

Amend CSSB 1359 (senate committee report) in SECTION 1 of the bill as follows:

(1) In added Section 11021.0101(3), Special District Local Laws Code (page 1, line 37), between "governmental" and "entity", insert "or private".

(2) In added Section 11021.0101(7), Special District Local Laws Code (page 1, line 55), between "governmental" and "entity", insert "or private".

(3) In added Section 11021.0105(a), Special District Local Laws Code (page 2, line 33), between "(a)" and "The", insert the following:

The territory of the district may be expanded to include the territory or service area of a governmental or private entity in the manner provided by Section 11021.0106.

(b)

(4) In added Section 11021.0105, Special District Local Laws Code (page 2, line 36), between "if" and "the" by inserting ", in addition to the requirements of Section 11021.0106,".

(5) In added Section 11021.0105, Special District Local Laws Code (page 2, line 40), strike "(b)".

(6) Immediately following added Section 11021.0105, Special District Local Laws Code (page 2, between lines 46 and 47), insert the following:

Sec. 11021.0106. METHOD OF ADDING PARTICIPANT OR CONTRACT MEMBER. (a) A governmental or private entity may petition the board to add that governmental or private entity as a participant or contract member.

(b) A petition under Subsection (a) must be submitted:

(1) in the manner and form required by board rule; and

(2) not later than a date that allows sufficient time to comply with the requirements of this section before the end of the second year after the effective date of the Act enacting this chapter.

(c) On receipt of a petition under Subsection (a), the board shall set a hearing on the petition and provide notice of the date, time, place, and purpose of the hearing to:

(1) entities that are participants and contract

members on the date the petition is received; and

(2) the petitioning governmental or private entity.

(d) At the hearing, the board shall determine whether:

(1) the governmental or private entity will benefit from being added to the district as a participant or contract member;

(2) it is in the best interest of the district to add the governmental or private entity to the district as a participant or contract member; and

(3) the district has access to sufficient water to provide the governmental or private entity with water service.

(e) If, after a hearing on the petition, the board determines that the governmental or private entity should be added to the district as a participant or contract member, the board shall issue an order:

(1) approving the addition of the government or private entity as a participant or contract member;

(2) adding the governmental or private entity's territory or service area to the territory of the district;

(3) making the governmental or private entity's territory or service area subject to the privileges, duties, assets, and financial obligations of the district to the same degree as other participants or contract members already included in the district; and

(4) stating the effective date of the order.

(f) If the subject of the order is a governmental entity, the effective date of the order must allow enough time for the governmental entity to comply with Subsection (g).

(g) A governmental entity that is the subject of an order issued under Subsection (e) shall publish notice of the district's proposal to add the governmental entity to the district as a participant or contract member. The notice must:

(1) be published in a newspaper of general circulation in the county in which the governmental entity is located;

(2) be published at least once per week for two consecutive weeks and with the first publication appearing on or before the 14th day before the effective date of the order; and

(3) state the effective date of the order.

Sec. 11021.0107. METHOD OF REMOVING PARTICIPANT OR CONTRACT MEMBER. (a) The governing body of a participant or contract member may petition the board to remove the entity from the district as a participant or contract member.

(b) A petition must be submitted in the manner and form required by board rule.

(c) After receiving a petition under Subsection (a), the board shall:

(1) decide whether the petitioner should be removed from the district as a participant or contract member; and

(2) by order approve, conditionally approve, or disapprove the petition.

(d) The board may not approve a petition submitted under this section if that action would impair or violate or conflict with the terms of any outstanding bonds, notes, or other obligations of the district.

(e) An order issued under Subsection (c) that approves or conditionally approves a participant's or contract member's petition to be removed from the district must address:

(1) all matters related to the removal as determined by the board, including the removal of the territory or service area of the participant or contract member and, if applicable, territory located in the service area of the participant or contract member as provided by the contract member's or participant's certificate of convenience and necessity; and

(2) if applicable, any conditions imposed by the board that the petitioning participant or contract member must satisfy before the board approve the petition, which may include:

(A) payment by the petitioner of all bonds, notes, or other obligations issued by the district on behalf of the petitioner;

(B) payment by the petitioner of the petitioner's pro rata share of any bond, note, or other obligation issued by the district, other than the bonds, notes, or other obligations described by Paragraph (A), if the payment is allowed under the terms of the bond, note, or other obligation;

(C) conditions related to the ownership or transfer of ownership of real property, facilities, equipment, personnel, and supplies; and

(D) conditions the district considers necessary for the winding up of activities in connection with the removal of the petitioner as a participant or contract member from the district.

(f) If the board by order issued under Subsection (c) conditionally approves a participant's or contract member's petition, the petitioner remains a participant or contract member and shall make all payments owed to the district when due and satisfy all conditions included in the order. The board shall approve the petition immediately after all required payments to the district are received and all conditions included in the order are satisfied as determined by the board.

(g) The removal of a participant or contract member from the district under this section does not prohibit the former participant or contract member from contracting with the district for the provision of water supply, wastewater treatment, or other services provided by the district.

(7) In added Section 11021.02015(a)(1), Special District Local Laws Code (page 2, line 63), strike "one director; and" and substitute "two directors;".

(8) In added Section 11021.02015(a)(2)(K), Special District Local Laws Code (page 3, line 8), strike the underlined period and substitute an underlined semicolon.

(9) Immediately following added Section 11021.02015(a)(2)(K), Special District Local Laws Code (page 3, between lines 8 and 9), insert the following:

(3) the board of directors of the of the Rolling V Ranch Water Control and Improvement District No. 3 of Wise County shall appoint one director who must be a qualified voter who resides in:

(A) Rolling V Ranch Water Control and Improvement District No. 1 of Wise County;

(B) Rolling V Ranch Water Control and Improvement District No. 2 of Wise County;

(C) Rolling V Ranch Water Control and Improvement District No. 3 of Wise County; or

(D) Rolling V Ranch Water Control and Improvement District No. 4 of Wise County; and

(4) the board of directors of the of the New Fairview Municipal Utility District No. 1 shall appoint one director who must be a qualified voter who resides in that district.

(10) In amended Section 11021.02015(c), Special District Local Laws Code (page 3, line 11), between "(c)" and "This" insert the following:

The initial board may not take any action unless at least 65 percent of the initial directors vote in favor of the action.

(d)

(11) In added Section 11021.0401(a), Special District Local Laws Code (page 7, line 64), after the underlined period, insert "The district may not impose a rate or charge in the territory or service area of a participant or contract member unless the district imposes the same rate or charge in the territory or service area of all participants and contract members.".