract with a general law district or water supply corporation to acquire and convey water, sewer, and drainage facilities to the general law district or water supply corporation, to receive or provide service with such conveyed facilities, and to establish the terms of such service. The bill also provides that the WCID or MUD and the general law district or water supply corporation may meet their contractual obligations with the proceeds of bonds. The bill also establishes limits to annexation of a defined area in a WCID or MUD by certain size municipalities.

**H.B. 1673**                    **R. Cook/Armbrister**

*Relating to the procedure for conversion and creation of a special utility district.*

Effective: 09/01/05

Analyst: House Committee on Natural Resources

Amends Chapter 65, Water Code, by clarifying that only those purposes specified by the water supply or sewer service corporation in its resolution requesting conversion to a special utility district may be considered in any contested hearing called by the TCEQ, and that only those purposes specified in that same resolution may be included in the TCEQ's order creating the district. H.B. 1673 applies only to resolutions filed with the TCEQ after the effective date of the legislation.

**H.B. 1935**                      **J. Keffer/Averitt**

*Relating to the acceptance of credit cards by a water district for the payment of fees and charges imposed by the district.*

Effective: 9/1/05

Analyst: Tom Tagliabue

Authorizes water districts to accept credit cards for the payment of fees and charges imposed by districts. A fee not to exceed five percent may also be charged to recover costs incurred. Specifies when a service charge may or may not be charged by a district.

**H.B. 2876**                      **Callegari/Lindsay**

*Relating to certificates of public convenience and necessity for water service and sewer service.*

Effective: 09/01/05

Analyst: Geoff Petrov

Rewrites a large portion of the Ch.13, Subch. G of the Water Code concerning Certificates of Convenience and Necessity (CCN) to make them more landowner/developer/municipality friendly.

Section 1 of the bill amends Sec. 13.241, Water Code, to expand its scope to make the current standards for granting a CCN applicable to CCN amendments as well.

Section 2 amends Sec. 13.244, Water Code, to impose additional requirements on utilities seeking a CCN. In addition to the current requirements, applicants seeking to serve within the corporate limits or ETJ of a municipality would have to first obtain and file a certified copy of a resolution of the municipality consenting to the new certificate or amendment. All applicants would have to provide:

- 1) boundary description either by metes and bounds survey or by lot and block number if there is a recorded plat;
- 2) documented requests for service;
- 3) capital improvement plan for all facilities necessary to serve the entire CCN area;
- 4) source of funds other than from funding from landowners;
- 5) real property owners in service area as identified on tax rolls; and
- 6) written consent by each and every landowner in the service area.

Section 3 amends Sec. 13.246, Water Code, concerning notice of CCN applications and factors considered by the Commission in granting/amending a CCN. As amended, notice of the CCN application must be mailed to each landowner in the service area.

Also, the Commission must consider the requests of landowners for service and the effect of granting the CCN on landowners in the service area, the applicant's ability to pay for the facilities to serve the service area, and the effect on the land to be included in the service area.

No real property may be included in the CCN area without the consent of the landowner.

No real property within a municipality's corporate limits or ETJ may be included in a CCN area without its written consent.

An applicant may not rely on impact fees paid by landowners in the CCN area to pay for the facilities to provide continuous and adequate service to their property.

Section 4 amends Sec. 13.247, Water Code, to allow a municipality, upon a petition of the majority of residents served by a utility, to acquire the utility's property within its corporate limits or ETJ through eminent domain.

Section 5 amends Sec. 13.2502, Water Code, concerning a utility's ability to withhold service if a developer fails to comply a subdivision service extension policy. The amendment repeals all current methods of providing notice to a developer and replaces them with a requirement that the notice be mailed to every owner of land within the CCN area.

Section 6 amends Sec. 13.251, Water Code, to add requirements for notice and hearing upon the sale, assignment or lease of a CCN. Notice must be mailed to all property owners in the CCN area. A hearing must be held if requested by a property owner or utility already serving the proximate area.

Section 7 amends Sec. 13.254, Water Code, concerning revocation or amendment of a CCN. Currently a CCN holder is required to provide continuous and adequate service. This bill would allow for revocation if the CCN holder isn't providing continuous and adequate service at no cost to the landowner other than standard rates for providing the service. In other words, no impact fees allowed.

It also requires the Commission to amend the CCN upon written request of a landowner to remove that owner's property if he had not previously provided written consent to be included in the CCN area.

The landowner or another utility seeking to serve the decertified area would have to pay compensation for any actual costs incurred in designing and constructing water and/or sewer facilities to serve the decertified area. The bill repeals the current requirement that the costs of an appraiser be paid by the utility seeking to serve the decertified area. The bill also repeals the current method for determining the value of personal property to be compensated

including the repeal of any consideration of the utility's ability to repay its debt. Instead, the value of property is to be determined according to Property code, Ch. 21 concerning eminent domain.

Finally, the bill requires the commission to conduct expedited hearings to determine the amount of monetary compensation required.

Section 8 amends Sec. 13.2541, Water Code, to provide that upon a petition of the majority of residents in a utility and request by the municipality served by the utility, the Commission will revoke the utility's CCN and transfer it to the municipality who will then provide service. As above, the amount of compensation to be paid to the utility will be determined according to Ch 21 of the Property code governing eminent domain.

Section 9 amends Sec. 13.255, Water Code, concerning a municipality acquiring a service area from an existing utility after incorporating or annexing within that area. The bill does not change the procedure for acquiring the service area and facilities of the utility but limits the compensation paid to the utility to the value of real property as determined under Ch 21, Property Code. The bill specifically repeals the requirement that the Commission consider the impact of the municipal takeover on the utility's debt and ability to repay that debt.

Section 10 adds a new Sec. 13.258, Water Code, concerning recording requirements with real property. All CCN holders must record a certified copy of their CCN in the real property records of each county in which they serve. They must include a description of the service area by metes and bounds survey or, by lot and block number, if there is a recorded plat of the area. Current CCN holders must comply with this section by 9-1-05 and future CCN holders within 30 days of receiving their CCN or amendment.

**S.B. 343**                      **Brimer/Geren**

*Relating to county authority to regulate the placement of water wells in unincorporated areas of the county; providing a penalty.*

Effective: 09/01/05

Analyst: Rima Petrossian and Jennifer Wright

The legislation (amendment to Chapter 240, Local Government Code) grants county commissioners courts in counties with populations of more than 1.4 million (potentially Harris, Tarrant, Dallas, and Bexar) the authority to regulate the placement of water wells in unincorporated areas of their counties. Private wells are exempt if: 1) they are on 10 acres of land; 2) qualify as open-space land as defined by the tax code; 3) are within the boundaries of a groundwater conservation district or subsidence district other than Harris-Galveston; or are 4) incident to the oil, gas, or other mineral exploration and development. Public water systems permitted by the TCEQ are also exempt. Counties that choose to regulate the placement of such wells will be required to develop rules to enforce this authority. The purpose of the proposed legislation is to prevent the contamination of water wells from existing on-site sewage disposal systems, prevent drilling of a domestic well into a contaminated groundwater plume, and also to prevent existing on-site sewage disposal systems from becoming out of compliance because of the placement of new water wells. In

order to drill a private water well, the county must be notified, the proposed location and the distance to any on-site sewage disposal system located within 100 feet must be documented. The county must review the request within 10 days, approve the drilling if it does not violate any of the restrictions, and provide written acknowledgment to the applicant. The bill authorizes counties who choose to use the authority in this legislation to assess a maximum fee of \$50 as placement review fee. Persons who violate county ordinances developed in response to the proposed legislation will be considered to have committed a Class C misdemeanor. The bill also expands the exceptions that are available regarding the applicability of the chapter.

**S.B. 471**                      **Hinojosa/Luna**

*Relating to the Texas Coastal Ocean Observation Network.*

Effective: 06/17/05

Analyst: Tom Tagliabue

Authorizes the Texas Coastal Ocean Observation Network (known as TCOON), a cooperative project between TWDB, the Texas General Land Office, Lamar University and Texas A&M University-Corpus Christi, to coordinate and contract with federal agencies (the U.S. Army Corps of Engineers and the National Oceanic and Atmospheric Administration) to collect data on natural processes affecting the coast for the purpose of studying, planning for, and managing human uses of the coast as they are affected by those natural processes.

**S.B. 1045**                      **Janek/Nixon**

*Relating to insurance coverage in lieu of a bond requirement for officers, employees, and consultants of certain conservation and reclamation districts.*

Analyst: Senate Research Center

Authorizes water districts to obtain coverage from insurance companies or under an interlocal agreement, if the district's board determines that such coverage would adequately protect the interests of the district. Current Texas law requires water district board members and employees who handle funds for the general law district to furnish a bond, payable to the district, in an amount determined by the board to be sufficient to safeguard the district from bad acts by that individual. At the time the statute was written, bonds were the most sensible option for such coverage. Districts can obtain similar coverage from insurance companies or under an interlocal agreement at much lower rates than a bond.



**S.B. 1354****Estes/J. Keffer**

*Relating to the protection of water quality in watersheds threatened by quarry activities; establishing a pilot program; providing a penalty.*

Effective: 06/17/05

Analyst: Dr. Barney Austin

This bill seeks to protect water quality in watersheds threatened by quarry activities and establishes a pilot program for a stretch of the Brazos River below Possum Kingdom Reservoir (water quality protection area). The bill also provides penalties for infractions.

The bill applies only to quarrying activities, and not municipal solid waste facilities, even if they are associated with past quarrying activities. Quarries that have been in operation without cessation for more than 30 days since or before January 1, 1994 and have not changed ownership in that period of time are exempted from this bill's application.

Under this bill, within the designated water quality protection area, the TCEQ will require a responsible party to obtain an individual permit for any discharges from a quarry located: within either a 100-year floodplain or a mile of any water body. The bill stipulates that TCEQ require a general permit if the proposed quarry is within the water quality protection area but greater than a mile from any water body.

The bill requires the TCEQ to prohibit any new quarries or expansion of existing quarries located within 1,500 feet of a water body in a water quality protection area; however, the bill allows the TCEQ to issue or amend permits for quarries located between 200 and 1,500 feet of a water body if the TCEQ finds that the responsible party has satisfied new restrictions imposed by the bill, the purposes of which are to minimize erosion, siltation and damage to fish and wildlife habitat and to public and private property.

The bill requires that responsible parties maintain financial responsibility for restoration of a water body affected by an unauthorized discharge and that corrective action take place in the event that occurs. The bill also allows penalties for unauthorized discharges.

The bill requires TCEQ, Brazos River Authority, and TPWD to conduct visual inspections and take water samples to help identify any infractions.

This bill allows the TCEQ to issue emergency orders relating to unauthorized discharges and seek recovery of costs associated with undertaking a corrective or enforcement action from responsible parties.

The bill identifies the TCEQ as the principal authority on implementation of this bill but indicates that it may enter into agreements with other agencies for the purposes of developing effluent or other water quality requirements within the water protection area.

This bill also imposes upon the TCEQ reporting requirements, starting in December 2006 with a report describing implementation of the bill.

**S.B. 1686****Estes/Hardcastle**

*Relating to the interagency work group on rural issues.*

Effective: 9/1/05

Analyst: Tom Tagliabue

S.B. 1686 expands the interagency work group on rural issues, of which the TWDB is a member, to include a governor's designee who provides problem-solving services to the state, specifically in rural areas. The designee can assist other state agencies in developing regulatory and legislative recommendations that would benefit rural Texans.

**79<sup>TH</sup> TEXAS LEGISLATURE IMPLEMENTATION SCHEDULE**

<b>BILL</b>	<b>BECOMES LAW ON</b>	<b>BILL SUMMARY</b>	<b>AGENCY ACTION REQUIRED</b>	<b>TWDB STAFF ASSIGNMENT</b>	<b>DUE DATE</b>
HB 26	6/17/05	Requires state agencies to provide to the Building & Procurement Commission (TBPC) copies of all major contracts (contracts of \$5,000,000 or more for the procurement of goods or services) entered into by the agency and related solicitation documents including request for proposal and invitation to bid.	If the TWDB expects a major contract (greater than \$5M initially or by amendment) staff will need to provide the TBPC copies of the following documents:  (1) the contract entered into by the agency;  (2) the request for proposal, invitation to bid, or comparable solicitation related to the contract.	James LeBas (OCFO)	6/1/06
HB 256	9/1/05	Allows investments in Certificates of Deposit Account Registry Service (CDARS).	To take advantage of this change to statute, the TWDB would have to determine the utility of investing in certificates of deposit and amend its investment rules accordingly.	Mary Jo Wright (OCFO)	
HB 423	9/1/05	Requires agency publications be available on the Internet and to delete a name from the mailing list if the recipient prefers an electronic version.	TWDB will need to add information to the publication notice and update its mailing addresses.	Carla Daws (EXECUTIVE)	



HB 467	9/01/05	Creates statewide EDAP	TWDB Rule changes (Chapters 363 & 364) will be required along with procedural changes. Existing TWDB policy will need to be amended in order to manage applications received after September 1, 2005 due to the limitation of available EDAP funds. Coordinate with Alfredo Cardenas of Comptrollers Office on financial management review provision.	Otis Williams (OPFCA), Jonathan Steinberg (LEGAL)	10/1/05
HB 578	9/1/05	Requires RWPGs to identify water infrastructure to possibly be used for emergency interconnects to address water shortages.	No funds appropriated (1) amend Ch. 357 rules; (2) Contract for data collection by RWPGs; (3) Will need to pull this information out of the regional plans before disseminating to the public.	Bill Mullican (PLANNING) Ron Pigott (LEGAL)	9/1/06
HB 905	6/18/05	Requires state agency contractors to provide the State Auditor's Office (SAO) with access to information that is relevant to the contractor's performance.	TWDB will need to revise the language it includes in its payable contracts to be in compliance. This new provision is broader than the previous provision and may require explanation to vendors during contract negotiations. Staff may need to seek guidance from the SAO in order to understand the scope of this new provision sufficiently to explain it to vendors.	Contract Administration (OCFO), Shari Daffern (AUDIT) Ron Pigott (LEGAL)	Beginning in FY 06, all contracts will include language to address this provision.
HB 912	5/30/05	Increases the maximum cost of certain awards presented to state agency employees for professional achievement or outstanding service from \$50 to \$100.	Human Resources Division is organizing a diverse group of staff from each Office to review our current retirement and service awards and provide recommendations regarding TWDB service awards and also the possibility of issuing State of Texas service awards to Lisa Glenn and Robert Ruiz by August 15, 2005.	Deborah Soares (HUMAN RESOURCES)	8/15/05



HB 925	9/01/05	Creates interagency workgroup on border issues; creates Border Activity Tracker (BAT) and requires certain information to be reported by state agencies.	Upgrade BAT, no funds appropriated. Recommend that TWDB apply for funding from various state and federal sources as well as review possible in-house funds in attempt to update the BAT. Plan for check point in March 2006; if funding not found, reassess options.	Otis Williams (OPFCA), Lorelei Weitzel (RIO)	8/31/06
HB 1224	6/17/05	Requires TWDB to conduct take or pay contract study.	It is anticipated that a Request for Proposal for a research contract for outside consultants be recommended for TWDB consideration during the August 2005 meeting. Report must be produced.	Bill Mullican (PLANNING), John Sutton (PLANNING)	1/1/07
HB 1462	9/1/05	Gives TWDB authority to refer applicants for enforcement.	The Executive Administrator may want to consult the Board members to determine if they want a policy that addresses the Board member's involvement in referrals outside the agency, and the delegation of authority for referring, monitoring and reporting.	Geoff Petrov (LEGAL)	
HB 1516	9/1/05	DIR manage state electronic services.	TWDB may need to enter into an interagency contract with DIR for services under Subch. L, Ch. 2054, Gov't Code.  Staff will need to coordinate with DIR to determine the TWDB's involvement in state data centers.	Lorelei Weitzel (RIO)	3/31/06
HB 1657	5/9/05	Expands TWDB's authority to administer Federal programs that independently fund water supply infrastructure and flood control.	Make formal application to EPA.	Otis Williams (OPFCA) Mike Lynn, Steve Rodriguez (OPFCA) Patricia Loving (OCFO)	8/15/05





HB 1763	9/01/05	GCD procedures bill, including TWDB assistance.	<p>TWDB will need to update rules in Chapters 356, 357, and 358 and Appendix B to comply with the Sections 16 and 36 of the act.</p> <p>TWDB will need to develop a new process to approve groundwater management plans.</p> <p>TWDB will need to develop an internal process for dealing with state water plan conflict petitions to the TWDB.</p> <p>TWDB will need to provide personnel and training at the request of the groundwater conservation districts.</p> <p>TWDB will need to develop and implement a process for determining the amount of managed available groundwater in a district based upon the desired future conditions.</p>	<p>Bill Mullican (PLANNING)</p> <p>Ron Pigott (LEGAL)</p>	<p>10/1/05</p> <p>10/1/05</p> <p>10/15/05</p> <p>Upon request</p> <p>9/1/05</p>
HB 1940	9/1/05	Allows contractors to claim delay and labor expenses when asserting a breach of contract claim.	Legal will need to revise the administrative rules (Ch. 380) to account for the time change in asserting a counterclaim, negotiating the claim, and deciding to mediate a claim.	Ron Pigott (LEGAL)	



HB 2048	6/18/05	Requires state agencies to allow DIR/TexasOnline to bid on Internet Application Development if such application duplicates a TexasOnline function.	<p>Requires TWDB staff to be aware of this bill and then follow the guidance provided. If TWDB were to hire a third party to develop an application that is a duplicate function of TexasOnline, then TWDB would need to inform DIR of such intent and allow TexasOnline to apply along with other vendors.</p> <p>TWDB would need to publish a webpage advertising options for completing transactions with TWDB. Current resources available at TWDB to accomplish this if and when required.</p> <p>RIO will review TexasOnline functions as needed in order to comply with requirements. No current or planned projects are applicable.</p>	Darryl Lindgens (RIO)	7/31/05
HB 2201	6/18/05	Requires TWDB to adopt rules to allow for timely amendments to regional water plans to facilitate planning for water supplies associated with a clean coal project.	Write Rules	Ron Pigott (LEGAL), Bill Mullican (PLANNING)	9/1/06
HB 2430	6/18/05	Creates a Rainwater Harvesting Evaluating Committee at TWDB.	The TWDB needs to assign a staff member to conduct/coordinate the work, preside over the Rainwater Harvesting Evaluation Committee, and develop a report to the Legislature. The staff member may have to attend a series of meetings at TCEQ during the development and adoption of the standards in 2006.	Hari Krishna (PLANNING)	Report due 12/1/06



HB 2473	9/1/05	Maintaining state publications at the State Library & Archives Commission.	Review and update publishing & distribution procedures.	Carla Daws (EXECUTIVE)	9/1/05
HB 2511	6/18/05	Exempts a state officer or agency head from reporting requirements if they have resigned, been abolished, or had their term expire before the reporting requirement date and if they also cease to function as a state officer.	Provide information to Board Members and Executive Administrators as they resign or as their term expires.	Suzanne Schwartz (LEGAL)	
HB 2553	9/1/05	Gives mobile phone customers the ability to refuse to have their names and numbers published in a directory.	TWDB staff needs to ensure the refusal to publish is elected for each phone and/or plan owned by the agency. This should probably be done at the purchasing stage.	Contract Administration (OCFO)	9/1/05
HB 2932	9/10/05	Requires nepotism disclosure for purchasing personnel.	The TWDB must identify its “purchasing personnel” as defined by this bill. If the state auditor's office develops a form for reporting relationships regarding major contracts, TWDB will comply by completing and submitting these forms by all necessary staff.	Phyllis Thomas (OCFO)  Ron Pigott (LEGAL)	TWDB information is ready to submit when form is received.
HB 3029	6/18/05	Creates rural disadvantaged communities grant/loan program.	Rules, eligibility, applications, etc. must be developed and adopted.	Geoff Petrov (LEGAL), Otis Williams (OPFCA)	11/1/05
HB 3112	9/01/05	Requires DIR to provide Network Security Services to state agencies.	Only after DIR completes their portion of the bill directives will TWDB know if a fiscal impact will be incurred. Until DIR completes its process no impact is foreseen for TWDB.	David Thorkildsen (RIO)	



SB 1	9/1/05	General Appropriations Act	(1) Toledo Bend Study (2) Brushy Creek Study (3) Desal Projects (4) Cash Management staffing	Bill Mullican (PLANNING), Jorge Arroyo (PLANNING), James LeBas (OCFO)	9/1/05 – included in FY 06 budget
SB 9	6/18/05	Makes TWDB member of the Homeland Security Council	EA must appoint TWDB representative to council. RIO staff will need to provide support to the appointed representative.	Kevin Ward (EXECUTIVE) Lorelei Weitzel (RIO)	12/1/05
SB 121	6/18/05	Requires the disclosure, as public information, of facts about investments	Most or all TWDB funds will be subject to this act. We could develop a report in Evare, our investment software, to pick up the required information, and could consider modifying information we currently give the Board to show this information.	James LeBas (OCFO)	All information available; no action required
SB 213	9/1/05	Directs state agencies to create a Spanish version of their vital information and forms online.	TWDB will explore available resources and tools (personnel and software) to post appropriate content in Spanish.	Web Team (Mike Parcher)	Start 9/1/05
SB 286	1/1/06	Requires PIA/OMA training for Board Members	Staff will need to coordinate and schedule this training for the Board Members.  The Board should also officially designate (by Board Resolution) a Public Information Coordinator for the PIA training.	Suzanne Schwartz (LEGAL), Carla Daws (EXECUTIVE)	
SB 452	9/1/05	Moves the Public Information Act committee from TBPC to OAG.	Legal will need to watch for the Attorney General's rules on Public Information, once available, and determine if changes to internal procedures need to be made.	Ron Pigott (LEGAL)	





SB 827	9/01/05	Colonia classification and tracking system	<p>Assist Secretary of State in identifying and tracking colonias. Provide appropriate information on funding of colonias' water and wastewater projects on a quarterly basis pursuant to guidelines to be provided by SOS.</p> <p>The impact of SB 827 on TWDB will be closely related to that of the Border Activity Tracker portion of HB 925.</p>	<p>Otis Williams (OPFCA), Lorelei Weitzel (RIO)</p>	
SB 1569	6/17/05	Related to audits of state agency expenditures to recover overpayments and lost discounts.	<p>Depending on the criteria applied by the comptroller on the recovery audits, TWDB may be required to undergo the expenditure overpayment recovery audit. Such an audit would not be anticipated to significantly impact TWDB if it were to occur.</p>	<p>Melanie Callahan (OCFO), Shari Daffern (AUDIT)</p>	No action required



## Appendix B –

### Water, Sewer or Utility Districts Created or Changed

**H.B. 812**                      **Flynn/Deuell**

*Relating to the creation of the Sunrise Municipal Utility District of Hunt County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Sunrise Municipal Utility District in Hunt County with the powers and duties, including road powers of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. If the District is not confirmed by an election before the second anniversary of the effective date of the Act, the Act expires.

**H.B. 813**                      **Flynn/Deuell**

*Relating to the creation of the Union Valley Ranch Municipal Utility District of Hunt County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Union Valley Ranch Municipal Utility District in Hunt County with the powers and duties, including road powers of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. If the District is not confirmed by an election before the second anniversary of the effective date of the Act, the Act expires.

Consistent with general law for municipal utility districts. The District may issue tax and/or revenue bonds, levy a maintenance tax, and set fees and rates. The District may not impose an impact fee or assessment on the property, including the equipment, rights-of-way, facilities, or improvements of an electric utility or a power generation company, gas utility, telecommunications provider, cable operator or person who provides to the public advanced telecommunications services. The District may pay out of bond proceeds or other available District money all expenses related to obtaining a new certificate of convenience and necessity.

**H.B. 856**                      **Callegari/Lindsay**

*Relating to the general powers, authority, and directors of the West Harris County Regional Water Authority.*

Analyst: Tom Tagliabue and Senate Research Center

Excludes territory contained within three municipal utility districts (MUDs) from the West Harris County Regional Water Authority (WHCRWA) -- Harris-Fort Bend Counties MUD# 1; Harris-Fort Bend Counties MUD# 5; and Fort Bend County MUD# 30. Expands the

definition of subsidence district in the WHCRWA statutes to include the Fort Bend County Subsidence District in addition to the Harris-Galveston Coastal Subsidence District. The WHCRWA is authorized to amend, develop, or enforce a groundwater reduction plan. Specifies the terms of office for a director and clarifies conflict of interests with the board.

**H.B. 1054**                    **Hope/Staples**

*Relating to the creation of the Montgomery County Municipal Utility District No. 100; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create Montgomery County Municipal Utility District No. 100 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District may issue tax and/or revenue bonds, levy a maintenance tax, and set fees and rates. The District may pay out of bond proceeds or other available District money all expenses related to obtaining a new certificate of convenience and necessity.

**H.B. 1055**                    **Hope/Staples**

*Relating to the creation of the Montgomery County Municipal Utility District No. 101; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create Montgomery County Municipal Utility District No. 101 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District may issue tax and/or revenue bonds, levy a maintenance tax, and set fees and rates. The District may pay out of bond proceeds or other available District money all expenses related to obtaining a new certificate of convenience and necessity. The District must be confirmed by September 1, 2010, or the District is dissolved.

**H.B. 1141**                    **Flynn/Deuell**

*Relating to the conversion of the Verandah Fresh Water Supply District of Hunt County to a municipal utility district; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would convert the Verandah Fresh Water Supply District to Verandah Municipal Utility District (District) in southwest Hunt County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts and road powers. As with general law districts, upon voter approval, the District may levy ad valorem debt service and operation and maintenance taxes. The proposed District is prohibited from levying an impact fee or assessment on property used for electric, gas, telecommunications and cable utilities and operations. The bill gives the District powers which are not typical to municipal utility districts. The powers include: road district

powers; and the ability to fund the purchase and related application costs of an existing CCN with BHP Water Supply Corporation or succeeding entity.

**H.B. 1229                    Hilderbran/Fraser**

*Relating to the powers, duties, and directors of the Menard County Underground Water District and the directors of the Menard County Water Control and Improvement District No. 1.*

Analyst: House Committee on Natural Resources and Tom Tagliabue

Gives the Menard County Underground Water District authority to permit wells to be used for domestic, livestock, poultry, or wildlife purposes. The district wants to address the increasing number of vacation and retirement homes that could strain the county's extremely limited supply of both surface water and groundwater. The maximum surface water use in the county in any year since 1984 was about 7,000 acre-feet. During the past five years of drought, the river had no flow at all in some areas. Typical well yield from the Edwards-Trinity Aquifer in Menard County is less than seven gallons per minute (gpm), enough to provide water for household and livestock watering but nothing more. Moreover, many wells have yields less than one gpm.

**H.B. 1346                    Gattis/Ogden**

*Relating to the creation of the CLL Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill creates CLL Municipal Utility District No. 1 (District) in Williamson and Bell counties with the powers and duties of Water Code Chapters 30, 49, and 54 related to general law Municipal Utility Districts and Regional Waste Disposal Districts. If the District has not been confirmed before September 1, 2011, the Act expires.

**H.B. 1358                    Flores/Hinojosa**

*Relating to the jurisdiction of the Texas Commission on Environmental Quality over certain water supply or sewer service corporations and the creation of the La Joya Special Utility District.*

Effective: 09/01/05

Analyst: Warren Rose

Expands the TCEQ's jurisdiction to cover water supply or sewer service corporations and the creation of the La Joya Special Utility District (SUD).

The bill provided that the TCEQ's jurisdiction would become effective when the water supply or sewer service corporation if: 1) the water supply or sewer service corporation is failing to conduct annual or special meetings in compliance with Sec. 67.007; Water Code, or 2) is operating in a manner that does not comply with the requirements for classifications as a nonprofit water supply or sewer services corporation prescribed by Sec. 13.002(11), Water

Code, and Sec. 13.002(24), Water Code. If the water supply or sewer service corporation converts to a Special Utility District, TCEQ's jurisdiction is terminated.

Section 2.01, Subtitle C, Title 6, Special District Local Laws Code, is amended by adding Chapter 7201, creating the La Joya SUD. Subchapter A deals with the definitions, regulatory conflicts, initial district territory, and applicability of other laws. Subchapter A1 deals with temporary provisions (i.e., transfer of assets and dissolution). This particular subchapter expires on September 1, 2008. Subchapter B deals with the appointment of a temporary Board of Directors. Subchapter C deals with powers and duties of the District including the provision of service and interlocal contracts. Subchapter D deals with the operating provision of the District. This includes audit provisions, record keeping and maintenance, the development of a website, newsletter, and annual financial information. The subchapter outlines the service termination requirements as well as requires the District to develop a senior citizen life-line or a minimum consumption level rate for service.

**H.B. 2079**                      **J. Keffer/Estes**

*Relating to the creation, administration, powers, duties, functions, operations, and financing of the Stephens Regional Special Utility District.*

Analyst: Mike Smith and Water Development Policy Impact Statement

Creates a conservation and reclamation district in Stephens, Eastland, Palo Pinto, Shackelford and Throckmorton Counties to be known as Stephens Regional Special Utility District with the powers and duties of a Special Utility District (SUD) governed by Water Code Chapters 49 and 65.

Upon successful confirmation election, Stephens County Rural Water Supply Corporation shall transfer the assets, debts and contractual rights and obligations of the corporation to the District. A S.U.D. is given specific authority for standby fee whereas a WSC has no specific authority to adopt a standby fee. A WSC has no defined boundary and must have a CCN. A SUD can add or exclude land and not required to have CCN. However the CCN will transfer to the District in this case.

**H.B. 2267**                      **W. Smith/Ellis**

*Relating to the powers of the Coastal Water Authority; providing the authority to impose a tax; affecting the authority to issue bonds.*

Effective: 06/17/05

Analyst: Senate Research Center

Grants additional authority to the Coastal Water Authority (authority) to permit it to better assist the City of Houston in conveying surface water to users in the Harris County area in order to reduce the need to extract groundwater for such purposes. The pumping of groundwater has created surface subsidence with attendant damages to surface infrastructure and increased flooding.

The bill makes certain that the authority can become involved in water reclamation and water desalination projects. The bill grants specific authority for the authority to use the bed and

banks of rivers, streams and bayous of the state to transport surface water. It also grants the authority the power to generate electricity by wind turbines and hydroelectric means for use by the authority and the City of Houston. This legislation allows the authority to create a local government corporation in the same manner as a city, county, or navigation district to assist the authority in implementing its projects. It authorizes the authority to develop parks and to issue unrated bond anticipation notes.

**H.B. 2639**                      **Geren/Brimer**

*Relating to the powers and duties of the Tarrant Regional Water District and the abolition and distribution of the assets of the Lower Rio Grande Authority.*

Effective: 06/17/05

Analyst: Tom Tagliabue and Senate Research Center

Expands the authority of the Tarrant Regional Water District to include storm water and flooding abatement while supporting downtown beautification of Fort Worth.

By repealing Title 128, Article 8280-144, Vernon's Texas Civil Statutes, Acts of the 52nd Legislature, Regular Session, 1951, the Lower Rio Grande Authority ceases to exist. The bill states that any property or other assets of an entity abolished under this section shall vest in the Rio Grande Regional Water Authority, which was created by the 78th Legislature, Regular Session, Chapter 385, 2003 Tex. Gen. Laws 1615, May 28, 2003.

Governor Perry sent a letter to TWDB Chairman Rod Pittman on June 17 “requesting that the Texas Water Development Board, as the agency responsible for oversight of regional water planning and project financing, work with my office to assist the Lower Rio Grande Valley region in finding ways to adequately plan for and implement water supply projects.”

**H.B. 3181**                      **Turner/Lindsay**

*Relating to the creation, administration, powers, duties, operation, and financing of the Central Harris County Regional Water Authority; granting the power of eminent domain; granting the authority to issue bonds or notes; providing a civil penalty.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Creates the Central Harris County Regional Water Authority comprised of 11 MUDs primarily located north of the City of Houston, east of SH 249, south of FM 1960 and west of I-45. The Central Authority will include: Harris County MUD No. 33, Harris County MUD No. 150, Harris County MUD No. 200, Harris County MUD No.205, Harris County MUD No. 215, Harris County MUD No.217, Harris County MUD No. 304, Harris County MUD No. 399, Harris County MUD No. 16, Fallbrook MUD, and Rankin Road West MUD. Creation of the Authority is subject to a confirmation election. The purpose of the Authority including the acquisition and provision of surface water and groundwater for residential, commercial, industrial, agricultural, and other uses, the reduction of groundwater withdrawals, the conservation, preservation, protection, recharge, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, the control of subsidence caused by withdrawal of water from those groundwater reservoirs or their subdivisions.

**H.B. 3476**                    **Olivo/Armbrister**

*Relating to the creation of the Fort Bend County Municipal Utility District No. 177; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the Act would create Fort Bend County Municipal Utility District No. 177 (District) in Fort Bend County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. The MUD will encompass an area of land outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Rosenberg, Fort Bend County, Texas. The land to be located within the district will be developed into single-family residential and commercial development; therefore, water, sewer, and drainage services need to be secured.

**H.B. 3478**                    **Corte/Wentworth**

*Relating to the exemption of certain municipalities, utilities, and consumers from fees or taxes imposed by the Trinity Glen Rose Groundwater Conservation District.*  
Analyst: Senate Research Center

The Trinity Glen Rose Groundwater Conservation District (district) was created by the 77th Legislature, Regular Session, 2001, as a Chapter 36 groundwater district with boundaries in northern Bexar County. Under a provision in Section 19 of the enabling legislation, the City of Fair Oaks Ranch, which falls within three counties, held an election electing for their entire City to join the district. Section 17 of the enabling legislation encouraged communities to seek water from sources outside the Trinity Aquifer by allowing for an exemption of fees or taxes for certain suppliers of water to a municipality who supplied at least 50 percent of their water from a source other than the Trinity Aquifer. Since passage of this legislation, several entities have taken different interpretations of this provision and have assumed an exemption that was never intended.

H.B. 3478 clarifies the exemption in the enabling legislation by linking the exemption from fees or taxes to a municipality that has held an election under Section 19 in the enabling legislation, as described above. This legislation limits the exemption to a municipality that held the described election, a municipally owned utility supplying water to this municipality, and the residents of the described municipality. H.B. 3478 repeals an exemption from regulation for certain completed and capped wells.



**H.B. 3479**                      **Rose/Wentworth**                      **(Companion S.B. 1792 on Page 83)**

*Relating to the South Buda Water Control and Improvement District No. 1.*  
Analyst: Bruce Crawford

Creates the South Buda Water Control and Improvement District and includes the following provisions:

The bill requires a confirmation election held by the district's board to validate the creation of the district. The bill includes language that provides that if the confirmation election is not held before September 1, 2010, the district will be dissolved and any debts incurred shall be paid and any remaining assets shall be transferred to Hays County. The bill also provides that the organization of the district shall be maintained until the debts are paid and remaining assets are transferred.

The bill authorizes the district to purchase, install, operate or maintain street lighting or security within public utility easements or public right-of-way in the district and includes language pertaining to the district's territory.

The bill provides that Chapter 441 of the Transportation Code, which relates to road utility districts created under Section 52, Article III, Texas Constitution and Chapters 30, 49, or 51 (including Section 51.331) of the Water Code, can apply to the proposed district. The bill also provides that if Chapter 441 of the Transportation Code conflicts with Chapters 30, 49, or 51 (including Section 51.331) of the Water Code, the provisions of the Water Code prevail.

The bill also includes language indicating that the new chapter expires on September 1, 2013.

**H.B. 3490**                      **Denny/Nelson**

*Relating to the creation of The Lakes Fresh Water Supply District of Denton County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create The Lakes Fresh Water Supply District in Denton County with the powers and duties of Water Code Chapters 49, 53, and 54 related to general law Fresh Water Supply Districts. The bill appears to give the proposed district additional powers: those of a Fresh Water Supply District and eminent domain. The District has the power to construct, acquire, improve, maintain or operate roads. Road projects must meet only the standards adopted by the North Central Texas Council of Governments. The District may also construct, acquire, improve, enlarge, extend, repair, or maintain any facility necessary to control, store, or preserve water in the District for any useful purpose. Any bonds or other obligations for road projects must be approved by a 2/3rds majority of voters and cannot exceed 1/4th of the assessed valuation of property in the District.

**H.B. 3497**                    **Gattis/Ogden**

*Relating to the creation of the Sonterra Municipal Utility District; providing authority to impose a tax and issue bonds.*

Analyst: Water Development Policy Impact Statement and Senate Research Center

Subject to a confirmation election, the bill would create the Sonterra Municipal Utility District in Williamson County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49 and 54. If the District is not confirmed by September 1, 2009, the District is dissolved. Because the land to be located within the district will be developed into single-family residential and commercial development, water, sewer, and drainage services need to be secured.

**H.B. 3498**                    **B. Brown/Deuell**

*Relating to the creation, administration, powers, duties, functions, operations, and financing of the Rose Hill Special Utility District.*

Analyst: Water Development Policy Impact Statement

Subject to confirmation of election, the bill would create the Rose Hill Special Utility District in Kaufman County with the powers and duties of a Special Utility District (SUD) governed by Water Code Chapters 49 and 65. General law SUDs are created through the conversion of existing water supply corporations (WSCs). Any assets and liabilities of the WSC would be transferred to the SUD and then upon confirmation of the voters, the WSC would be dissolved. The existing WSC will proceed with dissolution proceedings within 30 days after transferring assets and liabilities. Upon dissolution of the WSC the TCEQ shall re-issue the Certificate of Convenience and Necessity #10849 in the name of the SUD. The District has specific authority to establish standard specifications for facilities designed or constructed for storage treatment or transportation of water; collection, treatment, and disposal of wastewater or disposal of solid waste within its boundaries.

**H.B. 3502**                    **Turner/Whitmire**

*Relating to the creation of the Harris County Municipal Utility District No. 406; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election the bill would create the Harris County Municipal Utility District No. 406 in Harris County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. This also provides road powers under Chapter 441, Transportation Code. Currently, the land located within the boundaries of the proposed District is undeveloped. The territory of the District would lie within the extraterritorial jurisdiction of the City of Houston and Harris County.

**H.B. 3513**                      **Luna/Hinojosa**                      **(Companion S.B. 1831 on Page 89)**

*Relating to the creation of the Corpus Christi Aquifer Storage and Recovery Conservation District; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Corpus Christi Aquifer Storage and Recovery Conservation District (District) providing for the powers, duties, administration, operations and financing of the District. The bill authorizes the District with the powers and duties of Texas Water Code, Chapter 36, related to the general law for Groundwater Conservation Districts (GCDs). Unlike general law GCDs under Texas Water Code, Chapter 36, creation of the District does not required a confirmation election or approval of the voters. Unlike general law GCDs under Texas Water Code, Chapter 36, the bill provides specific District authorities and interactions for District territory in San Patricio County. The bill provides that:

- creation of the District does not preclude the creation of a GCD in San Patricio County; a GCD created in San Patricio County may not limit or restrict the District from recovering water stored by the District in a municipal aquifer storage area located in the District and in the GCD; and
- to the extent that the boundaries of the District and a GCD in San Patricio County overlap, the power and authority of the two districts would be joint and coextensive.

The bill provides that the District and land in the District would be exempt from taxes and fees imposed by a GCD in San Patricio County. The District is prohibited from allowing more water to be recovered from a municipal aquifer storage area in San Patricio County than the amount of water stored by the District at the municipal aquifer storage area. Similar provisions for districts or proposed districts in Nueces and Kleburg counties are not included in the bill.

**H.B. 3520**                      **T. King/Madla**                      **(Companion S.B. 1853 on Page 90)**

*Relating to the distribution of assessments charged by Bexar-Medina-Atascosa Counties Water Control and Improvement District No. 1.*

Analyst: House Committee on Natural Resources

HB 3520 will allow the Bexar-Medina-Atascosa Counties Water Control and Improvement District # 1 to lower the tax rate on farmers in the district. The Bexar-Medina-Atascosa Counties WCID #1 maintenance and operating expenses are increasing to satisfy its obligations to provide water for municipal use. However, Section 51.305(a) requires that at least one-third of this cost be allocated to the farmers, so the Board has been forced to increase the flat tax assessment paid by farmers when the municipal customers are creating the cost.

**H.B. 3524**                      **Gattis/Ogden**

*Relating to the creation of the Williamson County Municipal Utility District No. 19; providing authority to impose a tax and issue bonds.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Williamson County Municipal Utility District No. 19 with the powers and duties of a municipal utility district (MUD) governed by Water Code Chapters 30, 49 and 54. If the District is not confirmed by September 1, 2009, the District is dissolved. Before the District issues indebtedness to be secured by taxes or net revenues, the District has the power to divide into an original district and one or more new districts with the approval of a majority of voters at an election or with the written consent from all title holders of land in the proposed new district. After a division, the original district and any new district's created must include at least 100 acres. A municipality may annex the original District or a new district after: the district has installed at least 90 percent of works, improvements, facilities, plants, equipment, and appliances necessary to provide service to the proposed development, to accomplish the District's purpose, and to exercise the powers provided by general law; or if 10 years have elapsed since the District's confirmation.

**H.B. 3525**                      **P. King/Estes**

*Relating to the creation, administration, powers, duties, functions, operations, and financing of the Parker County Special Utility District; providing authority to issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election, H.B. 3525 creates and establishes the Parker County Special Utility District (SUD), and dissolves the Parker County Water Supply Corporation (PCWSC). PCWSC is interested in converting to a SUD so that it may have the advantages of being a political subdivision of the state, including liability protections, ability to issue tax-exempt bonds for financing, and better insurance rates. If the District is not confirmed by an election before the second anniversary of the effective date of the Act, the Act expires.

**H.B. 3527**                      **Haggerty/Shapleigh**                      **(Companion S.B. 1811 on Page 87)**

*Relating to the ability of certain water supply or sewer service corporations to dissolve and transfer assets to a municipality.*

Effective: 06/17/05

Analyst: Luis Farias and Jennifer Wright

This bill relates to the ability of water supply or sewer service corporations to dissolve and transfer assets to a municipality. It applies only to corporations and municipalities located in a county that 1) has a population of 650,000 or more; and 2) is adjacent to an international border. Chapter 67 of the Water Code (Nonprofit water supply and sewer corporations) would be amended to include a subchapter B, which would include the proposed dissolution language. It allows the corporation's board to provide a written request to a municipality to take over its management and transfer its assets and liability in accordance with their request.

If the municipality agrees to take over the corporation, the corporation's board will notify the Executive Director (ED) of the Texas Commission on Environmental Quality and request an order of dissolution. Once the order of dissolution is issued, the ED will direct the corporation to provide all transfer documents to the municipality, order the corporation to be dissolved and order the transfer of all assets and liabilities to the municipality. The ED will monitor the progress of the transfer process. Once the request is received by the ED, the ED will determine if all necessary conditions for the transfer have been met by both parties. If all conditions have been met, the ED will issue an order of dissolution if the corporation and the municipality are ready for the transfer.

The legislation also includes provisions addressing collection of money by the municipality that is owed to a corporation. This would come into effect after the dissolution. Rates charged to county residents living in the service area served by the corporation may be increased to cover costs to service the area by the municipality. This will include O&M and debt service.

**H.B. 3530**                      **Geren/Nelson**

*Relating to the creation of the City of Fort Worth Municipal Utility District No. 2 of Tarrant County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the City of Fort Worth Municipal Utility District No. 2 (District) in Tarrant County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. The district will encompass an area of land outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Fort Worth, Tarrant County, Texas.

**H.B. 3534**                      **Denny/Nelson**

*Relating to the creation of the Denton County Municipal Utility District No. 6; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election, the bill would create the Denton County Municipal Utility District No. 6 in Denton County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 49, 53 and 54. The creation of this District must be confirmed in an election before September 1, 2007. The MUD encompasses an area of land outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Aubrey, Denton County, Texas.

**H.B. 3535**                      **Denny/Nelson**

*Relating to the creation of the City of Fort Worth Municipal Utility District No. 1 of Denton County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the City of Fort Worth Municipal Utility District No. 1 (District) in Denton County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. If the creation of the District is not confirmed before September 1, 2009, the District is dissolved. The MUD encompasses an area of land outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Fort Worth, Denton County, Texas.

**H.B. 3546**                      **Otto/Williams**

*Relating to the creation of the East Montgomery County Municipal Utility Districts Nos. 5, 6, and 7; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the East Montgomery County Municipal Utility District Nos. 5, 6, and 7 (Districts) in Montgomery County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. The MUD encompasses an area of land within the extraterritorial jurisdiction of the City of Houston, Harris County, Texas.

**H.B. 3548**                      **Gattis/Ogden**

*Relating to the creation of the Williamson County Municipal Utility District No. 16; providing authority to impose a tax and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Williamson County Municipal Utility District No. 16 in Williamson County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54; providing authority to impose a tax and issue bonds. The MUD encompasses an area of land in Williamson County that is outside of the corporate limits and extraterritorial jurisdiction of any city. The district is located east of the City of Georgetown along State Highway 29.

**H.B. 3549**                    **Gattis/Ogden**

*Relating to the creation of the Williamson County Municipal Utility District No. 21; providing authority to impose a tax and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Williamson County Municipal Utility District No. 21 in Williamson County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54; providing authority to impose a tax and issue bonds. The District must obtain the approval of the Brazos River Authority for the design of any district wastewater treatment facility. Only the Brazos River Authority or a provider approved by the Brazos River Authority may provide wastewater service in the MUD. The MUD will encompass approximately 530 acres of land in Williamson County, outside the extraterritorial jurisdiction of the City of Georgetown.

**H.B. 3550**                    **Bailey/Gallegos**

*Relating to the powers and duties of the Aldine Improvement District; providing authority to impose a tax and issue bonds.*

Analyst: Senate Research Center

H.B. 3550 authorizes the Aldine Community Improvement District to use the powers of a municipal utility district so the district may construct the infrastructure it needs to make improvements to the waste water systems within the district.

**H.B. 3554**                    **Howard/Janek**

*Relating to the creation of the Imperial Redevelopment District; providing authority to impose taxes and issue bonds.*

Analyst: House Committee on Urban Affairs Committee Report and Water Development Policy Impact Statement

Subject to a confirmation hearing the bill would create the Imperial Redevelopment District with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The bill authorizes the district to construct, acquire, improve, maintain, or operate roads and sets forth restrictions and requirements for constructing and operating those roads.

**H.B. 3569**                    **Guillen/Zaffirini**

*Relating to the creation of the Imperial Redevelopment District; providing authority to impose taxes and issue bonds.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Zapata County Municipal Utility District No. 2 with the powers and duties of a municipal utility district created under Texas Water Code Chapters 30, 49, 50 and 54. With a favorable confirmation, the Zapata County shall transfer to the district the assets, debts, and contractual rights and obligations of the

county associated with the Zapata County Waterworks under CCN Nos. 12877 and 20850. The District must be confirmed by September 1, 2007, or the District is dissolved.

**H.B. 3574**                    **Giddings/Deuell**

*Relating to the creation of the Dallas County Municipal Utility District No. 3; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election the bill would create Dallas County Municipal Utility District No. 3 in Dallas County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 49 and 54. The proposed district is composed of approximately 320 acres and is located in southeast Dallas County, east of Interstate Highway 45 and the City of Wilmer. The district would be located in the extraterritorial jurisdiction of the city.

**H.B. 3576**                    **Mowery/Brimer**

*Relating to the powers, duties, administration, governance, and functions of the Benbrook Water and Sewer Authority.*

Analyst: House Committee on Natural Resources

This bill updates the Benbrook Water and Sewer Authority's enabling legislation, as amended, to conform to changes in general law; to clarify the powers, duties, administration, governance, and functions of the Authority in light of such general law changes; to change the name of the Authority; and to validate certain acts of the Authority due to the various changes in general law over the past 55 years.

**H.B. 3582**                    **B. Brown/Deuell**

*Relating to the Kingsborough Municipal Utility District Nos. 1, 2, 3, 4, and 5 of Kaufman County.*

Analyst: House Committee on Natural Resources

H.B. 3582 amends the boundaries of the Kingsborough Municipal Utility District Nos. 1, 2, 3, 4 and 5 of Kaufman County. The Districts, which were created by the Legislature in 2003, are located within the extraterritorial jurisdiction of the City of Crandall, Texas. The land located within the Districts is being developed into single family residential and commercial development.

**S.B. 224**                    **Ellis/Wong**

*Relating to the eminent domain power of certain municipal management districts.*

Analyst: Senate Research Center

Removes eminent domain power from 21 municipal management districts in Houston. Fifteen existing and six proposed management districts were affected by this legislation.



**S.B. 331**                      **Lindsay/Hamric**

*Relating to the powers and duties of the North Harris County Regional Water Authority.*  
Analyst: Ernest C. Rebuck

S.B. 331 amends the enabling legislation (H.B. 2965, Act of the 76th Texas Legislature) that created the North Harris County Regional Water Authority.

S.B. 331 amends Section 2.02 (c), Chapter 1029, Acts of the 76<sup>th</sup> Legislature, Regular Session, by removing the requirement that the Board redraw the single-member voting districts as soon as practicable after "any change in the boundaries of the authority which increase the total area of the authority by more than 20 percent."

It amends Section 4.10 by adding subsections (e) through (j) to authorize the North Harris County Regional Water Authority to expedite and finance surface water infrastructure to accomplish the conversion to surface water. The commission is instructed to cooperate to the greatest extent possible within the law to accomplish this goal. The commission is also authorized to enter into a memorandum of understanding with the authority in certain aspects relating to construction projects. The commission also cannot require the Authority to enter into a contract with any entity as a condition of approving any construction project.

**S.B. 363**                      **Lindsay/Callegari**

*Relating to the general powers, authority, and boundaries and to the directors of the West Harris County Regional Water Authority; providing penalties.*  
Analyst: Ernest C. Rebuck

S.B. 363 relates to the general powers, authority, boundaries, and directors of the West Harris County Regional Water Authority.

The Act amended or added the following sections of Chapter 414, Acts of the 77th Texas Legislature, Regular Session:

- Amended Subdivision (10), Section 1.02 to add the Fort Bend Subsidence District to the definition of Subsidence District
- Added Section 1.035, which excludes three municipal utility districts from the West Harris County Regional Water Authority.
- Added Subsection (b-1) to Section 2.01, which defines the term limits of the directors.
- Added Section 2.015 concerning conflicts of interest of board members.
- Added Subsection 4.015 concerning policies for requests for proposals and Section 4.016 concerning administrative policies.
- Added Subsections (h), (i), and (j) to Section 4.03. Subsection (h) authorizes the collection of expenses and attorney fees incurred in collecting delinquent fees and other payments. Subsection (i) provides that fees, penalties, interest, and collection costs are: a first and prior lien against the affected well; superior to other liens except county, school district, or municipal ad valorem taxes; and the personal liability of the

well owner. Subsection (j) defines the effective date of a lien and how the lien may be enforced.

**S.B. 428**                      **Lindsay/Riddle**

*Relating to the repeal of the requirement that the creation of the Harris County Municipal Utility District No. 388 be confirmed by a specific date.*

Analyst: Tom Tagliabue

S.B. 428 provides an open date for the confirmation election for the Harris County Municipal Utility District # 388. Due to the slow pace of development, the original confirmation election date of September 1, 2006, was not going to be met.

**S.B. 429**                      **Lindsay/Riddle**

*Relating to the repeal of the requirement that the creation of the Harris County Municipal Utility District No. 387 be confirmed by a specific date.*

Analyst: Tom Tagliabue

S.B. 429 provides an open date for the confirmation election for the Harris County Municipal Utility District # 387. Due to the slow pace of development, the original confirmation election date of September 1, 2006, was not going to be met.

**S.B. 839**                      **Wentworth/Casteel**

*Relating to the authority of the Cow Creek Groundwater Conservation District to impose fees on certain wells.*

Analyst: Senate Research Center

Authorizes the Cow Creek Groundwater Conservation District (CCGCD) to collect a fee on all wells used for domestic purposes. Current law states that domestic wells located on more than 10 acres of land are exempt from the CCGCD's annual fees.

**S.B. 883**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 8; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 8 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 884**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 9; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 9 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 885**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 10; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 10 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 886**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 11; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 11 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 887**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 12; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 12 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 889**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 13; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 13 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 891**                      **Williams/Otto**

*Relating to the creation of the East Montgomery County Municipal Utility District No. 14; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the East Montgomery County Municipal Utility District No. 14 in Montgomery County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2010, or the District is dissolved. The District covers land that will be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

**S.B. 1537**                    **Armbrister/Callegari**

*Relating to the administration, powers, duties, and operation of the Harris-Galveston Subsidence District and the Fort Bend Subsidence District.*

Analyst: Smiley Garcia

Would amend the enabling acts of the Harris-Galveston Coastal Subsidence District and the Fort Bend Subsidence District to create a single source of statutory authority for each district by removing references to Chapter 36, Water Code, and incorporating necessary provisions from general law. The bill would also update and revise the enabling acts of the two subsidence districts to clarify and correct certain provisions, such as deleting unnecessary boundary revision language, correcting minor changes made during codification, deleting unnecessary startup and temporary regulation provisions, clarifying certain notice provisions, and simplifying permit fee provisions.

**S.B. 1604**                    **Staples/B. Cook**

*Relating to the administration, powers, duties, and operations of the Neches and Trinity Valleys Groundwater Conservation District.*

Effective: 09/01/05

Analyst: Jonathan Stinson (Sen. Todd Staples' office)

S.B. 1604 protects agriculture, domestic and wildlife use wells from production fees levied by the Neches and Trinity Valleys Groundwater District covering Anderson, Cherokee and Henderson counties. Also clarifies the authority of appointing political subdivisions to recall an appointed director.

**S.B. 1772**                    **Deuell/Reyna**

*Relating to the validation and confirmation of the boundaries and acts of Dallas County Water Control and Improvement District No. 6.*

Analyst: Senate Research Center

Validates the existing boundaries of the Dallas County Water Control and Improvement District No. 6 (district). The district believes that the territory in the district has been properly annexed. The district does not intend for S.B. 1772 to expand its boundaries or add any additional territory with any proposed legislation. The district only desires to correct any possible surveying errors made in annexing land since the last legislative validation in 1991. While the district does not know of any clerical errors, past experience has shown that some minor errors can occur.

**S.B. 1792**                    **Wentworth/Rose**        **(Companion H.B. 3479 on Page 71)**

*Relating to the South Buda Water Control and Improvement District No. 1.*

**S.B. 1795**                    **Armbrister/Olivo**

*Relating to the creation of the Fort Bend County Municipal Utility District No. 177; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*  
Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election, the Act would create Fort Bend County Municipal Utility District No. 177 (District) in Fort Bend County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. The MUD will encompass an area of land outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Rosenberg, Fort Bend County, Texas.

**S.B. 1798**                    **Armbrister/Hegar**

*Relating to the creation of the North Fort Bend Water Authority; providing authority to issue bonds; granting the power of eminent domain; providing an administrative penalty.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election the bill would create North Fort Bend Water Authority (Authority) in Fort Bend County with the powers and duties of Section 59, Article XVI, Texas Constitution and Water Code Chapter 49 related to general law districts. The purpose of the Authority includes: the conservation, preservation, protection, recharge, and prevention of waste of groundwater; the control of subsidence caused by withdrawal of water from those groundwater reservoirs or their subdivisions; the power of eminent domain; and the provisions for a civil penalty.

**S.B. 1799**                    **Zaffirini/Gonzalez-Tourelles**

*Relating to the powers and duties of the Bee Groundwater Conservation District.*  
Analyst: Senate Research Center

S.B. 1799 eliminates Chapter 49 (Provisions Applicable to All Districts), Water Code, from the rights, powers, privileges, authority, functions, and duties of the Bee County GCD. The powers and provisions of this chapter are not needed and cause an unnecessary burden on the district. The district is interested in preserving and protecting the aquifer in the district, as authorized by Chapter 36, Water Code.

**S.B. 1800**                    **Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 60; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*  
Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the Galveston County Municipal Utility District No. 60 in Galveston County with the powers and duties of a Municipal Utility

District (MUD), governed by Chapters 49, 50, and 54 of the Water Code. Currently, the land located within the boundaries of the proposed District is undeveloped.

**S.B. 1801                      Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 61; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the Galveston County Municipal Utility District No. 61 in Galveston County with the powers and duties of a Municipal Utility District (MUD), governed by Chapters 49, 50, and 54 of the Water Code. Currently, the land located within the boundaries of the proposed District is undeveloped. The territory of the district would lie within the City of Texas City, or its extraterritorial jurisdiction, and Galveston County.

**S.B. 1802                      Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 62; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the Galveston County Municipal Utility District No. 62 in Galveston County with the powers and duties of a Municipal Utility District (MUD), governed by Chapters 49, 50, and 54 of the Water Code. Currently, the land located within the boundaries of the proposed District is undeveloped.

**S.B. 1803                      Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 63; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the Galveston County Municipal Utility District No. 63 in Galveston County with the powers and duties of a Municipal Utility District (MUD), governed by Chapters 49, 50, and 54 of the Water Code. Currently, the land located within the boundaries of the proposed District is undeveloped.

**S.B. 1804                      Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 64; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the Galveston County Municipal Utility District No. 64 in Galveston County with the powers and duties of a Municipal Utility District (MUD), governed by Chapters 49, 50, and 54 of the Water Code. Currently, the land located within the boundaries of the proposed District is undeveloped.

**S.B. 1805                      Jackson/Taylor**

*Relating to the creation of the Galveston County Management District No. 1; providing authority to levy an assessment, impose a tax, and issue bonds.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

The bill would create the Galveston County Management District No. 1 (District) in Galveston County with the powers and duties of a Municipal Management District (MMD) governed by Local Government Code Chapter 375. The MMD administers and provides funding for community improvement projects and services in the District, which is located entirely within the City of League City, or its extraterritorial jurisdiction, and Galveston County.

**S.B. 1806                      Jackson/Taylor**

*Relating to the creation of the West Ranch Management District; providing authority to impose a tax and issue a bond or similar obligation.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election the bill would create the West Ranch Management District in Harris and Galveston Counties with the powers and duties of a Municipal Management District (MMD) governed by Local Government Code Chapter 375. The MMD administers and provides funding for community improvement projects and services in the district, which is located entirely within the City of Friendswood and Galveston and Harris counties.

**S.B. 1807                      Jackson/Eiland**

*Relating to road utility districts and navigation districts powers of Galveston County Municipal Utility District No. 52, including the authority to impose taxes and issue bonds.*

Analyst: House Committee on Natural Resources

S.B.1807 grants the Galveston County Municipal Utility District No. 52 the powers it needs to finance roads, major thoroughfares and other navigation projects. Currently, the District exists, but has no mechanism to finance roads and major thoroughfares in the District. Furthermore, the District is unable to finance navigation projects throughout the District.



**S.B. 1808                      Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 54; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement and House Committee on Natural Resources

Subject to a confirmation election, the bill would create the Galveston County Municipal Utility District No. 54 in Galveston County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. Currently, the land located within the boundaries of the proposed District is undeveloped. The territory of the District would lie within the City of Texas City and Galveston County.

**S.B. 1810                      Shapleigh/Quintanilla**

*Relating to the dissolution of the Homestead Municipal Utility District, the provision of water supply services to the residents of the district's service area after dissolution, and the rates charged for water service by the City of El Paso.*

Analyst: Senate Research Center

Dissolves the Homestead MUD and transfers management of its water supply system to El Paso Water Utilities to promote a more efficient, effective, and less expensive method of providing water. The bill also allows for the continuation of low water rates, with the possibility of even lower rates due to the removal of existing administration costs. The El Paso Water Utilities has the capacity to administer and operate Homestead MUD.

**S.B. 1811                      Shapleigh/Haggarty                      (See H.B. 3527 on Page 74).**

*Relating to the ability of certain water supply or sewer service corporations to dissolve and transfer assets to a municipality.*

**S.B. 1813                      Ellis/Dawson, A. Allen**

*Relating to the creation of the Pearland Municipal Management District No. 1; providing authority to impose an assessment, impose a tax, and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Pearland Municipal Management District No. 1 in Harris County with the powers and duties of a Municipal Management District (MMD) governed by Local Government Code Chapter 375. The MMD is located entirely within the City of Pearland, or its extraterritorial district, and Harris County primarily for the development of commercial development within the boundaries of the district. The district includes only commercial property and may issue bonds, impose an annual ad valorem tax on taxable property, and may impose and collect an assessment on those properties.

**S.B. 1820**                    **Armbrister/Hegar**

*Relating to the creation of the West Fort Bend Management District; providing authority to levy an assessment, impose a tax, and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the West Fort Bend Management District (District) with the powers and duties of a Municipal Management District (MMD) governed by Local Government Code Chapter 375. The MMD is located in areas overlapping both Richmond and Rosenberg, Texas in western Fort Bend County. The district's stated purposes are to further promote the health, safety, and welfare of residents, employers, visitors and consumers in the district and provide needed funding to the district to preserve, maintain, and enhance the economic health and vitality of the district territory. The district includes only commercial property and may issue bonds, impose an annual ad valorem tax on taxable property, and may impose and collect an assessment on those properties.

**S.B. 1823**                    **Wentworth/Kuempel**

*Relating to the creation of the Schertz Municipal Utility District No. 1; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Schertz Municipal Utility District No. 1 of Bexar County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. If the District is not confirmed by an election before the second anniversary of the effective date of the Act, the Act expires. The MUD encompasses an area of land inside of the corporate limits of the City of Schertz. The land to be located within the district will be developed into single family residential and commercial developments; and therefore, water, sewer, and drainage services need to be secured.

**S.B. 1826**                    **Estes/P. King**

*Relating to the creation, administration, powers, duties, functions, operations, and financing of the Parker County Special Utility District; granting the power of eminent domain.*

Analyst: Tom Tagliabue

Subject to a confirmation election, the bill creates the Parker County Special Utility District to achieve the purposes under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution and governed by Chapters 49 (Provisions Applicable to All Districts) 65 (Special Utility Districts), Water Code.

**S.B. 1828**                    **Estes/Denny**

*Relating to the creation of the Smiley Road Water Control and Improvement District; providing authority to impose a tax and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Smiley Road Water Control and Improvement District of Denton County with the powers and duties of a water control and improvement district including road powers, under Texas Water Code Chapters 49, 50, and 51. If the District is not confirmed by an election before September 1, 2007, the Act expires. The district will provide water, sewer, drainage, and road improvements to a 637-acre tract located on the west side of the Denton/Collin County line. All of the land within the district is located in Denton County, outside of the corporate limits or extraterritorial jurisdiction of any city.

**S.B. 1831**                    **Hinojosa/Luna**                    **(Companion H.B. 3513 on Page 73)**

*Relating to the creation of the Corpus Christi Aquifer Storage and Recovery Conservation District; granting the power of eminent domain.*

**S.B. 1836**                    **Barrientos/Strama**

*Relating to the creation of the Pflugerville Municipal Management District No. 1; providing authority to impose a tax and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Pflugerville Municipal Management District (District) in Travis County with the powers and duties of a Municipal Management District (MMD) governed by Local Government Code Chapter 375. The district created in this bill is located along SH 130 and will be able to finance infrastructure for commercial development in Pflugerville without increasing the tax burden on the general populace of the municipality. Despite its proximity to I-35, Pflugerville's tax base is overwhelmingly residential. Construction of SH 130 and SH 45 by the Texas Turnpike Authority has the potential to alter that significantly.

**S.B. 1840**                    **Lucio/Escobar**

*Relating to the Willacy County Drainage District No. 1; providing the authority to impose a tax.*

Analyst: Tom Tagliabue

S.B. 1840 makes the Willacy County Drainage District #1 subject to Chapter 56, Water Code (drainage districts) rather than Chapter 53, Water Code (fresh water supply districts). The bill changes the name of the governing body of the district to the “board of directors” and allows the district’s operations and maintenance tax rate to exceed the current statutory cap of 25-cents per \$100 valuation, if approved by voters in an election.

**S.B. 1851**                    **Madla/T. King**

*Relating to the expansion of the East Medina County Special Utility District and the composition of the district's board of directors.*

Analyst: Tom Tagliabue

S.B. 1851 reduces the number of director from nine to seven for the East Medina County Special Utility District and makes the district's boundaries consistent with its Certificate of Convenience and Necessity.

**S.B. 1853**                    **Madla/T. King**            **(Companion H.B. 3520 on Page 73)**

*Relating to the distribution of assessments charged by Bexar-Medina-Atascosa Counties Water Control and Improvement District No. 1.*

**S.B. 1855**                    **Deuell/Laubenberg**

*Relating to the creation of the Rockwall County Municipal Utility Districts Nos. 6, 7, 8, and 9; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Rockwall County Municipal Utility District Nos. 6, 7, 8 and 9 with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. The District must be confirmed by September 1, 2007, or the District is dissolved. These MUDs encompass approximately 1218 acres and are contained within the City of Fate. The bill combines the traditional powers and duties of a MUD governed by Chapters 49 and 54, Water Code, with limited powers of road districts granted in Chapter 53, Water Code.

**S.B. 1864**                    **Jackson/Eiland**

*Relating to the powers of the Galveston County Municipal Utility District No. 51, including powers related to the construction, maintenance, operation, and financing of roads or turnpikes.*

Analyst: Senate Research Center

Creates Galveston Municipal Utility District No. 51 (district) that encompasses an area of land inside the corporate limits of the City of Kemah, Texas. The land located within the district is single-family residential and commercial development. The district is governed by Chapters 49 (Provisions Applicable to All Districts) and 54 Municipality Utility Districts), Water Code. S.B. 1864 also provides regulations regarding the district having road powers.

**S.B. 1865**                    **Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 53; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Phyllis Thomas

Provides for the creation of Galveston County Municipal Utility District (MUD) No. 53, and provides for the authority to impose a tax and issue bonds. Confirmation election authorizing the District's creation must be held before September 1, 2009. The District will have the powers and duties to construct, acquire, improve, maintain or operate roads and turnpikes. The powers of the district include those provided for in Chapters 49 and 54 of the Water Code applicable to MUDs. The powers to tax exempt utilities from a district impact fee or assessment. The authority to issue debt is expanded to include those activities included in the water code.

**S.B. 1870**                    **Seliger/Laney**

*Relating to the board of directors of the Permian Basin Underground Water Conservation District; validating certain district actions and proceedings.*

Analyst: House Committee on Natural Resources

Allows the Martin County Underground Water Conservation District to elect from five to nine directors and requires that there be an equal number of directors elected from each county as well as one at-large director. In addition, S.B. 1870 includes a conforming change to reference the correct chapter in the Water Code related to annexation and includes validation language to validate the current board and the actions of the district to date.

**S.B. 1871**                    **Jackson/Bonnen**

*Relating to the creation of the Brazoria County Municipal Utility District No. 44; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Brazoria County Municipal Utility District No. 44 in Brazoria County with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 49 and 54. The District must be confirmed by September 1, 2007, or the District is dissolved. A confirmation election can not be held until municipalities in whose corporate limits or extraterritorial jurisdiction (ETJ) the district is located or a county in which the district is located (outside any ETJ) have adopted a resolution consenting to the creation of the District. The MUD encompasses an area of land outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Bonney, Brazoria County, Texas.

**S.B. 1872**                    **Armbrister/Howard**

*Relating to the addition of road district powers to the Fort Bend County Municipal Utility District No. 134.*

Analyst: Senate Research Center

Creates the Fort Bend Municipal Utility District No. 134 (district), which encompasses an area of land within the extraterritorial jurisdiction of the City of Houston. The land located within the district is proposed for single-family residential and commercial development; therefore, road services need to be secured.

**S.B. 1873**                    **Armbrister/Hegar**

*Relating to the creation of the Fort Bend County Municipal Utility District No. 167; providing authority to impose taxes and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Fort Bend County Municipal Utility District No. 167 with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54. Currently, the land located within the boundaries of the proposed District is undeveloped. The territory of the district would lie within the City of Rosenberg and Fort Bend County. The district would have all of the powers granted to MUDs and road utility districts in Chapter 441, Transportation Code, and would be able to issue bonds to finance projects for a tax increment reinvestment zone.

**S.B. 1881**                    **Deuell/Laubenberg**

*Relating to the validation, annexation, powers, and duties of the Parker Creek Municipal Utility District of Rockwall County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources

Provides flexibility to the Parker Creek Municipal Utility District of Rockwall County and to the municipality in whose extraterritorial jurisdiction it is located, so that if annexed by a municipality, the Parker Creek Municipal Utility District of Rockwall County shall not be dissolved, but shall remain in existence. In addition, and only if annexed by the municipality, the Parker Creek Municipal Utility District of Rockwall County shall be authorized to engage in road projects as authorized by Article III, Section 52, Texas Constitution.

**S.B. 1882**                    **Jackson/Eiland**

*Relating to the creation of the Galveston County Municipal Utility District No. 67; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Galveston County Municipal Utility District No. 67 with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 30, 49, 50 and 54 and powers for road projects. If the District is not confirmed by an election before the second anniversary of the effective date of the Act, the Act expires. The MUD encompasses an area of land inside of the corporate boundaries of the City of Texas City, Galveston County, Texas. The land to be located within the MUD will be developed into single family residential and commercial development.

**S.B. 1884**                    **Ellis/Coleman**

*Relating to the creation of the Harris County Municipal Utility District No. 460; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Harris County Municipal Utility District No. 460 (District) in Harris County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. The MUD encompasses an area of land inside of the corporate boundaries of the City of Houston, Texas. The land to be located within the District will be developed into single family residential and commercial development.

**S.B. 1887**                    **Ogden/Krusee**

*Relating to the creation of the Williamson County Municipal Utility District No. 22; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Williamson County Municipal Utility District No. 22 (District) in Williamson County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility Districts. The proposed district would be composed of approximately 424 acres and appears to be located between the Cities of Round Rock and Hutto, south of U.S. Highway 79 and in the area of Brushy Creek. The district will be located within the extraterritorial jurisdiction of the City of Hutto.

**S.B. 1888**                      **Lindsay/Van Arsdale**

*Relating to the creation of the Harris County Municipal Utility District No. 465; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Harris County Municipal Utility District No. 465 (District) in Harris County with the powers and duties of Water Code Chapters 49, 50, and 54 related to general law Municipal Utility District. The District has powers to provide for road projects. Creation of the District is subject to a confirmation election to be held before September 1, 2007.

**S.B. 1889**                      **Lindsay/Van Arsdale**

*Relating to the creation of the Harris County Municipal Utility District No. 464; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Harris County Municipal Utility District No. 464 with the powers and duties of a Municipal Utility District (MUD) governed by Water Code Chapters 49, 50 and 54. The district encompasses an area of land inside the extraterritorial jurisdiction of the City of Houston. The land to be located within the District will be developed into single family residential and commercial development.

**S.B. 1891**                      **Armbrister/Seaman**

*Relating to the creation of the La Salle Water Control and Improvement District No. 1; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the La Salle Water Control and Improvement District No. 1, (District), in Calhoun County with the powers and duties of Water Code Chapters 49, 50, and 51 related to general law Water Control and Improvement Districts. The district has the authority to impose a tax and issue bonds, and has the power of eminent domain.



**S.B. 1892**                    **Madla/Uresti**

*Relating to the creation of the Espada Development District; providing authority to impose taxes and issue bonds.*

Analyst: House Committee on Natural Resources and Water Development Policy Impact Statement

Subject to a confirmation election the bill would create the Espada Development District in Bexar County with the powers and duties similar to a Municipal Management District (MMD) governed by Local Government Code Chapter 375. The district is located near the southeast intersection of U.S. Highway 281 and Loop 410. All of the property within the district is undeveloped, and there are no residents on the property. Currently, the property is intended to be developed as a master-planned residential community with related commercial development. The district will not have eminent domain powers. The special district will enable the financing of the water, sewer and drainage facilities, parks and roads needed to serve the property.

**S.B. 1894**                    **Deuell/B. Brown**

*Relating to the creation, powers, management, and boundaries of certain utility districts and a water control and improvement district in Kaufman County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.*

Analyst: House Committee on Natural Resources

Creates the Kaufman County Water Control and Improvement District No. 1 (district), to provide water, sewer, drainage and road improvements to a 586-acre tract located in part of the unincorporated area of Kaufman County and partly in the City of Terrell, Texas. If the District is not confirmed before September 1, 2007, the District is dissolved.

The bill also creates the Las Lomas Municipality Utility District No. 4 of Kaufman County. It also amends the boundaries of Kingsborough Municipal Utility Districts Nos. 1, 2, and 3. Finally, the bill provides for converting the Rose Hill Water Supply Corporation into the Rose Hill Special Utility District.