BILL ANALYSIS

Senate Research Center 85R12112 DMS-F

S.B. 2014 By: Creighton Intergovernmental Relations 4/25/2017 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, the Texas Commission on Environmental Quality may create a district having fewer acres than contained in the city's consent. The first section of S.B. 2014 makes the same provision applicable to districts created through the legislature.

Additionally, an allocation agreement currently applies to a district that is created outside the boundaries of the city and is subsequently annexed into the city. S.B. 2014 provides that a district is located outside the boundaries of the city if it is located outside the corporate limits of the city at the time of its confirmation election.

As proposed, S.B. 2014 amends current law relating to consent of municipalities in the creation of municipal utility districts.

[Note: While the statutory reference in this bill is to the Texas Natural Resource Conservation Commission (TNRCC), the following amendments affect the Texas Commission on Environmental Quality, as the successor to TNRCC.]

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 Sections 54.016(a) and (f), Water Code, as follows:

- (a) Authorizes the Texas Natural Resource Conservation Commission to approve the creation of a district that includes any portion of the land covered by the city's consent to creation of the district. Authorizes the legislature to create and to validate the creation of a district that includes any portion of the land covered by the city's consent to the creation of the district. Makes a nonsubstantive change.
- (b) Requires that the allocation agreement contain a method by which the district is required to continue to exist following the annexation of all territory within the district by the city, if the district is located, rather than initially located, outside the corporate limits of the city at the time the creation of the district is approved by the district's voters.

SECTION 2. Makes application of Section 54.016(f), Water Code, as amended by this Act, prospective.

SECTION 3. Effective date: September 1, 2017.