

1-1 By: Cook of Colorado (Senate Sponsor - Armbrister) H.B. No. 1673  
1-2 (In the Senate - Received from the House April 25, 2005;  
1-3 April 26, 2005, read first time and referred to Committee on  
1-4 Natural Resources; May 16, 2005, reported favorably by the  
1-5 following vote: Yeas 10, Nays 0; May 16, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the procedure for conversion and creation of a special  
1-9 utility district.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 65.020(a), Water Code, is amended to  
1-12 read as follows:

1-13 (a) If the commission determines that a hearing is necessary  
1-14 under Section 49.011, the commission shall conduct a hearing and  
1-15 accept evidence on the sufficiency of the resolution and whether or  
1-16 not the request for conversion for each purpose specified in the  
1-17 resolution, as required by Section 65.015, is feasible and  
1-18 practicable and is necessary and would be a benefit to all or any  
1-19 part of the land proposed to be included in the district. The  
1-20 commission may only consider a purpose for which the district is  
1-21 being created that is specified in the resolution.

1-22 SECTION 2. Sections 65.021(a), (b), and (d), Water Code,  
1-23 are amended to read as follows:

1-24 (a) If the commission finds that the resolution conforms to  
1-25 the requirements of Section 65.015, ~~and that~~ the request for  
1-26 conversion is feasible and practicable, and each purpose for which  
1-27 the district is created is necessary and would be a benefit to the  
1-28 land proposed to be included in the district, the commission shall  
1-29 make these findings in an order and shall authorize the creation of  
1-30 the district for the purpose or purposes specified in the  
1-31 resolution, as required by Section 65.015, on approval at the  
1-32 confirmation and directors' election called and held under this  
1-33 subchapter.

1-34 (b) In determining if the request for conversion is feasible  
1-35 and practicable and if each purpose for which the district is  
1-36 created ~~it~~ is necessary and would be a benefit to the land  
1-37 included in the district, the commission shall consider:

1-38 (1) the availability of comparable service from other  
1-39 systems, including water districts, municipalities, and regional  
1-40 authorities;

1-41 (2) the reasonableness of projected construction  
1-42 costs, if any, tax rates, and water and sewer rates; and

1-43 (3) whether or not the district and its system and  
1-44 subsequent development within the district will have an  
1-45 unreasonable effect on the following:

1-46 (A) land elevation;

1-47 (B) subsidence;

1-48 (C) groundwater level within the region;

1-49 (D) recharge capability of a groundwater source;

1-50 (E) natural runoff rates and drainage; and

1-51 (F) water quality.

1-52 (d) If the commission finds that the resolution does not  
1-53 conform to the requirements of Section 65.015 of this code, ~~or~~  
1-54 ~~that~~ the request for conversion is not feasible or ~~or~~ <sup>7</sup> practicable,  
1-55 or a purpose for which the district is created is not necessary<sup>7</sup>  
1-56 or a benefit to the land in the district, the commission shall make  
1-57 this finding in its order and shall deny the creation of the  
1-58 district.

1-59 SECTION 3. The change in law made by this Act applies only  
1-60 to a resolution filed with the Texas Commission on Environmental  
1-61 Quality on or after the effective date of this Act. A resolution  
1-62 filed before the effective date of this Act is covered by the law in  
1-63 effect on the date the resolution was filed, and the former law is  
1-64 continued in effect for that purpose.

2-1 SECTION 4. This Act takes effect September 1, 2005.

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