

BILL ANALYSIS

Senate Research Center

S.B. 1725
By: Lindsay
Natural Resources
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As Filed

DIGEST AND PURPOSE

Currently, North Harris County Regional Water Authority (authority) aggregates the water districts in the area to convert ground water to surface water. As proposed, S.B. 1725 is a clean-up measure to ensure that the authority is able to effectively serves its MUD members as well as 400,000 residents.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 1029, Section 2.02(d), Acts of the 76th Legislature, Regular Session, 1999, as follows:

(d) Requires that at the first election after each time the voting districts are redrawn directors to be elected to represent the voting districts of the members of the board whose terms expire next after the districts are redrawn. Deletes text regarding five new directors and the drawing of lots to determine their terms.

SECTION 2. Amends Chapter 1029, Section 5.05, Acts of the 76th Legislature, Regular Session, 1999, as follows:

Sec. 5.05. FUNDING BY OTHER DISTRICTS. (a) Requires the North Harris County Regional Waster Authority (authority) to develop a procedure for cooperatively funding a project of the authority with money from other political subdivisions located entirely inside, rather than districts inside, of the authority's boundaries, and authorizes it to develop a procedure for cooperatively funding a project of the authority with money from political subdivisions located in whole or in part outside the authority's boundaries, water supply corporations, or other private entities, if the authority project fulfills a governmental purpose of both the authority and other political subdivisions, or fulfills a governmental purpose of the authority that the authority determines would be furthered by cooperative funding from a private entity.

(b) Requires the authority, not later than the 90th day before the date the authority issues bonds, other than refunding bonds, to finance a project, to provide written notice of the authority's intention to issue the bonds to each political subdivision located entirely inside the authority's boundaries that may be benefitted or affected by the project. Requires the notice to include the value of the bonds planned to be issued, a description of the project the bonds would finance, and a schedule of the estimated portion of the project costs financed by the bonds that may be allocated to each political subdivision benefitted or affected. Deletes text regarding the preparation of the schedule.

(c) Makes conforming changes. Requires the contract to be executed before the authority issues the bonds. Authorizes, rather than requires, the authority to perform certain actions.

(d) Provides that the amount stated in the notice under Subsection (b) of this section is the estimated portion of the project costs that may be allocated to each political subdivision benefitted or affected by the project as of the time of the notice. Provides that the authority is not obligated to make any refund to a political subdivision that provides cooperative funding if the political subdivision's estimated portion of the project costs is greater than the political subdivision's portion of the actual costs incurred by the authority for the project. Provides that if the political subdivision's estimated portion of the project costs is less than the political subdivision's portion of the actual costs incurred by the authority for the project, the authority may recover the political subdivision's portion of the actual costs of the project using the same method as the authority used to recover its costs from political subdivisions that did not participate in cooperative funding.

(e) Provides that the authority is not required to provide the notice required by Subsection (b) of this section with respect to a bond issue, or to implement the procedure developed under Subsection (a) of this section with respect to a bond issue, if the board determines that any condition exists that renders cooperative funding impractical, including an existing or anticipated emergency or the intention to issue an amount of bonds that would render cooperative funding uneconomic or that would unreasonably increase the cost of issuance relative to the amount of the proposed bond issue.

SECTION 3. Effective date: upon passage or September 1, 2003.