### **BILL ANALYSIS**

Senate Research Center 89R25545 SCF-F H.B. 5320 By: Guillen (Zaffirini) Local Government 5/21/2025 Engrossed

#### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The bill author has informed the committee that Starr County has separate governance structures for groundwater conservation and drainage which can lead to fragmented policies, duplicative services, and inefficient use of resources, and that such separation may hinder coordinated water planning and infrastructure development. H.B. 5320, in order to enhance administrative efficiency and provide a unified approach to managing water infrastructure and resources, seeks to consolidate the functions of drainage and groundwater management into a single district for the county by providing for the Starr County Drainage and Groundwater Conservation District.

H.B. 5320 amends current law relating to the powers, duties, and governance of the Starr County Drainage District, the change of the name of the Starr County Drainage District to the Starr County Drainage and Groundwater Conservation District, the dissolution of the Starr County Groundwater Conservation District, the transfer of the assets and liabilities of the Starr County Groundwater Conservation District to the Starr County Drainage and Groundwater Conservation District, and authorizes the imposition of a tax.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Transfers Chapter 6606, Special District Local Laws Code, to Subtitle X, Title 6, Special District Local Laws Code, redesignates it as Chapter 11022, Special District Local Laws Code, and amends it, as follows:

CHAPTER 11022. New heading: STARR COUNTY DRAINAGE AND GROUNDWATER CONSERVATION DISTRICT.

Sec. 11022.0101. DEFINITIONS. Redesignates existing Section 6606.001 as Section 11022.0101. DEFINITIONS. Redefines "district."

Sec. 11022.0102. NATURE OF DISTRICT. Redesignates existing Section 6606.002 as Section 11022.0102. Provides that the Starr County Drainage and Groundwater Conservation District (district) is a drainage and groundwater conservation district created in Starr County under Section 59 (Conservation and Development of Natural Resources; Development of Parks and Recreational Facilities; Conservation and Reclamation Districts; Indebtedness and Taxation Authorized), Article XVI (General Provisions), Texas Constitution, rather than under Section 59, Article XVI, Texas Constitution, subject to approval at a confirmation election under Section 6606.102 (Confirmation Election).

Sec. 11022.0103. FINDINGS OF BENEFIT AND PURPOSE. Redesignates existing Section 6606.003 as Section 11022.0103 and makes no further changes.

Sec. 11022.0104. DISTRICT TERRITORY. Redesignates existing Section 6606.004 as Section 11022.0104 and makes no further changes.

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 11022.0201. DIRECTORS. Redesignates existing Section 6606.051 as Section 11022.0201. Provides that the district is governed by a board of five directors appointed by the Commissioners Court of Starr County in a certain manner, rather than five directors consisting of the Commissioners Court of Starr County.

Deletes text of existing Subsection (b) providing that service on the board is an additional duty of office for a member of the Commissioners Court of Starr County. Makes a nonsubstantive change.

SUBCHAPTER C. New heading: POWERS, DUTIES, AND FINANCIAL PROVISIONS

Sec. 11022.0301. GENERAL POWERS AND DUTIES. Redesignates existing Section 6606.101 as Section 11022.0301. (a) Creates this subsection from existing text. Provides that the district has all rights, powers, privileges, functions, and duties provided by the general law of this state applicable to a drainage district created under Section 59, Article XVI, Texas Constitution, including Chapters 36 (Groundwater Conservation Districts), 49 (Provisions Applicable to All Districts), and 56 (Drainage Districts), Water Code.

(b) Authorizes the district to impose an ad valorem tax as provided by Chapter 49, Water Code.

Deletes existing Section 6606.102 (Confirmation Election)

Sec. 11022.0302. UTILITY PROPERTY EXEMPTION FROM IMPACT FEES, STANDBY FEES, AND ASSESSMENTS. Redesignates existing Section 6606.103 as Section 11022.0302 and makes no further changes.

SECTION 2. Transfers Sections 8803.103 and 8803.104, Special District Local Laws Code, to Subchapter C, Chapter 11022, Special District Local Laws Code, redesignates them as Sections 11022.0303 and 11022.0304, Special District Local Laws Code, and amends them, as follows:

Sec. 11022.0303. POWER TO CONTRACT WITH MUNICIPALITIES. Redesignates existing Section 8803.103 as Section 11022.0303 and makes no further changes.

Sec. 11022.0304. RELATING TO OTHER WATER-RELATED ENTITIES. Redesignates existing Section 8803.104 as Section 11022.0304 and makes no further changes.

SECTION 3. Repealers: Subchapter A (General Provisions) and Subchapter B (Board of Directors), Chapter 8803 (Starr County Groundwater Conservation District), Special District Local Laws Code.

Repealer: Subchapter D (Merger With Water Supply or Sewer Service Corporation), Chapter 8803, Special District Local Laws Code.

Repealers: Sections 8803.101 (General Powers and Duties) and 8803.102 (Court-Appointed Receiver), Special District Local Laws Code.

Repealer: the heading to Subchapter C (Powers and Duties), Chapter 8803, Special District Local Laws Code.

Repealer: the heading to Chapter 8803 (Starr County Groundwater Conservation District), Special District Local Laws Code.

SECTION 4. (a) Provides that, on the effective date of this Act:

(1) the Starr County Groundwater Conservation District is dissolved;

- (2) the terms of the directors of the Starr County Groundwater Conservation District expire;
- (3) any assets and liabilities of the Starr County Groundwater Conservation District are transferred to the district;
- (4) a contract with any party and the Starr County Groundwater Conservation District is a contract between that party and the district;
- (5) an employee of the Starr County Groundwater Conservation District is an employee of the district;
- (6) records of the Starr County Groundwater Conservation District are records of the district; and
- (7) the district is authorized, in all respects, to conduct the affairs of the Starr County Groundwater Conservation District as provided by Subsection (b) of this section.
- (b) Requires the district to take any action necessary to close the affairs of the Starr County Groundwater Conservation District, including the filing of any dissolution documents with the Texas Commission on Environmental Quality.

SECTION 5. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 6. Effective date: upon passage or September 1, 2025.