By: Flores

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	A BILL TO BE ENTITLED
1	AN ACT
2	relating to the powers and duties of the Rio Grande Regional Water
3	Authority and the establishment of a member conference.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 1.01, Chapter 385, Acts of the 78th
6	Legislature, Regular Session, 2003, is amended by adding
7	Subdivisions (4-a) and (6) through (8) to read as follows:
8	(4-a) "Conference" means the conference under Section
9	1A.01 of this Act.
10	(6) "Municipal class entity" means one of the
11	following entities that is located in the authority:
12	(A) a municipality;
13	(B) a municipal utility district operating under
14	Chapter 54, Water Code; or
15	(C) a special utility district operating under
16	Chapter 65, Water Code.
17	(7) "Water supply corporation" means a nonprofit water
18	supply corporation operating under Chapter 67, Water Code.
19	(8) "Watermaster" means the watermaster appointed by
20	the commission under Subchapter G, Chapter 11, Water Code, for the
21	segment of the Rio Grande basin inside the boundaries of the
22	authority.
23	SECTION 2. Chapter 385, Acts of the 78th Legislature,
24	Regular Session, 2003, is amended by adding Article IA to read as

1	follows:
2	ARTICLE IA. CONFERENCE
3	Sec. 1A.01. CONFERENCE MEMBERSHIP. (a) Subject to
4	Subsection (b) of this section, each county, municipal class
5	entity, water supply corporation, and irrigation district or other
6	water district in the authority is a member of the conference.
7	(b) The board may determine whether a prospective member is
8	qualified to become a member of the conference.
9	Sec. 1A.02. ADVISORY COMMITTEE. The board may appoint an
10	advisory committee composed of representatives of the conference
11	members to advise the board in administering this Act.
12	SECTION 3. Section 2.01, Chapter 385, Acts of the 78th
13	Legislature, Regular Session, 2003, is amended by amending
14	Subsections (a), (b), (c), and (f) and adding Subsections (c-1),
15	(h), and (i) to read as follows:
16	(a) The board consists of $\underline{18}$ [$\underline{15}$] directors.
17	(b) <u>Twelve</u> [Nine] directors are appointed by the governor,
18	with the advice and consent of the senate, as follows:
19	(1) <u>nine</u> [six] directors <u>,</u> from a list of nominees
20	submitted by the conference, who represent irrigation districts
21	that are members of the conference;
22	(2) one director who represents the public;
23	(3) one director who represents municipal class
24	entities that are members of the conference [water utilities]; and
25	(4) one director who represents <u>water supply</u>
26	corporations that are members of the conference [municipalities].
27	(c) One director is appointed from each of the six counties

H.B. No. 3438 in the authority by majority vote of the commissioners court of that 1 2 county. In January of a year in which a director's term expires, the commissioners court of the appropriate county shall appoint a 3 director for a four-year [two-year] term beginning February 1 of 4 5 that year. In addition to meeting the requirements of Subsection 6 (c-1) of this section, if applicable, a [A] director appointed as 7 provided by this subsection must: 8 (1) be a registered voter; 9 (2) reside in the county from which the director is 10 appointed; and work in a water-related field or have special 11 (3) knowledge of water issues [be certified to the board by the county 12 judge of the county from which the director is appointed]. 13 14 (c-1) A director appointed under Subsection (c) of this 15 section must reside in the most populous municipality in the county from which the director is appointed if the county: 16 17 does not hold water rights; (2) does not have a certificate of convenience and 18 19 necessity to provide water service; and (3) is not a water service provider. 20 21 (f) Directors [Permanent directors] appointed under Subsection (b) or (c) of this section serve staggered four-year 22 terms. [Permanent directors appointed under Subsection (c) of this 23 24 section serve staggered two-year terms.] 25 (h) In making an appointment under Subsection (b)(1) of this 26 section, the governor may reject one or more of the nominees on a list submitted by the conference and request a new list of different 27

1	nominees.

2 <u>(i) The watermaster serves as a nonvoting advisor to the</u> 3 board.

4 SECTION 4. Chapter 385, Acts of the 78th Legislature, 5 Regular Session, 2003, is amended by adding Section 2.035 to read as 6 follows:

Sec. 2.035. REMOVAL FROM OFFICE. It is a ground for removal from the board that a director is absent from more than half of the regularly scheduled board meetings that the director is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

SECTION 5. Section 2.06(b), Chapter 385, Acts of the 78th
 Legislature, Regular Session, 2003, is amended to read as follows:

14 (b) The president is the chief executive officer of the 15 authority. <u>The president may not vote at a board meeting except to</u> 16 <u>break a tie vote.</u>

17SECTION 6. Section 3.07, Chapter 385, Acts of the 78th18Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 3.07. COURT-APPOINTED RECEIVER. The authority may serve as the court-appointed receiver in a matter determined by a court concerning the disposition of assets of any <u>political</u> <u>subdivision, municipally owned utility, or water supply</u> <u>corporation</u> [district authorized by Section 59, Article XVI, Texas <u>Constitution</u>].

25 SECTION 7. Chapter 385, Acts of the 78th Legislature, 26 Regular Session, 2003, is amended by adding Section 3.08 to read as 27 follows:

Sec. 3.08. DETERMINATION OF WATER RIGHTS. (a) Not later 1 2 than September 1 of each year, the watermaster shall provide to the board a list of all water rights held inside the boundaries of the 3 4 authority and the authorized use for each right. 5 The board shall timely review and certify each list. (b) 6 (c) Not later than December 1 of each even-numbered year, 7 the board shall provide in writing to the governor and to each member of the legislature whose legislative district is located 8 wholly or partly inside the boundaries of the authority: 9 10 (1) the most current list certified by the board under this section; and 11 12 (2) a summary of the authorized uses for the water rights on the most current list, including irrigation, municipal, 13 14 and industrial uses. 15 SECTION 8. Chapter 385, Acts of the 78th Legislature, Regular Session, 2003, is amended by adding Section 4.04 to read as 16 17 follows: Sec. 4.04. FEES AND ASSESSMENTS; AUTHORIZED CONTRIBUTIONS. 18 19 (a) The authority may impose a fee or assessment on a member of the conference or another water user to pay authorized expenses of the 20 21 authority. (b) Each fiscal year, the board shall determine the amount 22 of the fee or assessment based on the water rights held by the 23 24 affected entity. (c) To determine the number of water rights, the board: 25 26 (1) shall, for a domestic, municipal, or industrial

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water right, multiply by two the number of water rights certified by

1	the board under Section 3.08 of this Act; or
2	(2) shall, for any other water right, use the number of
3	water rights certified by the board under Section 3.08 of this Act.
4	(d) An initial fee or assessment imposed under this section
5	may not exceed five cents for each water right held by the affected
6	entity.
7	(e) The board may adopt standardized forms and procedures to
8	implement this section.
9	(f) The affected entity may charge any fee or assessment
10	paid to the authority to the operation and maintenance fund of the
11	entity or raise and pay the fee or assessment in any other
12	authorized manner.
13	(g) Any county in the authority, as authorized by the
14	commissioners court of the county, may contribute county money to
15	support the operations, projects, or other authorized expenses of
16	the authority. A county's contribution must be made as part of a
17	contract with the authority, and the contract must make clear how
18	the contribution serves a public purpose of the county.
19	SECTION 9. On or after the 90th day after the effective date
20	of this Act, and not later than one year after the effective date of
21	this Act, the watermaster appointed by the Texas Commission on
22	Environmental Quality under Subchapter G, Chapter 11, Water Code,
23	for the segment of the Rio Grande basin inside the boundaries of the
24	Rio Grande Regional Water Authority shall determine the number of
25	water rights held by each member of the conference of the Rio Grande
26	Regional Water Authority.
27	SECTION 10. (a) The terms of the members of the Board of

Directors of the Rio Grande Regional Water Authority serving on the effective date of this Act expire on the date a majority of the members required to be appointed under Subsection (b) of this section qualify to serve.

5 (b) Except as provided by Subsection (c) of this section,
6 not later than September 30, 2007:

7 (1) the governor shall appoint 12 members of the Board
8 of Directors of the Rio Grande Regional Water Authority as provided
9 by Section 2.01(b), Chapter 385, Acts of the 78th Legislature,
10 Regular Session, 2003, as amended by this Act; and

(2) the Commissioners Courts of Cameron, Hidalgo, Starr, Webb, Willacy, and Zapata Counties shall each appoint a member of the Board of Directors of the Rio Grande Regional Water Authority as provided by Section 2.01(c), Chapter 385, Acts of the 78th Legislature, Regular Session, 2003, as amended by this Act.

16 (c) Appointments to the Board of Directors of the Rio Grande
17 Regional Water Authority under Subsection (b)(1) of this section
18 required to be made on or before September 30, 2007, are not:

19 (1) required to be made from a list of nominees20 submitted by the conference of the authority; or

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(2) subject to senate confirmation.

(d) At the first meeting of the Board of Directors of the Rio
Grande Regional Water Authority after directors are appointed under
Subsection (b) of this section, the directors shall draw lots to
determine their terms so that nine directors serve terms expiring
February 1, 2009, and nine directors serve terms expiring February
1, 2011.

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SECTION 11. Sections 1.07, 2.01(d), and 3.03, Chapter 385,
Acts of the 78th Legislature, Regular Session, 2003, are repealed.
SECTION 12. This Act takes effect September 1, 2007.