

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
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TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

March 24, 2015

The Honorable Joe Straus
Texas House of Representatives
Capitol Station
PO Box 2910
Austin, Texas 78768-2910


Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

House Bill (HB) 2091, as Filed by Representative John Zerwas - Relating to the creation of the Fulshear Municipal Utility Districts Nos. 4, 5, and 6; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes

Dear Speaker Straus:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

Sincerely,


Linda Brookins, Director
Water Supply Division

cc: Honorable Doug Miller, Chairman, House Committee on Special Purpose Districts
Representative John Zerwas, Texas House of Representatives

Enclosure

HB 2091, as Filed by Representative John Zerwas
Texas Commission on Environmental Quality's Comments

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

The bill creates Fulshear Municipal Utility Districts (MUD) Nos. 4, 5, and 6 (the "Districts") with the powers and duties of a standard municipal utility district under Water Code, Chapters 49 and 54.

Comments on Powers/Duties Different from Similar Types of Districts: The bill grants the District road powers; For Fulshear MUD Nos. 5 and 6, the bill specifies that if the districts are annexed into the corporate limits of a municipality before a confirmation election is held, the districts may not be dissolved and shall continue until the districts are dissolved pursuant to standard Local Government Code provisions relating to the abolition of districts within a municipality. Water Code Section 54.016(f) states that a city may provide in its written consent for the inclusion of land in a district that is initially located wholly or partly outside the corporate limits of the city that a contract ("allocation agreement") between the district and the city be entered into prior to the first issue of bonds, notes, warrants, or other obligations of the district. The bill specifies that this provision does not apply to the Districts. The bill grants Fulshear MUD Nos. 5 and 6 levee improvement district powers and duties as provided for under Water Code Chapter 57. If the bill does not receive a two-thirds vote of all members elected to each house, the Districts may not exercise the power of eminent domain.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports over the Districts.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

HB 2091


Bill Number

TO: The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

3/3/2015

Date transmitted to
Governor's Office

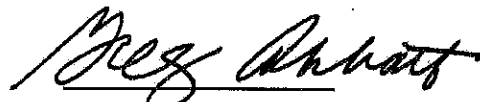

Chief Clerk
House of Representatives

TO: Texas Commission on Environmental Quality
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

March 4, 2015

Date transmitted to
Texas Commission on Environmental Quality


Governor

TO: The Honorable Speaker of the House
The Honorable President of the Senate
The Honorable Governor of Texas

SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.


Texas Commission on Environmental Quality



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