

BILL ANALYSIS

S.B. 1116
By: Wentworth
Natural Resources
Committee Report (Amended)

BACKGROUND AND PURPOSE

State and federal drinking water regulations require public water systems to have sanitary easements around their drinking water supplies. Unlike other public water providers, such as cities, districts, and water supply corporations, investor-owned utilities do not have eminent domain authority. Often landowners refuse to provide a sanitary easement or demand a high price for the easement.

SB 1116 authorizes investor-owned water or sewer utilities to condemn an easement in property if the easement is reasonably necessary to comply with state or federal requirements.

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

SB 1116 provides that a water and sewer utility operating under a valid certificate of convenience and necessity may condemn any easements or lesser property interests reasonably necessary to comply with federal and state regulations. The right of eminent domain must be exercised as provided by Chapter 21, Property Code and may not be used to condemn land to acquire water or water rights.

EFFECTIVE DATE

SB 1116 takes effect immediately if it receives a 2/3rds vote in both chambers, otherwise it takes effect Sept. 1, 2005.

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1 amends the bill by specifying that a utility may only condemn sanitary easements, and providing that, in a municipality of 1.7 million or more or in its extra-territorial jurisdiction, a utility may not condemn land in which a municipality owns a fee, easement, or lesser property interest.