

## **BILL ANALYSIS**

H.B. 2602  
By: Guillen  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Texas is fortunate enough to have extensive groundwater resources. The state of Texas has nine major aquifers and twenty minor ones. Proper management and protection of the quality of this groundwater resource are widely recognized as being vital to Texas' economy, growth and human health. HB 2602 would establish a groundwater district for Starr County in order to protect the areas water supply.

### **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" and "District".

SECTION 2. CREATION. Creates the Starr County Groundwater Conservation District, subject to voter approval.

SECTION 3. FINDINGS OF BENEFIT. States that the district is created to serve a public use and benefit and created under Section 59, Article XVI, Texas Constitution.

SECTION 4. CONTINUING PROVISIONS OF DISTRICT. Subtitle H, Title 6, Special District Local Laws Code is amended by adding Chapter 8803 to read as follows:

#### **Subchapter A**

Sec. 8803.001. DEFINITIONS. provides definitions of "Board", "District", "municipally owned utility", "regional water authority" and "water supply or sewer service corporation".

Sec. 8803.002. NATURE OF DISTRICT. Provides that the district is a groundwater district created pursuant to Section 59, Article XVI, Texas Constitution.

Sec. 8803.003. DISTRICT BOUNDARIES. The boundaries of the district are coextensive with the boundaries of Starr County.

#### **Subchapter B**

Sec. 8803.051. BOARD. The board consists of five directors.

Sec. 8803.052. TERMS. The directors serve staggered four-year terms.

Sec. 8803.053. METHOD OF ELECTING DIRECTORS: COMMISSIONERS PRECINCTS. The directors shall be elected using the commissioners court precinct method; sets out qualifications for candidacy.

Sec. 8803.054. ELECTION DATE FOR DIRECTORS. The district shall hold an election to elect the appropriate number of directors, pursuant to the Election Code.

### Subchapter C

Sec. 8803.101. GENERAL POWERS AND DUTIES. The district has all the rights, privileges, and duties provided by general law, including Chapter 36.

Sec. 8803.102. COURT-APPOINTED RECEIVER: Provides that the district may serve as the court-appointed receiver in a matter determined by a court concerning the disposition of assets of any other district.

Sec. 8803.103. POWER TO CONTRACT WITH MUNICIPALITIES. The district may enter into a contract with the municipality to assume the functions of the municipally owned utility.

Sec. 8803.104. RELATION TO OTHER WATER-RELATED ENTITIES. To the extent that a rule of the district conflicts with a rule of the regional water authority, the authority prevails. To the extent the rule of the district conflicts with the action of a municipally-owned utility whose certificated area is located wholly or partly in the district's territory, the action of the utility or corporation controls.

### Subchapter D

Sec. 8803.151. DEFINITIONS. Provides certain definitions for "Commission" and "Directors"

Sec. 8803.152. AUTHORITY FOR AGREEMENT FOR MERGER; PROVISIONS. Provides conditions upon which the district may enter into a merger agreement with a water control and improvement district.

Sec. 8803.153. BOARD, DIRECTORS AND MEMBERS APPROVAL OF MERGER AGREEMENT. Before an election to confirm a proposed merger, the board, members, and if applicable, members of the water supply and sewer service corporation, must approve each merger agreement.

Sec. 8808.154. COMMISSION DETERMINATION OF DISTRICT CAPABILITY FOR SERVICE. Before an election to confirm a proposed merger agreement, the TCEQ must determine that the district is capable of rendering adequate and continuous service.

Sec. 8808.155. ELECTION TO CONFIRM MERGER AGREEMENT: Before a proposed merger, a confirmation election is required.

Sec. 8808.156. BALLOTS FOR ELECTION: Sets forth requirements for ballot.

Sec. 8808.157. ELECTION RESULTS FOR MERGER WITH WATER CONTROL AND IMPROVEMENT DISTRICT: Provides election requirements for approval of merger.

Sec. 8808.158. FILING REQUIREMENT: Confirmed merger agreements must be filed with TCEQ and in the deed records of Starr County.

SECTION 5. APPOINTMENT OF TEMPORARY DIRECTORS. Sets forth provisions for appointment of temporary directors not later than the 45th day after the effective date of this chapter.

SECTION 6. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS: provides for the organizational meeting of the district.

SECTION 7. CONFIRMATION ELECTION. The temporary directors shall hold an election to confirm the district. The confirmation election must comply with certain provisions of the Water and Elections Code.

SECTION 8. INITIAL DIRECTORS: Upon confirmation, the temporary directors become the initial directors. This section sets forth provisions relating to terms of office.

SECTION 9. INITIAL ELECTION OF PERMANENT DIRECTORS: this section sets forth the initial director terms with staggered terms for replacement of initial directors with permanent directors.

SECTION 10. Sets forth that all legal requirements and notices have been made.

SECTION 11. CONTINGENT EXPIRATION DATE; DEBTS. If the creation of the district is not confirmed before September 1, 2007, the Act expires on that date. The expiration does not affect the liability of the district to pay any debts or transfer of any assets remaining to Starr County as required by the Act.

SECTION 12. EFFECTIVE DATE. Immediate effect; unless the Act does not receive the necessary vote, then the Act takes effect September 1, 2005.

**EFFECTIVE DATE**

On passage; or if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.