

BILL ANALYSIS

H.B. 3717
By: Burns
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that if a municipality is deemed financially or technically unable to restore a retail water or sewer utility system to compliance, it should be able to take measures to restore the system to compliance in a timely manner. Currently, a municipality must hold an election to approve the sale of the system, which can be costly and hinder restoration times. The expedited transfer of these threatened water and wastewater assets to capable private or public entities with the financial resources and expertise to improve management, operation, and continued maintenance of the assets could help ensure the protection, affordability, and integrity of drinking water systems. H.B. 3717 seeks to address this issue by establishing that a municipality is not required to hold an election to authorize such a sale under certain conditions.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3717 amends the Government Code to establish that a municipality is not required to hold an election to authorize the sale of a municipal retail water or sewer utility system if the Texas Commission on Environmental Quality has issued a notice of violation to the utility system and the municipality's governing body finds by official action that the municipality is either financially or technically unable to restore the system to compliance with the applicable law or regulations.

EFFECTIVE DATE

September 1, 2021.