

BILL ANALYSIS

S.B. 2476
By: Nichols
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that the Woodlawn Water Supply Corporation, which is located in Angelina County, believes it is in the best interest of the corporation and its members to dissolve and transfer all of its property and assets to the Angelina and Neches River Authority and that the authority has consented to take over the corporation's operations and has the technical capacity needed to serve the corporation's members and customers. S.B. 2476 authorizes the authority to enter into a contract with the corporation to transfer the corporation's assets, debts, and contractual rights and obligations to the authority.

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

S.B. 2476 authorizes the Angelina and Neches River Authority to enter into a contract with the Woodlawn Water Supply Corporation to transfer the corporation's assets, debts, and contractual rights and obligations to the authority. On the date such a contract is executed:

- all real property, easements, appurtenances, conveyance systems, transmission and treatment systems, designated rights-of-way, and other property interests of the corporation are transferred to the authority;
- Certificate of Convenience and Necessity No. 10354 is considered to be held by the authority; and
- the corporation's board of directors is required to notify:
 - the Texas Commission on Environmental Quality of the transfer of the corporation to the authority; and
 - the Public Utility Commission of Texas (PUC) of the transfer of the certificate to the authority.

The bill requires the PUC, on receipt of the notice, to note in its records that the certificate is held by the authority and to reissue the certificate in the authority's name without further application, notice, or hearing. The bill establishes that a person, party, or entity does not have any right of protest, objection, or administrative review of the transfer prescribed by the bill. The bill requires the corporation's board of directors, not later than 30 days after the date of the transfer, to commence dissolution proceedings of the corporation.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.