

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

April 30, 2021

The Honorable Dan Patrick
Lieutenant Governor of Texas
Capitol Station
PO Box 12068
Austin, Texas 78711

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

Senate Bill (SB) 2185, as Filed by Senator Juan Hinojosa - Relating to procedures for the dissolution of the Hidalgo County Water Improvement District No. 3.

Dear Governor Patrick:

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.

The bill sets out the procedures for the dissolution of the Hidalgo County Water Improvement District No. 3, including the transfer of assets and city consent.

Sincerely,


Cari-Michel La Caille, Director
Water Supply Division

cc: Honorable Paul Bettencourt, Chairman, Senate Local Government Committee
Senator Juan Hinojosa, Texas Senate

LETTER OF TRANSMITTAL
TEXAS SENATE
STATE OF TEXAS

SB 2185

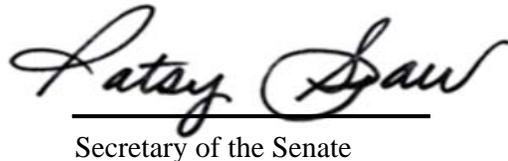
Bill Number

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.

4/6/2021

Date transmitted to
Governor's Office


Secretary of the Senate

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 9, 2021

Date transmitted to
Texas Commission on Environmental Quality


Governor

TO: The Honorable President of the Senate
The Honorable Speaker of the House of Representatives
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

By: Hinojosa

S.B. No. 2185

A BILL TO BE ENTITLED

AN ACT

relating to procedures for the dissolution of the Hidalgo County
Water Improvement District No. 3.

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

SECTION 1. DEFINITIONS. In this Act:

(1) "City" means a municipality described by Section 2
of this Act.

(2) "City commission" means the governing body of the
city.

(3) "District" means the Hidalgo County Water
Improvement District No. 3.

SECTION 2. DISTRICT AND MUNICIPALITY TO WHICH ACT IS
APPLICABLE. This Act applies only to:

(1) the district; and

(2) a municipality that:

(A) has a population greater than 100,000; and

(B) contained on April 1, 2021, within its
corporate boundaries or extraterritorial jurisdiction more than
half of the district's territory.

SECTION 3. TRANSFER OF ASSETS AND DISSOLUTION OF DISTRICT.

(a) On the date the city commission passes an ordinance accepting
the assets, debts, and contractual rights and obligations of the
district:

(1) all assets, debts, and contractual rights and

1 obligations of the district are property of the city; and

2 (2) the district is dissolved.

3 (b) The ordinance must contain provisions that:

4 (1) eliminate the required payment of any flat tax or
5 assessments paid to the district by landowners in the district;

6 (2) ensure that all water rights are held in trust by
7 the city for the uses previously adjudicated;

8 (3) ensure that all individual water users are
9 entitled to continue to use or have access to the same amount of
10 water they were entitled to before the dissolution of the district;

11 (4) require the city to perform all the functions of
12 the district, including the provision of services; and

13 (5) ensure delivery of water to landowners at or below
14 the lowest comparable delivery charge imposed by any other
15 irrigation district in Hidalgo County.

16 (c) On the date of the dissolution of the district, and
17 notwithstanding Section 51.790, Water Code, ownership of any
18 certificate of adjudication held by the district, including any
19 attachments or amendments to the certificate, transfers to the
20 city.

21 (d) The city shall notify the Texas Commission on
22 Environmental Quality of the dissolution of the district and the
23 transfer of any certificate of adjudication held by the district to
24 the city.

25 (e) On receipt of notice under Subsection (d) of this
26 section, the Texas Commission on Environmental Quality shall note
27 in its records that a certificate of adjudication transferred under

1 Subsection (c) of this section is owned by the city. The Texas
2 Commission on Environmental Quality shall, as a ministerial act,
3 transfer the certificate to the city without further application,
4 notice, or hearing. A person, party, or entity does not have any
5 right of protest, objection, or administrative review of the
6 transfer prescribed by this Act.

7 (f) The transfer of the district's water rights and any
8 certificate of adjudication to the city does not affect or impair
9 the priority, extent, validity, or purpose of the water rights or
10 certificate.

11 SECTION 4. TRANSFER OF ASSETS. On or before the effective
12 date of the dissolution of the district, the district shall:

13 (1) provide the district's management and operational
14 records to the city;

15 (2) transfer to the city the ownership of any water
16 rights and certificates of adjudication;

17 (3) transfer the assets, debts, and contractual rights
18 and obligations of the district to the city; and

19 (4) provide notice and make recordings of the
20 transfers under this section as required by the Water Code and other
21 law.

22 SECTION 5. CITY CONSENT. (a) Without the consent of a
23 majority of the members of a city commission that provides notice
24 under Section 3 of this Act, the district may not:

25 (1) sell, transfer, or encumber any district asset;

26 (2) issue debt or acquire additional obligations; or

27 (3) default on or fail to honor financial, legal, or

1 other obligations of the district.

2 (b) Unless a majority of the members of a city commission
3 that provides notice under Section 3 of this Act agree otherwise,
4 the district shall:

5 (1) maintain assets of the district in an appropriate
6 condition reflective of good stewardship and proper repair; and

7 (2) preserve district records, including information
8 maintained by the district in electronic format.

9 (c) Any action undertaken by the district that does not
10 comply with Subsection (a) of this section is void.

11 (d) This section expires on the date that a city has
12 provided notice under Section 3 of this Act.

13 SECTION 6. EXPIRATION. This Act expires January 1, 2026.

14 SECTION 7. EFFECTIVE DATE. This Act takes effect
15 immediately if it receives a vote of two-thirds of all the members
16 elected to each house, as provided by Section 39, Article III, Texas
17 Constitution. If this Act does not receive the vote necessary for
18 immediate effect, this Act takes effect September 1, 2021.

40018513 - Senate Purchasing - 30179370

THE MONITOR

PUBLISHER'S AFFIDAVIT

State of Texas

County of Hidalgo

Kimberly Irena being duly
Sworn on his/her oath states that he/she is
a Sales Representative of THE MONITOR
in McAllen, TX and that the attached notice
appeared in the following issues:

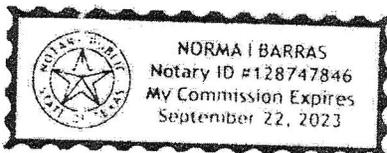
March 2, 2021

Kimberly Irena

Subscribed and sworn to before me this
19th day of March A.D. 2021.

Norma I Barras

Notary Public, Hidalgo County



NOTICE OF INTENT TO INTRODUCE A LOCAL BILL:

Pursuant to the Constitution and the laws of the State of Texas, notice is hereby given of Senator Juan Hinojosa's intention to introduce a bill in the 87th Legislature of the State of Texas at its regular session in Austin, Texas, the substance of the contemplated law being as follows:

A bill relating to the transfer of the assets of and the dissolution of the Hidalgo County Water Improvement District No. 3.

All interested persons will, therefore take notice of the matters and facts set out in the foregoing statement of the substance of the contemplated laws as required by the Constitution and the laws of the State of Texas. Publication of this notice was paid for by Senator Juan Hinojosa.

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