

By: Hinojosa

S.B. No. 912

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the suspension of operations of water districts that
3 have failed to follow a court order or administrative directive by
4 the Texas Commission on Environmental Quality.

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

6 SECTION 1. Subchapter D, Chapter 12, Water Code, is amended
7 by adding Section 12.0815 to read as follows:

8 Sec. 12.0815. SUSPENSION OF OPERATIONS. (a) This section
9 applies to a district created under Section 59, Article XVI, Texas
10 Constitution.

11 (b) The commission shall give written notice to a district
12 that has failed to follow a court order or commission directive that
13 the district must comply with the court order or commission
14 directive.

15 (c) Not later than the 30th day after the date the district
16 receives the notice under Subsection (b), the commission may
17 suspend operations of the district if the commission has not
18 received a response to the notice from the district, or has received
19 an inadequate response.

20 (d) If the commission suspends operations of a district
21 under this section, the commission shall request that the attorney
22 general bring suit for the appointment of a receiver to collect the
23 assets and carry on the business of the district.

24 (e) The court shall appoint a receiver if an appointment is

1 necessary:

2 (1) to guarantee the collection of assessments, fees,
3 penalties, or interest;

4 (2) to guarantee the continuous and adequate service
5 to the customers of the district; or

6 (3) to prevent continued or repeated violation of the
7 court order or commission directive.

8 (f) The receiver shall execute a bond to assure the proper
9 performance of the receiver's duties in an amount to be set by the
10 court.

11 (g) After appointment and execution of bond, the receiver
12 shall take possession of the assets of the district specified by the
13 court. Until discharged by the court, the receiver shall perform
14 the duties that the court directs to preserve the assets and carry
15 on the business of the district and shall strictly observe the court
16 order involved.

17 (h) On a showing of good cause by the district, the court may
18 dissolve the receivership and order the assets and control of the
19 business returned to the district.

20 SECTION 2. This Act takes effect September 1, 2019.