

BILL ANALYSIS

Senate Research Center

H.B. 3314
By: Hightower (Nixon)
Natural Resources
5-13-97
Engrossed

DIGEST

The Polk County Fresh Water Supply District No. 2 was established in 1976 to provide water for an area which encompasses the town of Onalaska, Texas, and surrounding territory with sewer capabilities. This district now serves some 4,000 residents with sewage treatment. By order of the Texas Water Development Board (TWDB), the existing district is required to upgrade the sewage treatment plant.

By converting to a municipal utility district, the district will be able to sell the necessary revenue bonds to make the required improvements. Selling these bonds will not call for any additional tax increase to residents. Further, this legislation will convert the district and confirm present boundaries, but it will not greatly increase the authority of the district or enlarge the district in any other way.

PURPOSE

As proposed, H.B. 3314 converts Polk County Fresh Water Supply District No. 2 into a municipal utility district, which will enable the district to raise the necessary revenue bonds to upgrade the existing sewer system.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. CONVERSION OF DISTRICT. Provides that the Polk County Fresh Water Supply District No. 2, created under the authority of Chapter 53, Water Code, is hereby converted to a municipal utility district acting under Chapter 54, Water Code, and has the rights, powers, privileges, authority, and functions conferred by Chapter 54, Water Code, except as provided by this Act. Prohibits the district from exercising any authority with regard to fire-fighting or to municipal solid waste disposal.

SECTION 2. DISTRICT NAME. Provides that the name of the district remains the same but may be changed by a majority of the board of directors in an open meeting for which proper notice has been given.

SECTION 3. BOUNDARIES. Provides that the boundaries of Polk County Fresh Water Supply District No. 2 are hereby confirmed. Sets forth the boundaries.

SECTION 4. DIRECTORS. Provides that a director of the district serving on August 31, 1997, is a director of the converted district on September 1, 1997, and shall serve until the term for which the director was elected expires.

SECTION 5. Effective date: September 1, 1997.

SECTION 6. Emergency clause.