## **BILL ANALYSIS**

Senate Research Center 84R8228 AAF-F H.B. 4176 By: Crownover (Nelson) Intergovernmental Relations 5/20/2015 Engrossed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Lake City Municipal Utility Authority (LCMUA) was created in 1963 as a local government agency to provide water and wastewater utility services to the cities of Lake Dallas, Shady Shores, and Hickory Creek. Currently, Lake Dallas and Shady Shores both have representatives serving on the LCMUA board of directors, but the Town of Hickory Creek does not. Hickory Creek has formally requested an elected position on the LCMUA board of directors, making the board membership representative of all three cities served.

H.B. 4176 allows the Lake Cities Municipal Utility Authority to add a board member from the town of Hickory Creek.

H.B. 4176 amends current law relating to the territory, board, and operation of the Lake Cities Municipal Utility Authority.

## **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 Section 3(a), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, as follows:

- (a) Provides that the Lake Cities Municipal Utility Authority (LCMUA) consists of the territory, as specifically described in the official records of LCMUA, that is contained in the boundaries or extraterritorial jurisdiction of:
  - (1) the City of Lake Dallas;
  - (2) the Town of Shady Shores; and
  - (3) the Town of Hickory Creek.

Deletes existing text providing that the Lake Cities Municipal Utility Authority (LCMUA) consists of the territory contained in the boundaries of the City of Lake Dallas, and that part of the City of Shady Shores specifically described in the official records of LCMUA.

SECTION 2. Amends Section 6, Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, by adding Subsection (d-1), as follows:

- (d-1) Provides that the director for:
  - (1) place 1 must reside in the City of Lake Dallas or its extraterritorial jurisdiction;
  - (2) place 2 must reside within the boundaries of LCMUA;

SRC-LMD H.B. 4176 84(R) Page 1 of 3

- (3) place 3 must reside in the Town of Shady Shores or its extraterritorial jurisdiction;
- (4) place 4 must reside within the boundaries of LCMUA; and
- (5) place 5 must reside in the Town of Hickory Creek or its extraterritorial jurisdiction.

SECTION 3. Amends Section 7(a), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, to provide that not more than two officers may reside in the same municipality.

SECTION 4. Amends Section 13(d), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, to authorize LCMUA to apply as necessary for any permit, license, or other authorization from the Texas Commission on Environmental Quality (TCEQ), rather than the Texas Natural Resource Conservation Commission (TNRCC), or any other regulatory body in order to conduct any of its operations.

SECTION 5. Amends Sections 16(c) and (l), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, as follows:

(c) Requires that bonds be issued in the name of Lake Cities Municipal Utility Authority and signed by the president or vice president and bear the seal, or a facsimile seal, of LCMUA. Authorizes the facsimile signature of the president or vice president or both to be printed or lithographed on the bonds if authorized by board of directors of the Lake Cities Municipal Utility Authority (board), and the seal of LCMUA to be impressed, printed, or lithographed on the bonds.

Deletes existing text requiring that bonds be attested by the secretary. Deletes a reference to secretary.

(l) Requires that any provision in this Act to the contrary notwithstanding, before issuing any construction bonds, LCMUA submit plans, specifications, and other necessary information and documents to the appropriate authorities and shall obtain the necessary permits or other authorizations from the appropriate regulatory bodies, including TCEQ, rather than TNRCC.

SECTION 6. Repealer: Section 7(d) (relating to the board selecting a secretary and a treasurer), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999.

SECTION 7. Provides that Section 6(d-1), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, as added by this Act, does not affect the entitlement of a member serving on the board of directors of LCMUA immediately before the effective date of this Act to continue to carry out the board's functions for the remainder of the member's term. Provides that the changes in law apply only to a member elected on or after the effective date of this Act. Provides that this Act does not prohibit a person who is a member of the board on the effective date of this Act from being reelected to the board if the person has the qualifications required for a member under Section 6(d-1), Chapter 1137, Acts of the 76th Legislature, Regular Session, 1999, as added by this Act.

SECTION 8. (a) Provides that the legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution, and Chapter 313 (Notice for Local and Special Laws), Government Code.

(b) Provides that the governor, one of the required recipients, has submitted the notice and Act to TCEQ.

SRC-LMD H.B. 4176 84(R) Page 2 of 3

- (c) Provides that TCEQ has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.
- (d) Provides that all requirements of the constitution and 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 9. Effective date: September 1, 2015.

SRC-LMD H.B. 4176 84(R) Page 3 of 3