

1-1 By: Middleton (Senate Sponsor - Creighton) H.B. No. 3006
 1-2 (In the Senate - Received from the House May 10, 2021;
 1-3 May 12, 2021, read first time and referred to Committee on Water,
 1-4 Agriculture & Rural Affairs; May 21, 2021, reported favorably by
 1-5 the following vote: Yeas 8, Nays 0; May 21, 2021, sent to
 1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 A BILL TO BE ENTITLED
 1-19 AN ACT

1-20 relating to the creation of the Trinity Bay Special Utility
 1-21 District and the powers and duties of the Trinity Bay Conservation
 1-22 District; providing authority to issue bonds; providing authority
 1-23 to impose assessments or fees.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 ARTICLE 1. TRINITY BAY SPECIAL UTILITY DISTRICT
 1-26 SECTION 1.01. Subtitle C, Title 6, Special District Local
 1-27 Laws Code, is amended by adding Chapter 7223 to read as follows:

1-28 CHAPTER 7223. TRINITY BAY SPECIAL UTILITY DISTRICT

1-29 SUBCHAPTER A. GENERAL PROVISIONS

1-30 Sec. 7223.0101. DEFINITIONS. In this chapter:

1-31 (1) "Board" means the district's board of directors.

1-32 (2) "Director" means a member of the board.

1-33 (3) "District" means the Trinity Bay Special Utility

1-34 District.

1-35 Sec. 7223.0102. NATURE OF DISTRICT; FINDINGS OF BENEFIT AND
 1-36 PURPOSE. (a) The district is a special utility district created in
 1-37 Chambers and Jefferson Counties under Section 59, Article XVI,
 1-38 Texas Constitution.

1-39 (b) The district is created to serve a public use and
 1-40 benefit.

1-41 (c) The district is essential to accomplish the purposes of
 1-42 Section 59, Article XVI, Texas Constitution.

1-43 Sec. 7223.0103. INITIAL DISTRICT TERRITORY. (a) The
 1-44 district is initially composed of the territory described by
 1-45 Section 1, Chapter 282, Acts of the 51st Legislature, Regular
 1-46 Session, 1949, as that territory existed on September 1, 2021,
 1-47 including any modifications made before that date under:

1-48 (1) Subchapter J, Chapter 49, Water Code; or

1-49 (2) other law.

1-50 (b) The boundaries and field notes contained in Section 1,
 1-51 Chapter 282, Acts of the 51st Legislature, Regular Session, 1949,
 1-52 form a closure. A mistake made in the field notes or in copying the
 1-53 field notes in the legislative process does not affect the
 1-54 district's:

1-55 (1) organization, existence, or validity;

1-56 (2) right to issue any type of bond for the purposes
 1-57 for which the district is created or to pay the principal of and
 1-58 interest on a bond; or

1-59 (3) legality or operation.

1-60 SUBCHAPTER A-1. TEMPORARY PROVISIONS

1-61 Sec. 7223.0151. TEMPORARY DIRECTORS. (a) Not later than

2-1 October 15, 2022, a temporary board of directors shall be appointed
2-2 as follows:

2-3 (1) three temporary directors appointed by the board
2-4 of directors of the Trinity Bay Conservation District; and

2-5 (2) two temporary directors appointed by the
2-6 commissioners court of Chambers County.

2-7 (b) A vacancy for a temporary director position shall be
2-8 filled in the same manner as the initial appointment.

2-9 Sec. 7223.0152. INITIAL DIRECTORS' ELECTION. Not later than
2-10 September 1, 2023, the temporary directors shall hold an election
2-11 to elect five directors.

2-12 Sec. 7223.0153. INITIAL ELECTED DIRECTORS; TERMS. The
2-13 directors elected under Section 7223.0152 shall draw lots to
2-14 determine which two shall serve until the first regularly scheduled
2-15 election of directors under Section 7223.0201 and which three shall
2-16 serve until the second regularly scheduled election of directors.

2-17 Sec. 7223.0154. EXPIRATION OF SUBCHAPTER. This subchapter
2-18 expires September 1, 2025.

2-19 SUBCHAPTER B. BOARD OF DIRECTORS

2-20 Sec. 7223.0201. DIRECTORS. (a) The district is governed by
2-21 a board of five elected directors.

2-22 (b) To be eligible to serve as a director a person must
2-23 reside in the district.

2-24 (c) The board has all powers conferred on a board of
2-25 directors under Chapter 65, Water Code.

2-26 (d) Directors serve staggered terms of four years.

2-27 (e) The Texas Commission on Environmental Quality may
2-28 appoint a member of the board to fill a vacancy on the board.

2-29 SUBCHAPTER C. POWERS AND DUTIES

2-30 Sec. 7223.0301. GENERAL POWERS AND DUTIES. (a) Except as
2-31 provided by Subsection (b), the district has all rights, powers,
2-32 privileges, functions, and duties provided by the general law of
2-33 this state applicable to a special utility district created under
2-34 Section 59, Article XVI, Texas Constitution, including Chapters 49
2-35 and 65, Water Code.

2-36 (b) The district may not perform a function that may be
2-37 performed by a drainage district operating under Chapter 56, Water
2-38 Code.

2-39 ARTICLE 2. TRINITY BAY CONSERVATION DISTRICT

2-40 SECTION 2.01. Chapter 282, Acts of the 51st Legislature,
2-41 Regular Session, 1949, is amended by adding Section 1a to read as
2-42 follows:

2-43 Sec. 1a. (a) Except as provided by Subsection (b) of this
2-44 section, the District has all rights, powers, privileges,
2-45 functions, and duties provided by the general law of this state
2-46 applicable to a drainage district created under Section 59, Article
2-47 XVI, Texas Constitution, including Chapters 49 and 56, Water Code.

2-48 (b) The District may not perform the same function as a
2-49 conservation and reclamation district whose territory overlaps
2-50 with the territory of the District.

2-51 SECTION 2.02. Sections 9(j) and (k), Chapter 282, Acts of
2-52 the 51st Legislature, Regular Session, 1949, are amended to read as
2-53 follows:

2-54 (j) To regulate [~~plumbing,~~ sewers and other drains used
2-55 only for drainage purposes, and the construction, replacement, and
2-56 operation thereof, and to abate any obstructions or encroachments
2-57 thereof, for the protection and enhancement of the health, safety
2-58 and welfare of the residents of the District.

2-59 (k) To require the owner of a sewer [~~plumbing, sewers,~~
2-60 or other drain used only for drainage purposes who is [~~drains~~
2-61 found to be in violation of the rules and regulations of the District to fill
2-62 up, cleanse, drain, alter, relay, repair, fix, or improve the same
2-63 as may be ordered or required by any rule or regulation of the
2-64 District; and in the event of any failure, neglect, or refusal to
2-65 comply with such rule or regulation, or in the event there be no
2-66 person in the District on whom the order to comply with such rule or
2-67 regulation can be served, the District may, after not less than 30
2-68 days written notice to said owner, by either personal service or
2-69 certified mail, have such work done and such improvements made on

3-1 account of the owner thereof. All costs, charges, and expenses
 3-2 incurred by the District in accomplishing said work shall be a lien
 3-3 on the property upon which said work is done, on the filing of a
 3-4 memorandum of such by the President of the Board of Directors under
 3-5 the seal of the District, and recording the same with the County
 3-6 Clerk of the county in which the property lies. The District may
 3-7 enforce said lien and institute suit in its name and obtain judgment
 3-8 against said owner for the amount so due as aforesaid in any Court
 3-9 having jurisdiction.

3-10 SECTION 2.03. Section 13(a), Chapter 282, Acts of the 51st
 3-11 Legislature, Regular Session, 1949, is amended to read as follows:

3-12 (a) The District may adopt and enforce reasonable rules and
 3-13 regulations to:

3-14 (1) ~~[secure and maintain safe, sanitary, and adequate~~
 3-15 ~~plumbing installations, connections, and appurtenances as~~
 3-16 ~~subsidiary parts of its sanitary sewer system;~~

3-17 ~~[(2) preserve the sanitary condition of all water~~
 3-18 ~~controlled by the District;~~

3-19 ~~[(3)] prevent waste or the unauthorized use of water~~
 3-20 ~~controlled by the District; and~~

3-21 (2) ~~[(4)] regulate privileges on any land or any~~
 3-22 ~~easement owned or controlled by the District.~~

3-23 SECTION 2.04. Sections 9(g), 9(h), and 11, Chapter 282,
 3-24 Acts of the 51st Legislature, Regular Session, 1949, are repealed.

3-25 ARTICLE 3. TRANSITION AND NOTICE

3-26 SECTION 3.01. (a) In this section:

3-27 (1) "Conservation district" means the Trinity Bay
 3-28 Conservation District.

3-29 (2) "Special utility district" means the Trinity Bay
 3-30 Special Utility District.

3-31 (b) Not later than November 30, 2022, the conservation
 3-32 district and the special utility district shall enter into a
 3-33 memorandum of understanding regarding compensation to the
 3-34 conservation district for assets transferred under Subsection (c)
 3-35 of this section.

3-36 (c) Not later than December 1, 2022, the conservation
 3-37 district shall:

3-38 (1) transfer to the special utility district the
 3-39 conservation district's assets, debts, and contractual rights and
 3-40 obligations relating to the construction, acquisition, ownership,
 3-41 operation, maintenance, repair, improvement, and extension of
 3-42 facilities necessary to:

3-43 (A) supply water for municipal uses, domestic
 3-44 uses, power and commercial purposes, and other beneficial uses; or

3-45 (B) collect, transport, process, dispose of,
 3-46 store, and control domestic, industrial, or communal wastes whether
 3-47 in fluid, solid, or composite state; and

3-48 (2) provide notice and make recordings of the
 3-49 transfers under this subsection as required by the Water Code, the
 3-50 Property Code, and other law.

3-51 (d) On December 1, 2022, the powers, functions, and duties
 3-52 of the conservation district that may be exercised by the special
 3-53 utility district are transferred to the special utility district.

3-54 (e) Following the transfer under Subsection (c) of this
 3-55 section:

3-56 (1) Certificates of Convenience and Necessity
 3-57 Nos. 10997 and 20399 are considered to be held by the special
 3-58 utility district; and

3-59 (2) the board of directors of the conservation
 3-60 district shall notify the Public Utility Commission of Texas of the
 3-61 transfer of Certificates of Convenience and Necessity Nos. 10997
 3-62 and 20399 to the special utility district.

3-63 (f) On receipt of notice under Subsection (e)(2) of this
 3-64 section, the Public Utility Commission of Texas shall note in its
 3-65 records that Certificates of Convenience and Necessity Nos. 10997
 3-66 and 20399 are held by the special utility district and shall reissue
 3-67 the certificates in the name of the special utility district
 3-68 without further application, notice, or hearing. A person, party,
 3-69 or entity does not have any right of protest, objection, or

4-1 administrative review of the transfer prescribed by this section.
4-2 (g) The sale and transfer of the conservation district's
4-3 assets, debts, and contractual rights and obligations under
4-4 Subsection (c) of this section does not:

4-5 (1) contravene a trust indenture or bond resolution
4-6 relating to the district's outstanding bonds; or
4-7 (2) diminish or impair the rights of a holder of an
4-8 outstanding bond, warrant, or other obligation of the district.

4-9 (h) Before December 1, 2022, the temporary board of
4-10 directors of the special utility district:

4-11 (1) may not take any regulatory action under Chapter
4-12 49 or 65, Water Code;

4-13 (2) shall adopt rules for the administration of the
4-14 special utility district under Chapters 49 and 65, Water Code; and

4-15 (3) may hire employees of the special utility
4-16 district.

4-17 SECTION 3.02. (a) The legal notice of the intention to
4-18 introduce this Act, setting forth the general substance of this
4-19 Act, has been published as provided by law, and the notice and a
4-20 copy of this Act have been furnished to all persons, agencies,
4-21 officials, or entities to which they are required to be furnished
4-22 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4-23 Government Code.

4-24 (b) The governor, one of the required recipients, has
4-25 submitted the notice and Act to the Texas Commission on
4-26 Environmental Quality.

4-27 (c) The Texas Commission on Environmental Quality has filed
4-28 its recommendations relating to this Act with the governor, the
4-29 lieutenant governor, and the speaker of the house of
4-30 representatives within the required time.

4-31 (d) All requirements of the constitution and laws of this
4-32 state and the rules and procedures of the legislature with respect
4-33 to the notice, introduction, and passage of this Act are fulfilled
4-34 and accomplished.

4-35 ARTICLE 4. EFFECTIVE DATES

4-36 SECTION 4.01. (a) Except as provided by Subsection (b) of
4-37 this section, this Act takes effect September 1, 2021.

4-38 (b) Article 2 of this Act takes effect December 1, 2022.

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