BILL ANALYSIS

Senate Research Center

C.S.S.B. 331 By: Lindsay Natural Resources 4/4/2005 Committee Report (Substituted)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The North Harris County Regional Water Authority (authority) was established by the 76th Legislature, Regular Session, 1999, for the purposes, among others, of supplying surface water to certain areas within the authority's boundaries and controlling subsidence. The authority is comprised of hundreds of municipal utility districts (MUDs) serving more than 400,000 residents. The state regulatory structure does not recognize the unique makeup of the authority which hinders the ability of the authority to accomplish its mission in a timely manner.

C.S.S.B. 331 enhances the authority's statute to better enable the authority to meet state and federal regulatory requirements in a timely manner by providing an additional regulatory option for the Texas Commission on Environmental Quality and the authority to consider when situations unique to the authority arise.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Commission on Environmental Quality in SECTION 2 (Section 4.10, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2.02(c), Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, to delete existing text providing that any change in the boundaries of the North Harris County Regional Water Authority (authority) which increases the total area of the authority by more than 20 percent is an event which triggers the redrawing of the single-member voting districts by the board of directors (board) of the authority, in the manner described by Section 49.103(d) (Terms of Office Directors), Water Code. Makes conforming changes.

SECTION 2. Amends Section 4.10, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Subsections (e) through (j), as follows:

(e) Authorizes the authority to expedite the financing and construction of all or part of a surface water delivery system, or such other activities as are within the power of the authority, as necessary to accomplish the conversion to surface water before any time required by the subsidence district or as determined by the board to be in the interests of the authority or one or more districts inside or outside the authority.

(f) Requires the Texas Commission on Environmental Quality (commission), except to the extent expressly prohibited by any statute administered by the commission, to cooperate with and assist the authority to the maximum extent possible to accomplish the development of a surface water delivery system, and projects to which Subsection (e) of this section applies, within the time frame determined by the authority. Defines "surface water delivery system."

(g)(1) Authorizes the commission, in carrying out its duties under Subsection (f) of this section, to grant conditional approval of construction projects of the authority, or waive the requirements of any commission rule or statute administered by the commission, if such conditional approval or waiver will not compromise the public health or safety. Provides that the authority bears the risk of conforming the construction of any project which is granted conditional approval or for which a waiver has been granted under this

subsection if changes in the construction become necessary to protect the public health or safety as determined by the commission.

(2) Prohibits the commission from requiring the authority to tender contracts between the authority and any other person as a precondition of approving any construction project of the authority. Authorizes the authority, if the commission by rule requires contracts of other entities before approving a construction project of such entities, to address by regulation the subject matters that would otherwise be required by commission rule to be addressed by such contracts. Requires a regulation adopted by the authority under this section to serve for all purposes to satisfy the commission's rules that would otherwise be satisfied by contractual provisions. Authorizes the regulations to allocate responsibilities between the authority and a district or person within the boundaries of the authority as needed to satisfy the commission's rules relating to the construction or operation of all or part of a surface water delivery system or any project that is necessary or convenient to manage water within the authority and that the authority has the power to undertake.

(h) Authorizes the commission and the authority to enter into a memorandum of understanding. Authorizes the memorandum of understanding to perform certain functions.

(i) Authorizes the authority, to comply with commission rules that would otherwise require the authority to state specific amounts of water that may or will be provided to another entity receiving water from the authority, to state the amounts in ranges, and provides that those ranges may be changed by the authority if the commission is promptly notified of the change.

(j) Provides that the provisions of Subsections (e)-(i) of this section prevail over any other law or commission rule, including any other provision of this Act.

SECTION 3. Effective date: upon passage or September 1, 2005.