

BILL ANALYSIS

H.B. 2162
By: Kuempel
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Cibolo Creek Municipal Authority is a regional wastewater utility system that has provided wholesale sewer service to various municipalities, the federal government, and other customers located in the Cibolo Valley area between San Antonio and New Braunfels in parts of area counties for several decades. Unlike developer districts, most regional water and wastewater service providers are exempt from a requirement to apply to the Texas Commission on Environmental Quality for bond approval, review of engineering, and project feasibility. H.B. 2162 seeks to grant the same flexibility to the authority that is already enjoyed by other regional wastewater service providers in order to reduce project costs that must ultimately be paid by consumers and enable wholesale services to be delivered more quickly to the authority's high growth area. The bill also seeks to include certain authorization for interim construction financing in the authority's enabling legislation.

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

H.B. 2162 amends the Special District Local Laws Code to establish that the Cibolo Creek Municipal Authority has the rights, powers, duties, and obligations of an issuer under Government Code public securities provisions relating to obligations for certain public improvements. The bill makes provisions relating to the authority of the Texas Commission on Environmental Quality over the issuance of bonds by a water district inapplicable to the Cibolo Creek Municipal Authority.

EFFECTIVE DATE

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