

House Bill 4728
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Section 7208.001, Special District Local Laws Code, is amended by amending Subdivisions (3), (7), and (8) and adding Subdivisions (5-a), (7-a), and (8-a) to read as follows:

(3) "Customer" means a wholesale or direct retail user of water, wastewater, or other services provided by the district.

(5-a) "Enterprise fund" means a fund used to account for operations:

(A) that are financed and operated in a manner similar to a private business enterprise and for which the intent of the board is that the costs, including depreciation, of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or

(B) for which the board has decided that periodic determination of revenues earned, expenses incurred, or net income earned is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

(7) "Member entity" means a public entity or private utility entity that:

(A) provides retail utility service or regulates water, wastewater, sewage, or solid waste in the district; and

(B) enters into a contract with the district to provide or receive wholesale ~~[for]~~ service.

(7-a) "Operating unit" means a separately run unit established by action of the board that runs as an enterprise fund separate from other enterprise funds owned or operated by the district.

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(8) "Participant entity" means a public entity or private utility entity that:

(A) provides utility service inside the boundaries of the entity; and

(B) contracts with the district for the construction of and payment for water, wastewater, or other utility service projects to be financed or provided by the district.

(8-a) "Retail unit" means any unit in which the district provides retail service for a given certificate of public convenience and necessity or bounded service area. Each retail unit shall be considered an operating unit.

SECTION 2. Section 7208.003, Special District Local Laws Code, is amended to read as follows:

Sec. 7208.003. PURPOSE. The district is created to:

(1) purchase, own, hold, lease, or otherwise acquire water distribution facilities, wastewater collection facilities, or other facilities required to facilitate the district's operations;

(2) build, operate, and maintain facilities to treat, ~~and~~ transport, and store water, wastewater, or other products necessary for district operations;

(3) protect, preserve, and restore the purity and sanitary condition of water in the district; and

(4) provide other utilities in the district if the utilities are not otherwise provided.

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SECTION 3. Section 7208.005, Special District Local

No equivalent provision.

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Laws Code, is amended to read as follows:

Sec. 7208.005. DISTRICT TERRITORY. ~~[(a)] The boundaries of the district are coextensive with the boundaries of Parker County [is composed of the territory described by Section 1.04, Chapter 1273, Acts of the 75th Legislature, Regular Session, 1997, as that territory may have been modified under:~~

~~[(1) Subchapter B or its predecessor statutes, Sections 2.17 and 6.01, Chapter 1273, Acts of the 75th Legislature, Regular Session, 1997;~~

~~[(2) Subchapter J, Chapter 49, Water Code;~~

~~[(3) Subchapter H, Chapter 54, Water Code;~~

~~[(4) Subchapter H, Chapter 65, Water Code; or~~

~~[(5) other law.~~

~~[(b) The boundaries and field notes of the district form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect:~~

~~[(1) the district's organization, existence, or validity; or~~

~~[(2) the legality or operation of the district or its board].~~

SECTION 4. Section 7208.116, Special District Local Laws Code, is amended to read as follows:

Sec. 7208.116. CUSTOMER ADVISORY COUNCILS ~~[COUNCIL]~~. (a) For each operating unit, the ~~[The]~~ board may establish a customer advisory council that consists of one representative of each wholesale customer or retail unit of the district.

(b) For each retail unit, the board may establish a customer advisory council that consists of five members

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appointed by the retail customers of the unit in accordance with the laws applicable to and rules of the district. An advisory council member must reside in the service area of the retail unit.

(c) ~~[(b)]~~ A representative serving on a ~~the~~ customer advisory council:

(1) has the powers and duties provided in the bylaws and rules of the district; and

(2) may not vote on any matter considered by the board.

(d) ~~[(e)]~~ The board may abolish a ~~the~~ customer advisory council.

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SECTION 5. Section 7208.154, Special District Local Laws Code, is amended to read as follows:

Sec. 7208.154. GENERAL WASTE AND WATER POWERS. The district may:

(1) provide for:

(A) the collection, construction, improvement, maintenance, and operation of wholesale or retail wastewater and water systems and treatment works necessary to provide wholesale or retail service to customers; and

(B) the acquisition, construction, improvement, and maintenance of a water supply or reservoir, or an interest in a water supply or reservoir, necessary to exercise and fulfill the powers and duties of the district;

(2) supply water for municipal, domestic, and industrial or other beneficial uses or controls;

(3) collect, treat, process, dispose of, and control all

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domestic or industrial wastes, whether in fluid, solid, or composite state;

(4) gather, conduct, divert, control, and treat local storm water or local harmful excesses of water in the district; and

(5) irrigate and alter land elevations in the district as needed.

SECTION 6. The heading to Section 7208.157, Special District Local Laws Code, is amended to read as follows: Sec. 7208.157. CONTRACTS WITH DISTRICT FOR WATER, WASTEWATER, AND OTHER UTILITY SERVICES.

Same as House version.

SECTION 7. Sections 7208.157(a), (b), and (c), Special District Local Laws Code, are amended to read as follows:

Same as House version.

(a) Except as provided by Subsection (b), this chapter does not require a customer or prospective customer of the district to secure water, wastewater, or other utility service from the district unless the customer or prospective customer contracts with the district for that purpose.

(b) A customer or prospective customer is required to secure water, wastewater, or other utility service from the district if:

(1) the customer or prospective customer is not receiving the service from another source; and

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(2) the district provides the service or determines that the district will make the service available to the customer or prospective customer.

(c) If a customer contracts with the district to secure water, wastewater, or other utility service from the district, a user of the service under the contract must connect to the district's service system if:

(1) the user is located inside the boundaries of the customer; and

(2) the district's system is available for connection at or near the property line of the user.

SECTION 8. Section 7208.201, Special District Local Laws Code, is amended to read as follows:

Sec. 7208.201. AUDITS. All funds and accounts of the district shall be audited annually by an independent auditor. The district shall maintain a copy of the audit in the district's official records.

Same as House version.

SECTION 9. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor has submitted the notice and Act to the Texas Commission on Environmental Quality.

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(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) All requirements of the constitution and 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 10. This Act takes effect immediately if it 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 Act takes effect September 1, 2009.

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