

BILL ANALYSIS

C.S.H.B. 3478
By: Corte
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Trinity Glen Rose Groundwater Conservation District ("TGRGCD") was created by the 77th Legislature in 2001 as a Chapter 36 groundwater district with boundaries in northern Bexar County. Under a provision in Section 19 of the enabling legislation, the City of Fair Oaks Ranch, which falls within three counties, held an election electing for their entire City to join the TGRGCD. Section 17 of the enabling Legislation encouraged communities to seek water from sources outside the Trinity Aquifer by allowing for an exemption of fees or taxes for certain suppliers of water to a municipality who supplied at least 50% of their water from a source other than the Trinity Aquifer. Since passage of this legislation, several entities have taken different interpretations of this provision and have assumed an exemption that was never intended.

C.S.H.B. 3478 clarifies the exemption in the enabling legislation by linking the exemption from fees or taxes to a municipality that has held an election under Section 19 in the enabling legislation, as described above. The result of this legislation would limit the exemption to a municipality that held the described election, a municipally owned utility supplying water to this municipality, and the residents of the described municipality. C.S.H.B. 3478 also repeals an exemption from regulation for certain completed and capped wells.

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. Provides that the exemption in Section 17 of the TGRGCD enabling legislation allowing for an exemption of fees or taxes only applies to a municipality who has held an election under Section 19 of the enabling legislation, its municipally owned utility, or its residents whose sole source of water is the municipality or its utility.
- SECTION 2. Repeals Sections 16(e) and (f), Chapter 1312, Acts of the 77th Legislature, Regular Session (the TGRGCD's enabling act).
- SECTION 3. Provides that all legal notices have been given pursuant to the Texas Constitution and the Government Code.
- SECTION 4. Provides that the change in law made in Section 1 applies only to fees or taxes that become due on or after the effective date of the Act.

EFFECTIVE DATE

C.S.H.B. 3478 takes effect immediately if it receives a 2/3rds vote in both chambers, otherwise it takes effect Sept. 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

In SECTION 2, the committee substitute repeals Sections 16(e) and (f), Chapter 1312, Acts of the 77th Legislature, Regular Session (the TGRGCD's enabling act). Subsequent SECTIONS are renumbered.

C.S.H.B. 3478 79(R)