

SENATE AMENDMENTS

2nd Printing

By: Smith

H.B. No. 3871

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the powers and duties of the Gulf Coast Waste Disposal
3 Authority.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 1.01, Chapter 409, Acts of the 61st
6 Legislature, Regular Session, 1969, is amended to read as follows:

7 Sec. 1.01. PURPOSE. The purpose of this Act is to establish
8 an instrumentality for developing and effectuating for Chambers,
9 Galveston, and Harris Counties a regional water quality management
10 program including provision of waste disposal and water systems and
11 regulation of disposal of wastes.

12 SECTION 2. Section 1.03(a), Chapter 409, Acts of the 61st
13 Legislature, Regular Session, 1969, is amended by adding
14 Subdivision (23) to read as follows:

15 (23) "Water system" means a system of pipelines,
16 conduits, canals, pumping stations, force mains, plants, storage,
17 or other facilities used for the treatment, collection, or
18 distribution of water.

19 SECTION 3. Section 3.01(e), Chapter 409, Acts of the 61st
20 Legislature, Regular Session, 1969, is amended to read as follows:

21 (e) Subject only to the authority vested by general law, and
22 particularly Chapter 26, Water Code, in the commission, the
23 authority is empowered to provide water systems and to control
24 water pollution and waste disposal within the district.

1 SECTION 4. The heading to Section 3.14, Chapter 409, Acts of
2 the 61st Legislature, Regular Session, 1969, is amended to read as
3 follows:

4 Sec. 3.14. ACQUISITION, CONSTRUCTION, AND OPERATION OF
5 WATER OR DISPOSAL SYSTEMS.

6 SECTION 5. Section 3.14(a), Chapter 409, Acts of the 61st
7 Legislature, Regular Session, 1969, is amended to read as follows:

8 (a) The authority:

9 (1) may acquire and provide by purchase, gift or lease
10 any water or disposal systems within or outside the district;

11 (2) may construct and provide water or disposal
12 systems within or outside the district;

13 (3) may operate and sell any water or disposal systems
14 that it constructs or acquires;

15 (4) may contract with any person to operate and
16 maintain, within or outside the district, any water or disposal
17 system belonging to the person; and

18 (5) may contract with any person to train or supervise
19 employees of a water or disposal system within or outside the
20 district.

21 SECTION 6. Section 3.16, Chapter 409, Acts of the 61st
22 Legislature, Regular Session, 1969, is amended to read as follows:

23 Sec. 3.16. SALE OF WATER AND BY-PRODUCTS. The authority may
24 store and sell water that it collects under Section 3.14 or 3.15 of
25 this Act, and may furnish water of a specified quality. It also may
26 store and sell any by-product from its operations.

27 SECTION 7. Section 3.23(1), Chapter 409, Acts of the 61st

1 Legislature, Regular Session, 1969, is amended to read as follows:

2 (1)(i) The authority and all persons are authorized to enter
3 into contracts with respect to any waste and any waste disposal or
4 treatment facilities, water system facilities, and any other
5 facilities described in this Subsection (1) or any other part of
6 this Act, and the authority is authorized to execute all
7 appropriate documents and instruments in connection therewith; and
8 the authority is authorized to issue bonds with respect to any of
9 its powers, including those powers granted in this Subsection (1),
10 and also for the purpose of providing or funding any debt service
11 reserve fund or other special reserve, contingency, or other fund
12 in connection with bonds, and/or also for the purpose of providing
13 funds to operate any facilities for a period not to exceed three
14 years after completion and to maintain any facilities, and/or to
15 provide funds to pay interest on bonds during such period as is
16 determined by the authority; and

17 (ii) The authority may exercise the powers, duties,
18 and authority defined in the Regional Waste Disposal Act (Chapter
19 30, Vernon's Texas Water Code), and all of the provisions of the
20 Regional Waste Disposal Act, as it now exists and as it hereafter
21 may be amended, are applicable to the authority, except to the
22 extent of any conflict with this Act, in which case this Act shall
23 prevail over the provisions of the Regional Waste Disposal Act; and
24 the authority may exercise the same rights, powers, and authority
25 with respect to the control, storage, preservation, transmission,
26 treatment, and disposition of water and water systems that it may
27 exercise under this section with regard to waste, waste disposal

1 systems, and treatment facilities; and

2 (iii) All persons are authorized to contract with the
3 authority in any manner authorized by this Act or the Regional Waste
4 Disposal Act with respect to any facilities described in this
5 Subsection (1) or any other part of this Act; provided that any
6 public agency or local government additionally is authorized to
7 enter into and execute any such contract with the authority and to
8 determine, agree, and pledge that all or any part of its payments
9 under such contract shall be payable from the source described in
10 Subsection (c) of Section 30.030 of the Regional Waste Disposal
11 Act, subject only to the authorization of such contract, pledge,
12 and payments by a majority vote of the governing body of such public
13 agency or local government. All public agencies and local
14 governments also are authorized to use and pledge any other
15 available revenues or resources whatsoever for and to the payment
16 of amounts due under such contracts as an additional source or
17 sources of payment thereof or as the sole source or sources of
18 payment thereof and may covenant with respect thereto so as to
19 assure the availability thereof when required; and

20 (iv) All public agencies and local governments are
21 authorized to fix, charge, and collect fees, rates, charges,
22 rentals, and other amounts for any services or facilities provided
23 pursuant to or in connection with any contract with the authority
24 from its inhabitants or from any users or beneficiaries of such
25 services or facilities, including specifically water charges,
26 sewage charges, solid waste disposal system fees and charges
27 (including garbage collection or handling fees), and other fees and

1 charges and to use and pledge same to make payments to the authority
2 required under the contract and may covenant to do so in amounts
3 sufficient to make all or any part of such payments to the authority
4 when due; and

5 (v) This Subsection (1) shall be wholly sufficient
6 authority within itself for the issuance of the bonds, subject to
7 Subchapter 5 of this Act, the execution of the contracts, and the
8 performance of the other acts and procedures authorized herein by
9 the authority and all persons, including specifically public
10 agencies, without reference to any other provisions of law or any
11 restrictions or limitations contained therein, except as herein
12 specifically provided; and in any case, to the extent of any
13 conflict or inconsistency between any provisions of this subsection
14 and any other provision of law (including any home-rule city
15 charter provisions), this subsection shall prevail and control;
16 provided, however, that the authority and all persons, including
17 specifically public agencies, shall have the right to use any other
18 provisions of law not in conflict with the provisions of this
19 subsection to the extent convenient or necessary to carry out any
20 power or authority, express or implied, granted by this subsection.

21 (vi) The authority is expressly made subject to the
22 continuing supervision of the state by and through the commission
23 or its successor and Chapter 50, Water Code.

24 SECTION 8. This Act takes effect immediately if it receives
25 a vote of two-thirds of all the members elected to each house, as
26 provided by Section 39, Article III, Texas Constitution. If this
27 Act does not receive the vote necessary for immediate effect, this

H.B. No. 3871

1 Act takes effect September 1, 2013.

ADOPTED

MAY 22 2013

Henry E. ...

By: Rodney Ellis

H.B. No. 3871

Substitute the following for H.B. No. 3871:

By: Edwin H. ...

C.S. H.B. No. 3871

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the powers and duties of the Gulf Coast Waste Disposal
3 Authority.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 1.01, Chapter 409, Acts of the 61st
6 Legislature, Regular Session, 1969, is amended to read as follows:

7 Sec. 1.01. PURPOSE. The purpose of this Act is to establish
8 an instrumentality for developing and effectuating for Chambers,
9 Galveston, and Harris Counties a regional water quality management
10 program including provision of waste disposal and water systems and
11 regulation of disposal of wastes.

12 SECTION 2. Section 1.03(a), Chapter 409, Acts of the 61st
13 Legislature, Regular Session, 1969, is amended by adding
14 Subdivision (23) to read as follows:

15 (23) "Water system" means a system of pipelines,
16 conduits, canals, pumping stations, force mains, plants, storage,
17 or other facilities used for the treatment, collection, or
18 distribution of water.

19 SECTION 3. Section 3.01(e), Chapter 409, Acts of the 61st
20 Legislature, Regular Session, 1969, is amended to read as follows:

21 (e) Subject only to the authority vested by general law, and
22 particularly Chapters 11, 13, and [Chapter] 26, Water Code, in the
23 commission, the authority is empowered to provide water systems and
24 to control water pollution and waste disposal within the district.

1 SECTION 4. The heading to Section 3.14, Chapter 409, Acts of
2 the 61st Legislature, Regular Session, 1969, is amended to read as
3 follows:

4 Sec. 3.14. ACQUISITION, CONSTRUCTION, AND OPERATION OF
5 WATER OR DISPOSAL SYSTEMS.

6 SECTION 5. Section 3.14, Chapter 409, Acts of the 61st
7 Legislature, Regular Session, 1969, is amended by amending
8 Subsection (a) and adding Subsection (c) to read as follows:

9 (a) The authority:

10 (1) may acquire and provide by purchase, gift or lease
11 any water or disposal systems within or outside the district;

12 (2) may construct and provide water or disposal
13 systems within or outside the district;

14 (3) may operate and sell any water or disposal systems
15 that it constructs or acquires;

16 (4) may contract with any person to operate and
17 maintain, within or outside the district, any water or disposal
18 system belonging to the person; and

19 (5) may contract with any person to train or supervise
20 employees of a water or disposal system within or outside the
21 district.

22 (c) In taking an action under this section, the authority
23 shall comply with the requirements of Section 3.16A.

24 SECTION 6. Section 3.16, Chapter 409, Acts of the 61st
25 Legislature, Regular Session, 1969, is amended to read as follows:

26 Sec. 3.16. SALE OF WATER AND BY-PRODUCTS. The authority may
27 store and sell water that it collects under Section 3.14 or 3.15 of

1 this Act, and may furnish water of a specified quality. It also may
2 store and sell any by-product from its operations.

3 SECTION 7. Chapter 409, Acts of the 61st Legislature,
4 Regular Session, 1969, is amended by adding Section 3.16A to read as
5 follows:

6 Sec. 3.16A. LIMITATION ON SERVICE AREA. The authority must
7 obtain the consent of the director of public works of the City of
8 Houston for the acquisition, construction, or operation of a water
9 system that distributes raw or treated water within Austin,
10 Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty,
11 Montgomery, or Waller County, other than a water system that
12 distributes effluent, reclaimed water, reuse water, or treated
13 wastewater produced from a waste treatment facility.

14 SECTION 8. Section 3.23(1), Chapter 409, Acts of the 61st
15 Legislature, Regular Session, 1969, is amended to read as follows:

16 (1) Subject to Section 3.16A:

17 (i) The authority and all persons are authorized to
18 enter into contracts with respect to any waste and any waste
19 disposal or treatment facilities, water system facilities, and any
20 other facilities described in this Subsection (1) or any other part
21 of this Act, and the authority is authorized to execute all
22 appropriate documents and instruments in connection therewith; and
23 the authority is authorized to issue bonds with respect to any of
24 its powers, including those powers granted in this Subsection (1),
25 and also for the purpose of providing or funding any debt service
26 reserve fund or other special reserve, contingency, or other fund
27 in connection with bonds, and/or also for the purpose of providing

1 funds to operate any facilities for a period not to exceed three
2 years after completion and to maintain any facilities, and/or to
3 provide funds to pay interest on bonds during such period as is
4 determined by the authority; and

5 (ii) The authority may exercise the powers, duties,
6 and authority defined in the Regional Waste Disposal Act (Chapter
7 30, Vernon's Texas Water Code), and all of the provisions of the
8 Regional Waste Disposal Act, as it now exists and as it hereafter
9 may be amended, are applicable to the authority, except to the
10 extent of any conflict with this Act, in which case this Act shall
11 prevail over the provisions of the Regional Waste Disposal Act; and
12 the authority may exercise the same rights, powers, and authority
13 with respect to the control, storage, preservation, transmission,
14 treatment, and disposition of water and water systems that it may
15 exercise under this section with regard to waste, waste disposal
16 systems, and treatment facilities; and

17 (iii) All persons are authorized to contract with the
18 authority in any manner authorized by this Act or the Regional Waste
19 Disposal Act with respect to any facilities described in this
20 Subsection (1) or any other part of this Act; provided that any
21 public agency or local government additionally is authorized to
22 enter into and execute any such contract with the authority and to
23 determine, agree, and pledge that all or any part of its payments
24 under such contract shall be payable from the source described in
25 Subsection (c) of Section 30.030 of the Regional Waste Disposal
26 Act, subject only to the authorization of such contract, pledge,
27 and payments by a majority vote of the governing body of such public

1 agency or local government. All public agencies and local
2 governments also are authorized to use and pledge any other
3 available revenues or resources whatsoever for and to the payment
4 of amounts due under such contracts as an additional source or
5 sources of payment thereof or as the sole source or sources of
6 payment thereof and may covenant with respect thereto so as to
7 assure the availability thereof when required; and

8 (iv) All public agencies and local governments are
9 authorized to fix, charge, and collect fees, rates, charges,
10 rentals, and other amounts for any services or facilities provided
11 pursuant to or in connection with any contract with the authority
12 from its inhabitants or from any users or beneficiaries of such
13 services or facilities, including specifically water charges,
14 sewage charges, solid waste disposal system fees and charges
15 (including garbage collection or handling fees), and other fees and
16 charges and to use and pledge same to make payments to the authority
17 required under the contract and may covenant to do so in amounts
18 sufficient to make all or any part of such payments to the authority
19 when due; and

20 (v) This Subsection (1) shall be wholly sufficient
21 authority within itself for the issuance of the bonds, subject to
22 Subchapter 5 of this Act, the execution of the contracts, and the
23 performance of the other acts and procedures authorized herein by
24 the authority and all persons, including specifically public
25 agencies, without reference to any other provisions of law or any
26 restrictions or limitations contained therein, except as herein
27 specifically provided; and in any case, to the extent of any

1 conflict or inconsistency between any provisions of this subsection
2 and any other provision of law (including any home-rule city
3 charter provisions), this subsection shall prevail and control;
4 provided, however, that the authority and all persons, including
5 specifically public agencies, shall have the right to use any other
6 provisions of law not in conflict with the provisions of this
7 subsection to the extent convenient or necessary to carry out any
8 power or authority, express or implied, granted by this subsection.

9 (vi) The authority is expressly made subject to the
10 continuing supervision of the state by and through the commission
11 or its successor and Chapter 50, Water Code.

12 SECTION 9. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2013.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 23, 2013

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3871 by Smith (Relating to the powers and duties of the Gulf Coast Waste Disposal Authority.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, SD, KKR, SZ, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 16, 2013

TO: Honorable Juan Hinojosa, Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3871 by Smith (relating to the powers and duties of the Gulf Coast Waste Disposal Authority.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KKR, SZ, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 14, 2013

TO: Honorable Juan Hinojosa, Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3871 by Smith (Relating to the powers and duties of the Gulf Coast Waste Disposal Authority.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KKR, SZ, TP

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 4, 2013

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3871 by Smith (Relating to the powers and duties of the Gulf Coast Waste Disposal Authority.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, SZ, TP