

Jon Niermann, *Chairman*
Emily Lindley, *Commissioner*
Bobby Janecka, *Commissioner*
Erin E. Chancellor, *Interim Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 7, 2023

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) 2911, as Filed by Representative Will Metcalf - Relating to approval by voters prior to the issuance of revenue bonds by the San Jacinto River Authority.

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.

The bill amends previous legislation of the San Jacinto River Authority (the "Authority") to specify that the Authority may not issue bonds payable from ad valorem taxes unless a proposition to do so is presented to the voters of the Authority and approved by a majority of the voters voting in the election. Currently, the Authority may issue revenue bonds without the bonds being approved by voters within the Authority. The bill amends previous legislation of the Authority to specify that the Authority may not issue bonds payable from revenue unless the issuance is first approved by a majority of voters in the service area (defined in the bill) of the Authority voting in a revenue bond election held for that purpose. The bill defines the service area as service area of any electric cooperative, municipally owned utility, retail electric provider, or retail public utility that has a contract with the Authority for the Authority to provide electric power or water to the cooperative, provider, or utility. The bill specifies that the Public Utility Commission shall determine this service area. The bill specifies the following: the requirements of the order of the Authority calling the election, and the contents thereof; the requirements of the content of the proposition, including purpose of the bonds, amount of bonds, bond interest rate, and maturity date of the bonds, which may not exceed 40 years. The bill specifies the requirements of conducting the revenue bond election, including: requiring the election to be held on a uniform election date; requiring the notice of election to be publishing the notice in a newspaper of general circulation published in the service area of the Authority; and requiring the notice to be published on the Authority's website. The newspaper publication must be published on the same day in each of three successive weeks, with the first publication not less than 21 days before the date of the

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revenue bond election. The bill states that the ballot proposition shall be printed to permit voting for or against the proposition the issuance of bonds.

Sincerely,

A handwritten signature in black ink, appearing to read "Michele Risko".

Michele Risko, Acting Director
Water Supply Division

cc: Honorable Tracy O. King, Chairman, House Natural Resources Committee
Representative Will Metcalf, Texas House of Representatives

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

HB 2911

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.

3/2/2023

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.

March 22, 2023

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



88R HB 02911