

BILL ANALYSIS

Senate Research Center
80R4106 SGA-F

S.B. 1661
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Goforth Water Supply Corporation (GWSC) is a non-profit water supply corporation created under and governed by Chapter 67, Water Code, for the purpose of providing retail water service in generally rural areas of Hays and Caldwell counties and in a small portion of Travis County.

GWSC is governed by a five-member board of directors that is elected by the members of the corporation. GWSC is interested in converting into a special utility district so that it may have the advantages of being a political subdivision of the state, including liability protections, the ability to issue tax-exempt bonds for financing projects, and more competitive insurance rates.

As proposed, S.B. 1661 creates the Goforth Special Utility District and dissolves GWSC.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle C, Title 6, Special District Local Laws Code, by adding Chapter 7212, as follows:

CHAPTER 7212. GOFORTH SPECIAL UTILITY DISTRICT

Sets forth standard language for the creation of the Goforth Special Utility District (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7212.001-7212.020);

Size, composition, election, and terms of the board of directors of the district (Sections 7212.021-7212.100); and

Powers and duties of the district (Sections 7212.101-7212.102).

Authorizes the use of eminent domain by the district.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2007.