

BILL ANALYSIS

H.B. 3927
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Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to interested parties, certain municipal utility districts located in a residential community in Sugar Land and included in the Fort Bend County Levee Improvement District No. 7 recently signed a strategic partnership agreement with the city under which a designated amount of wastewater effluent produced from a wastewater plant in the community was reserved for the community's use and benefit. The concept was such that, at a future date and in an effort to conserve potable water and reduce the certain escalation of future water costs, a reuse system could be constructed to treat and distribute effluent for green space irrigation. H.B. 3927 seeks to provide the Fort Bend County Levee Improvement District No. 7 the authority to finance, construct, and acquire a reuse project, by purchase or lease, that facilitates the recycling of and reuse of water, wastewater effluent, or other water or wastewater by-product.

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. 3927 amends the Special District Local Laws Code to authorize the Fort Bend County Levee Improvement District No. 7 to acquire a project, including by purchase or lease, and to construct, rehabilitate, repair, improve, enlarge, operate, and maintain a project. The bill defines "project" as a facility, improvement, appliance, appurtenance, land, interest in property, participation right, contract right, practice, technique, or technology that facilitates the recycling and reuse of water, wastewater effluent, or other water or wastewater by-product and that results in additional water supplies for future or alternative uses.

H.B. 3927 authorizes the district to use certain alternative delivery methods for a project, in addition to other applicable methods as provided by law. The bill, if the district's board of directors considers the terms appropriate and favorable to the district, authorizes the district to convey a project to a municipality in whose extraterritorial jurisdiction all or part of the district is located or to a political subdivision located wholly or partly in the district. The bill, if the board considers the terms appropriate and favorable to the district, authorizes the district to use the water from a project or to sell or otherwise provide the water either to a homeowners' or property owners' association located in the district or, with the prior consent of such a municipality, to any person located in the municipality's extraterritorial jurisdiction, including a political subdivision, private entity, and individual.

H.B. 3927 authorizes the district to finance a project with property taxes, mandatory fees, or voluntary contributions and to issue bonds or other obligations for a project in the manner provided by law. The bill authorizes the district to act jointly in regard to a project under an agreement or contract with any person, including a political subdivision, private entity, or individual. The bill makes the plans and specifications for the construction or modification of a project subject to the review and approval of any municipality in whose extraterritorial

jurisdiction all or part of the district is located and to any ordinance, regulation, or standard criteria such a municipality may adopt relating to the construction or operation of similar projects in its corporate limits or extraterritorial jurisdiction. The bill requires the municipal approval to be in the form of an ordinance or resolution adopted by the municipality's governing body. The bill authorizes approval for subsequent modifications, extensions, or repairs of a project to be given in the manner the municipality customarily uses for other water supply improvements in its corporate limits or extraterritorial jurisdiction.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.