

By: Puente

H.B. No. 3772

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a municipal utility district upon release from a certificate of public convenience and necessity.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 54, Water Code, is amended by adding Section 54.0164 to read as follows:

Section 54.0164 CREATION UPON RELEASE FROM ANOTHER ENTITY'S SERVICE AREA. If the owner(s) of a tract(s) of land that is at least 50 acres is released by written agreement from a rural water supply corporation's certificate of public convenience and necessity that serves between 6000 and 8000 water connections and is within the extra-territorial jurisdiction and/or city limits of a municipality, the municipality shall serve the tract(s) within the tract(s) owners' required timeframe within which service is needed for current and projected service demands in the released areas. If the municipality cannot serve the tract(s) required development needs within the required time frame of the tract(s) owner(s), a municipal utility district shall be formed to provide water service to the tract(s), which may be noncontiguous. The time requirements and the municipality's and county's consent in Chapter 54, Water Code, are waived, and the municipal utility district creation shall be expedited by the Texas Commission on Environmental Quality and approved within 90 days of receiving an administratively complete application.

1 SECTION 2. Section 54.0164, Water Code, as added by this
2 Act, applies only to a tract or tracts of land that was the subject
3 of an executed release agreement by a rural water supply
4 corporation prior to the effective date of this Act.

5 SECTION 3. This Act takes effect September 1, 2007.