BILL ANALYSIS

H.B. 3593 By: Gallego Natural Resources Committee Report (Amended)

BACKGROUND AND PURPOSE

During recent legislative sessions, the Texas Legislature identified the utilization of groundwater conservation districts as the preferred method of conserving and managing the groundwater resources of Texas. In particular, the Hudspeth County Underground Water Conservation District No. 1 (district) was primarily designed to conserve the groundwater resources of the Bone Spring-Victorio Peak Aquifer. Real property currently located within the boundaries of the district overlies the Capitan Reef Complex, an aquifer separate and distinct from the Bone Spring-Victorio Peak Aquifer. H.B. 3593 will adjust the boundaries of the district to more accurately reflect the purposes of the district and make additional necessary changes in response to the altered boundaries.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. DEFINITIONS. Defines "board," "director," and "district."

SECTION 2. BOUNDARIES. Sets forth the territory contained within the boundaries of the district.

SECTION 3. FINDINGS RELATED TO BOUNDARIES. Sets forth findings related to boundaries. Provides that any mistake in the boundaries, the field notes of the district, or in copying the field notes in the legislative process does not in any way affect the district's organization, existence, or validity; its right to impose taxes; or the legality or operation of the district and or the board.

SECTION 4. ADJUSTMENTS OF DIRECTOR PRECINCTS AND ELECTIONS. Provides that the board, as a result of the change in the district's boundaries, made by Section 2 of this Act, may adjust the precinct boundaries for the election of directors, and call and hold elections under Chapter 36 or other law.

SECTION 5. EXISTING OBLIGATIONS. Provides that the change in the district's boundaries does not impair any obligation related to bonds or notes issued by the district before the effective date of this Act. Clarifies that all outstanding bonds and notes validly issued by the district remain valid, enforceable, and binding and shall be paid in full in accordance to their terms and from the sources pledged to the payment of the bonds and notes. Provides that an owner of land within the area excluded from the district by this Act the taxes on which have been pledged for bonds or notes issued by the district remains liable for the owner's pro rata share of that bond or note debt and shall continue to pay taxes on that land until the owner's pro rata share is paid.

SECTION 6. EFFECTIVE DATE.

EFFECTIVE DATE

H.B. 3593 78(R) Page 1 of 2

On passage, or if the Act does not receive the necessary vote, the Act takes effect on September 1, 2003. **EXPLANATION OF AMENDMENT**

Committee Amendment No. 1 requires the district to submit an analysis of the difference between the district's defined boundaries in relation to the Bone Spring-Victorio Peak Aquifer and the boundaries reestablished by the Act, and the district's recommendations concerning the appropriate boundary changes. The analysis shall be furnished to the Texas Water Development Board, Governor, Lieutenant Governor, and the Speaker of the Texas House of Representatives.

H.B. 3593 78(R) Page 2 of 2