

BILL ANALYSIS

Senate Research Center
82R17055 SGA-F

H.B. 2360
By: Schwertner (Ogden)
Natural Resources
4/29/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Corn Hill Regional Water Authority (authority) would encompass an area of land currently within the borders of two municipal utility districts, each of which will be an initial member entity of the authority with the right to appoint governing board members.

The land located within the proposed authority is slated for single-family residential and commercial development. A recent regional water planning study by the Texas Water Development Board has identified the need for construction and financing of extensive water development infrastructure in order to serve the needs of both the member entities and other political subdivisions in the planning area. The creation of the authority will allow the authority to enter into financial contracts and to own and operate regional water facilities to serve its members entities and other water suppliers.

H.B. 2360 sets out provisions regarding the creation, administration, powers, duties, operation, and financing of the authority.

H.B. 2360 amends current law relating to the creation of the Corn Hill Regional Water Authority and provides authority to issue bonds.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8364, as follows:

CHAPTER 8364. CORN HILL REGIONAL WATER AUTHORITY

Sets forth standard language for the creation of the Corn Hill Regional Water Authority (authority). Sets forth standards, procedures, requirements, and criteria for:

General provisions, including definitions, nature of authority, confirmation election not required, findings of public purpose, authority territory, and change in membership or territory; and notification to the Texas Commission on Environmental Quality (Sections 8364.001-8364.050);

Sets forth the governing body and terms of the board of directors (Sections 8364.051-8364.070);

Authority membership composition, initial member entities, petitions to join the authority, and petitions to leave the authority (Sections 8364.071-8364.100);

Powers and duties of the authority, service to member entities, general powers and duties, municipal utility district powers and duties (Section 8364.101-8364.150);
and

General financial provisions and authority to issue bonds and other obligations, and no power to impose a tax (Section 8364.151-8364.152).

SECTION 2. (a) Requires that, not later than September 15, 2011, the Sonterra Municipal Utility District and the CLL Municipal Utility District No. 1 each appoint two directors to the board of directors of the Corn Hill Regional Water Authority under Section 8364.051, Special District Local Laws Code, as added by this Act.

(b) Requires the initial directors appointed to establish staggered three-year terms required under Section 8364.051, Special District Local Laws Code, as added by this Act, to unless otherwise agreed, determine by lot which of the directors is required to serve a one-year, two-year, or three-year term.

SECTION 3. Provides that all requirements of the constitution and the 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 4. (a) Provides that any eminent domain powers granted under general law to the Corn Hill Regional Water Authority as created by this Act take effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8364, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8364.104, as follows:

Sec. 8364.104. NO EMINENT DOMAIN POWER. Prohibits the authority from exercising the power of eminent domain.

(c) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to authorizing the legislature, on or after January 1, 2010, to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date, except as provided by Section 4 of this Act: upon passage or September 1, 2011.