

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
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Richard A. Hyde, P.E., *Executive Director*



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) 2100, as Filed by Representative Ana Hernandez - Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or 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,

A handwritten signature in cursive script that reads "Linda Brookins".

Linda Brookins, Director
Water Supply Division

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

Enclosure

**HB 2100, as Filed by Representative Ana Hernandez
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 East Houston Management District (the "District") with the powers and duties of a municipal management district under Local Government Code Chapter 375.

Comments on Powers/Duties Different from Similar Types of Districts: If the City of Houston (the "City") creates a tax increment reinvestment zone, the City and the board of directors of the zone, by contract with the District, may grant money deposited in the tax increment fund to the District to be used by the District for the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code, including the right to pledge the money as security for any bonds issued by the District for an improvement project. A project may not receive public funds, unless the project has been approved by the governing body of the City.

The bill specifies that Water Code Section 49.052, relating to disqualifications of directors, does not apply to the District.

The governing body of the City shall appoint directors from persons recommended by the board.

The bill specifies that the District may compensate each director in an amount not to exceed \$50 for each board meeting. The total amount of compensation a director may receive each year may not exceed \$2,000. A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

The bill specifies that the District may establish user charges related to the operation of storm water facilities, including the regulation of storm water for the protection of water quality in the District. The District may also establish user charges for the use of non-potable water for irrigation purposes, subject to approval of the governing body of the City.

The bill specifies that if the legislature grants the district a power that is in addition to the powers approved by the initial resolution of the governing body of the City consenting to the creation of the District, the District may not exercise that power unless the governing body of the City consents to that change by resolution.

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 (water, wastewater, and drainage facilities only) and review of financial reports.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

HB 2100

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

