# BILL ANALYSIS

Senate Research Center

H.B. 3475 By: Gallego (Uresti) Natural Resources 5/18/2007 Committee Report (Amended)

# AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, Val Verde County is not authorized to acquire, construct, or operate a water supply system or sewage system or own or operate a utility.

Amistad National Recreation Area is the United States portion of the International Amistad Reservoir located on the Rio Grande along the border of the United States and Mexico. This reservoir is nationally known for excellent water-based recreation, especially for boating and fishing, and is surrounded by a landscape rich in prehistoric rock art, a vibrant border culture, and a variety of plant and animal life. Val Verde County is currently experiencing a large amount of growth in and around Amistad Lake. The growth is occurring in subdivisions of one to 10-plus acre lots. Over 2,500 lots are expected to be developed and all will be supplied with water wells and septic tanks in compliance with current law. These septic tanks are run by several small certificates of convenience and necessity in the area, but the cost to operate the tanks with a small customer base makes it hard for these tanks to be successful, causing many to fail. Several wells in some of the older subdivisions in this area have been tested by the Texas Commission on Environmental Quality and have been found contaminated. It is feared that Amistad Lake will soon be contaminated as well, endangering its plant and animal life and the recreational resources of the area.

H.B. 3475 allows Val Verde County to solve this issue by granting it the authority to acquire, construct, or operate a water supply system or sewage system and own or operate a utility to better serve and protect Amistad Lake from the continued development in the area. This bill grants the county authority until the area is annexed by the City of Del Rio which can then begin to provide the area with such services.

### **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 Subchapter B, Chapter 412, Local Government Code, by adding Section 412.017, as follows:

Sec. 412.017. WATER SUPPLY AND SEWAGE SYSTEM FOR CERTAIN BORDER COUNTIES. (a) Provides that this section only applies to a county that is located adjacent to an international border and in which a military installation is located.

(b) Authorizes the commissioners court of a county to which this section applies to acquire, construct, or operate a water supply system or sewage system to serve unincorporated areas of the county and to serve areas initially included in a municipality on or after September 1, 2007, in which the municipality does not provide water or sewer services.

(c) Authorizes the county to enter a management or lease agreement with another public or private entity for the operation of a county water or sewage system acquired or constructed under this section.

(d) Authorizes the county to apply for and receive grants or other assistance from a state or federal governmental entity to implement this section.

(e) Authorizes the county to own, operate, or maintain a water or sewer utility in the same manner as a municipality under Chapter 402 (Municipal Utilities).

(f) Prohibits a county from constructing, operating, or maintaining a water supply system or sewage system in an area previously served by the county's water supply or sewage system after the area is annexed by a municipality and the municipality begins providing to the area water or sewer services previously provided by the county.

SECTION 2. Effective date: September 1, 2007.

# SUMMARY OF COMMITTEE CHANGES

Committee Amendment

Amends H.B. 3475 (Engrossed Version), as follows:

(1) In SECTION 1 of the bill (page 1, line 12), strikes "is" and substitutes "and a national recreation are".

(2) In SECTION 1 of the bill, in proposed Section 412.017, Local Government Code (page 1, lines 13-19), strikes the existing Subsection (b) and substitutes Subsection (b), authorizing the commissioners court of a county to which this section applies to acquire, construct, or operate a water supply system or a sewage system to serve unincorporated areas of the county.

(3) In SECTION 1 of the bill, in proposed Section 412.017, Local Government Code (page 2, between lines 9 and 10), inserts Subsection (g), providing that this section does not authorize a county to sell water for a purpose other than for local use.