

BILL ANALYSIS

Senate Research Center
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S.B. 363
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Natural Resources
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, approximately 300,000 people receive groundwater from sources within the West Harris County Regional Water Authority (authority). The authority was created by the legislature during the 77th Legislative Session for the purposes, among others, of supplying surface water to certain areas within its boundaries, controlling subsidence, and facilitating compliance with regulations requiring reduction of groundwater pumpage. Amendments to the authority's enabling statute will facilitate more efficient operation of the authority. S.B. 363 affects certain general powers and authority of the West Harris County Regional Water Authority.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the West Harris County Regional Water Authority is rescinded in SECTION 7 (Section 4.09, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1.02(10), Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, to redefine "subsidence district."

SECTION 2. Amends Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by adding Section 1.035, as follows:

Sec. 1.035. CHANGE IN BOUNDARIES. Provides that the territory contained on December 20, 2004, within the boundaries of certain specified utility districts is excluded from the West Harris County Regional Water Authority (authority).

SECTION 3. Amends Section 2.01, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by adding Subsections (b-1) and (h) as follows:

(b-1) Provides that the term of each member of the board of directors (director) term expires on May 15 of the fourth year after the year in which the director was appointed .

(h) Provides that Sections 49.052 (Provisions Applicable to All Districts: Disqualification of Directors) and 49.072 (Provisions Applicable to All Districts: Limitation on Future Employment), Water Code, do not apply to the authority.

SECTION 4. Amends Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by adding Section 2.015, as follows:

Sec. 2.015. CONFLICTS OF INTEREST. (a) Provides that except as provided by this section: a director is authorized to participate in all authority board of directors (board) votes and decisions and that Chapter 171 (Matters Affecting Public Officers and Employees: Regulation of Conflicts of Interest of Officers of Municipalities, Counties, and Certain Other Local Governments), Local Government Code, governs conflicts of interest of board members.

(b) Provides that Section 171.004 (Regulation of Conflicts of Interest of Officers of Municipalities, Counties, and Certain Other Local Governments: Affidavit and

Abstention From Voting Required), Local Government Code, does not apply to the authority.

(c) Requires a director who has a substantial interest in a business entity that will receive a pecuniary benefit from a board action to file a one-time affidavit with the board secretary declaring the interest. Provides that an additional affidavit is not required if the director's interest changes. Authorizes the director, after the affidavit is filed, to participate in a discussion or vote on an action if certain circumstances are present.

SECTION 5. Amends Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by adding Sections 4.015 and 4.016, as follows:

Sec. 4.015. REQUESTS FOR PROPOSALS. Authorizes the board to adopt policies establishing whether, when, and how the authority uses requests for proposals in obtaining services, including professional services.

Sec. 4.016. ADDITIONAL ADMINISTRATIVE POLICIES. Provides that the authority is not required to adopt administrative policies in addition to those required by Section 49.199, Water Code.

SECTION 6. Amends Section 4.03, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by adding Subsections (h)-(j), as follows:

(h) Entitles the authority to collection expenses and reasonable attorney's fees incurred by the authority in collecting any delinquent fees, user fees, rates, charges, and assessments and any related penalties and interest.

(i) Provides that fees and user fees imposed by the authority under Section 4.03(b), and any related penalties, interest, collection expenses, and reasonable attorney's fees incurred by the authority carry certain characteristics.

(j) Provides that a lien under Subsection (i) is effective from the date of the resolution or order of the board imposing the fee or user fee until the fee or user fee is paid. Authorizes the board to enforce the lien in the same manner that a municipal utility district operating under Chapter 54 (General Law Districts: Municipal Utility Districts), Water Code, is authorized to enforce an ad valorem tax lien against real property.

SECTION 7. Amends Section 4.09(a), Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, to remove text relating to rulemaking authority previously granted to the authority regarding the development and maintenance of a certain groundwater reduction plan. Removes text regarding the issuance of a well permit by the subsidence district under Chapter 151, Water Code. Adds text that includes the authority's provision of water as part of the authority's groundwater reduction plan.

SECTION 8. Provides that the change in law made by Section 1.035, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, as added by this Act, does not impair any obligation related to bonds or notes issued by the authority before the effective date of this Act. Requires all outstanding bonds and notes validly issued by the authority remain valid, enforceable and binding, and be paid in full, both principal and interest, in accordance with their terms and from the sources pledged to the payment of the bonds or notes. Provides that any fees, assessments, or other charges owed to the authority on the effective date of this Act by an owner of property excluded from the authority by this Act remain the obligation of the owner.

SECTION 9. Effective date: upon passage or September 1, 2005.