

BILL ANALYSIS

C.S.H.B. 1778
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Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Fort Bend County Water Control and Improvement District No. 1 was created by the legislature over 75 years ago to provide water, drainage facilities and services, and levees to help alleviate flooding. For decades, the district has served the residents of the district and Sugar Land, which city has now grown and taken over the district's role. The City of Sugar Land has annexed and incorporated approximately 90 percent of the land located within the district's boundaries and provides all of the water and drainage services to the residents and businesses located in that area. Furthermore, the district has conveyed to the City of Sugar Land all of its dams, facilities, improvements, easements, and real property used to contain, control, or convey the district's water. C.S.H.B. 1778 seeks to dissolve the Fort Bend County Water Control and Improvement District No. 1 by transferring all water rights and duties of the district to the City of Sugar Land.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1778 specifies that, on the date the city council of the City of Sugar Land passes a resolution accepting the assets, debts, and contractual rights and obligations of the Fort Bend County Water Control and Improvement District No. 1, all assets, debts, and contractual rights and obligations of the district are property of the city and the district is dissolved. The bill transfers ownership of Certificate of Adjudication No. 11-5170, including any attachments or amendments to the certificate, to the city on the date of the dissolution of the district.

C.S.H.B. 1778 requires the city to notify the Texas Commission on Environmental Quality (TCEQ) of the dissolution of the district and the transfer of Certificate of Adjudication No. 11-5170 to the city. The bill requires TCEQ, on receipt of notice, to note in its records that Certificate of Adjudication No. 11-5170 is owned by the city. The bill requires TCEQ, as a ministerial act, to transfer the certificate to the city without further application, notice, or hearing. The bill establishes that a person, party, or entity does not have any right of protest, objection, or administrative review of the transfer prescribed by the bill's provisions. The bill establishes that the transfer of Certificate of Adjudication No. 11-5170 to the city does not affect or impair the priority, extent, validity, or purpose of the certificate.

C.S.H.B. 1778 defines "city" and "district" and sets its provisions to expire September 1, 2013.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1778 differs from the original by specifying the district is dissolved and all assets, debts, and contractual rights and obligations of the district become property of the city on the date the city council passes a resolution accepting them, whereas the original requires the district to transfer district assets, debts, and contractual rights and obligations to the city and provide notices and make recordings of the transfer required by the Water Code and general law on the bill's effective date. The substitute omits a provision contained in the original making the transfer of district assets, debts, and contractual rights and obligations to the city subject to the passage by the city council of a resolution accepting the transfer and relieving the district of its contractual obligation to provide water to the city. The substitute, in a provision making the district dissolution date the date the ownership of the Certificate of Adjudication, including any attachments to the certificate, transfers to the city, contains a provision not included in the original including amendments to the certificate and making the transfer notwithstanding a certain provision of the Water Code.

C.S.H.B. 1778 omits a provision contained in the original relating to the date of commencement for dissolution proceedings of the district. The substitute differs from the original by requiring the city to notify the Texas Commission on Environmental Quality of the district dissolution and certificate transfer, whereas the original requires the board to do so. The substitute differs from the original in nonsubstantive ways by using language reflective of certain bill drafting conventions. The substitute omits a provision contained in the original defining "board."