

AN ACT

relating to the supervision of water districts by the Texas Commission on Environmental Quality.

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

SECTION 1. Section 12.081(a), Water Code, is amended to read as follows:

(a) The powers and duties of all districts and authorities created under Article III, Section 52 and Article XVI, Section 59 of the Texas Constitution are subject to the continuing right of supervision of the State of Texas by and through the commission or its successor, and this supervision may include but is not limited to the authority to:

(1) inquire into the qualifications [~~competence, fitness, and reputation~~] of the officers and directors of any district or authority;

(2) require, on its own motion or on complaint by any person, audits or other financial information, inspections, evaluations, and engineering reports;

(3) issue subpoenas for witnesses to carry out its authority under this subsection;

(4) institute investigations and hearings using examiners appointed by the commission;

(5) issue rules necessary to supervise the districts and authorities, except that such rules shall not apply to water

1 quality ordinances adopted by any river authority which meet or  
2 exceed minimum requirements established by the commission; [~~and~~]

3 (6) issue a permit under Chapter 361, Health and  
4 Safety Code, notwithstanding a district's rule or objection; and

5 (7) the right of supervision granted herein shall not  
6 apply to matters relating to electric utility operations.

7 SECTION 2. Sections 49.102(e) and (f), Water Code, are  
8 amended to read as follows:

9 (e) If a majority of the votes cast in the election favor the  
10 creation of the district, then the temporary board shall declare  
11 that the district is created and enter the result in its minutes.  
12 If a majority of the votes cast in the election are against the  
13 creation of the district, the temporary board shall declare that  
14 the district was defeated and enter the result in its minutes. A  
15 copy of the order shall be filed with the commission not later than  
16 the 30th day after the date of the election.

17 (f) The order canvassing the results of the confirmation  
18 election shall contain a description of the district's boundaries  
19 and shall be filed with the executive director and in the deed  
20 records of the county or counties in which the district is located  
21 not later than the 30th day after the date of the election.

22 SECTION 3. Section 49.195(a), Water Code, is amended to  
23 read as follows:

24 (a) The executive director may review the audit report of  
25 each district. After reviewing the audit report, the executive  
26 director may request additional information from the district. The  
27 district shall provide the additional information not later than

1 the 60th day after the date the request was received, unless the  
2 executive director extends the time allowed for the district to  
3 provide additional information for good cause.

4 SECTION 4. Section 49.196(a), Water Code, is amended to  
5 read as follows:

6 (a) The executive director may review and investigate a  
7 district's financial records and may conduct an on-site audit of a  
8 district's financial information. The executive director shall  
9 have access to all vouchers, receipts, district fiscal and  
10 financial records, and other district records the executive  
11 director considers necessary.

12 SECTION 5. This Act takes effect September 1, 2019.

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President of the Senate

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Speaker of the House

I hereby certify that S.B. No. 911 passed the Senate on May 7, 2019, by the following vote: Yeas 31, Nays 0; May 23, 2019, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 23, 2019, House granted request of the Senate; May 26, 2019, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

I hereby certify that S.B. No. 911 passed the House, with amendments, on May 22, 2019, by the following vote: Yeas 137, Nays 7, two present not voting; May 23, 2019, House granted request of the Senate for appointment of Conference Committee; May 26, 2019, House adopted Conference Committee Report by the following vote: Yeas 146, Nays 0, one present not voting.

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Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor