

Amend CSSB 3 (House Committee Printing) by adding the following appropriately numbered ARTICLE and renumbering subsequent ARTICLES and SECTIONS of the bill accordingly:

ARTICLE ____ . WATER SERVICE

SECTION ____ .01. Subchapter B, Chapter 54, Water Code, is amended by adding Section 54.017 to read as follows:

Sec. 54.017. CREATION ON RELEASE FROM ANOTHER ENTITY'S SERVICE AREA. (a) Except as provided by Subsection (c), a municipality shall provide water service to a land area:

(1) that is composed of one or more contiguous or noncontiguous parcels that together total at least 50 acres in size;

(2) that is within the corporate limits or the extraterritorial jurisdiction of the municipality; and

(3) for which, on or before the effective date of the Act enacting this section, the owner or owners of the land have entered into a written agreement with a rural water supply corporation to release the land from the service area of the corporation's certificate of public convenience and necessity.

(b) This section applies only to land served by a rural water supply corporation that has fewer than 5,000 water connections.

(c) If the municipality determines that it cannot meet the current and projected demands for water service to the released land within the time specified by the land's owner or owners:

(1) the municipality shall notify the owner or owners of the land of that determination; and

(2) a district shall be formed in accordance with this section to provide water service to the land.

(d) To create the district, the owner or owners of the released land shall submit a petition to the commission that includes:

(1) a copy of the agreement described by Subsection (a)(3);

(2) a copy of the notice described by Subsection (c)(1); and

(3) the information required under Section 54.015.

(e) The time periods specified and the consent of the municipality or the consideration of any recommendation of the county otherwise required by this chapter do not apply to the creation of a district under this section.

(f) The commission shall expedite the creation of the district and shall approve the creation of the district not later than the 90th day after the date of receipt of an administratively complete petition to create the district.

(g) This section expires September 1, 2011.

SECTION ____ .02. This article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2007.