

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



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 20, 2017

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) 4286, as Filed by Representative Wayne Faircloth - Relating to the creation of the Bolivar Management District; 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,

A handwritten signature in cursive script that reads "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director
Water Supply Division

cc: Honorable Jim Murphy, Chairman, House Special Purpose Districts Committee
Representative Wayne Faircloth, Texas House of Representatives

Enclosure

**HB 4286, as Filed by Representative Wayne Faircloth
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:

This bill amends the Special District Local Laws Code by adding Chapter 3942 which creates Bolivar Management District (District) with the following specificities.

Comments on Powers/Duties Different from Similar Types of Districts: Except as otherwise provided by this chapter, Chapter 383, Local Government Code, relating to county development districts, applies to the District; the District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Galveston (City); the bill specifies that the District may exercise powers given to the following: a corporation under Chapter 505, Local Government Code; a housing finance corporation under Chapter 394, Local Government Code; a county under Chapter 383, Local Government Code; an entity described in Chapters 284 and 441, Transportation Code; and a district governed by Subchapters E and M, Chapter 60, Water Code, and Section 61.116, Water Code; the board by resolution may authorize the creation of a nonprofit corporation to assist and act for the District in implementing a project or providing a service authorized by this chapter; the District may contract with the county or the city to provide law enforcement services in the District for a fee; Section 375.221, Local Government Code, relating to the waiver of the competitive bid requirement, applies to the district, but only for a contract that has a value greater than \$15,000; the District may join and pay dues to an organization that: enjoys tax-exempt status under Section 501(c)(3), (4), or (6), Internal Revenue Code of 1986, as amended; and performs a service or provides an activity consistent with the furtherance of a District purpose; the District may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the District; Section 375.243, Local Government Code, requiring a petition for bond election, does not apply to the District; the District may not impose an impact fee or assessment on the property, including the equipment, rights-of-way, facilities, or improvements, of: an electric utility or a power generation company as defined by Section 31.002, Utilities

Code; a gas utility as defined by Section 101.003 or 121.001, Utilities Code; a telecommunications provider as defined by Section 51.002, Utilities Code; or person who provides to the public cable television or advanced telecommunications services; the county is not required to pay a bond, note, or other obligation of the District; and, the bill specifies that the board may vote to dissolve while the District has debt. If the vote is in favor of dissolution, the District shall remain in existence solely for the limited purpose of discharging its debts. The dissolution is effective when all debts have been discharged.

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.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

HB 4286


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.

3/22/2017

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 24, 2017

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



85R HB 04286