

BILL ANALYSIS

Senate Research Center
80R12285 TAD-D

H.B. 1573
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Shackelford Water Supply Corporation (SWSC) is a nonprofit water supply corporation created under and governed by Chapter 67 (Nonprofit Water Supply or Sewer Service Corporations), Water Code, for the purpose of providing retail water service in generally rural areas of Shackelford, Throckmorton, and Stephens counties. SWSC is governed by an eleven-member board of directors that is elected by the members of the corporation. The area currently served by SWSC is more particularly defined in Certificate of Convenience and Necessity No. 11637.

SWSC is interested in converting to a special utility district 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.

H.B. 1573 creates the Fort Griffin Special Utility District and dissolves SWSC.

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 Subtitle C, Title 6, Special District Local Laws Code, by adding Chapter 7210, as follows:

CHAPTER 7210. FORT GRIFFIN SPECIAL UTILITY DISTRICT

Sets forth standard language for the creation of the Fort Griffin Special Utility District (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7210.001 - 7210.020);

Size, composition, election, and terms of the board of directors of the district (Sections 7210.021 - 7212.100); and

Powers and duties of the district, including the authority to impose a fee (Sections 7210.101 - 7210.102).

Authorizes the use of eminent domain by the district.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2007.