

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Toby Baker, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

May 5, 2021

The Honorable Dade Phelan
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) 4630, as Filed by Representative Phil King - Relating to the creation of the Parker County Municipal Management District No. 2; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes; granting a limited power of eminent domain.

Dear Speaker Phelan:

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,


Cari-Michel La Caille, Director
Water Supply Division

cc: Honorable Philip Cortez, Chairman, House Urban Affairs Committee
Representative Phil King, Texas House of Representatives

Enclosure

**HB 4630, as Filed by Representative Phil King
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 creates Parker County Municipal Management District No. 2 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375 and a standard public improvement district under Local Government Code Chapter 372.

Comments on Powers/Duties Different from Similar Types of Districts: The District may provide for water, wastewater, drainage, road, and recreational facilities for the District. The District may compensate each director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200. A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board. 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 nonprofit has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code. The District may contract to provide law enforcement services in the District for a fee. The District may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a District purpose. The bill allows the District to create economic development programs and exercise economic development powers under Chapter 380, Local Government Code and Subchapter A, Chapter 1509, Government Code. The District may acquire, lease, construct, develop, own, operate, and maintain parking facilities. The bill specifies that the District may add or exclude land as provided by Subchapter J, Chapter 49, Water Code. The District may not exercise the power of eminent domain outside the District to acquire a site or easement for a road project, or for a recreational facility as defined by Section 49.462, Water Code. The bill allows the District to divide. The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board. The bill specifies that Section 375.161, Local

Government Code, related to certain residential property exemptions, does not apply to the District. Chapter 49.4645, Water Code, states that the District's outstanding principal debt for recreational facilities cannot exceed one percent of the District's current estimated taxable assessed valuation. The bill specifies that this section does not apply to the District. The bill specifies that the board shall dissolve the district on written petition filed with the board by owners of 66 percent or more of the assessed value or surface area of the District. The bill specifies that Section 375.262, Local Government Code, does not apply to the District. If the bill does not receive a two-thirds vote of all members elected to each house, the District may not exercise the power of eminent domain.

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 4630

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.

4/12/2021

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.

April 16, 2021

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



87R HB 04630