

## **BILL ANALYSIS**

Senate Research Center

H.B. 376  
By: Rodriguez (Wentworth)  
Natural Resources  
4-24-97  
Engrossed

### **DIGEST**

From 1948 until the passage of Senate Bill 626 by the 74th Legislature, the Bexar Metropolitan Water District was required to receive approval from the Office of the Attorney General before issuing bonds. There are concerns that this safeguard still may be necessary.

However, with the codification of Texas' water laws by the 74th Legislature, in which requirements for certain types of districts were collectively applied to all water districts, the mandate of preapproval for bond issues that was applied to most water districts also came to apply to the Bexar Metropolitan Water District.

The special statute which created the Bexar Metropolitan Water District in 1945 characterized it in and of itself as a public agency. Requiring this public agency, with an elected board, to go through two sets of other governmental agency approval procedures simply because of a sweeping codification, is not necessary. The Texas Natural Resource Conservation Commission also agrees that its approval of bond issues for the Bexar Metropolitan Water District is unnecessary.

### **PURPOSE**

As proposed, H.B. 376 amends the original 1945 law which created the Bexar Metropolitan Water District to exempt two sections of the Water Code from applying to the issuance or sale of bonds by that district.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Article 8280-126, V.T.C.S., by adding Sections 15A and 15B, as follows:

Sec. 15A. Provides that Sections 49.181 and 49.183, Water Code, do not apply to the issuance or sale of Bexar Metropolitan Water District (district) bonds.

Sec. 15B. Requires the district to take all action, including issuing bonds for facilities, deemed necessary and desirable by the Texas Water Development Board (board) to conserve and protect the water in the Edwards Aquifer, including the development of alternative water supplies to its customers such as surface water sources and reuse or retreatment of water owned by the district. Authorizes the district, in that connection, to issue bonds and to acquire, construct, purchase, improve, renovate, or take any other similar action to provide facilities designed to achieve such purposes, including, but not limited to, entering into installment purchase or sale agreements, lease purchase agreements, leases, construction contracts, or similar agreements with any person upon the terms and containing the provisions determined by the board, in its sole discretion, to be advantageous to the district.

SECTION 2. (a) Provides that the proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and other laws of this state, including the governor,

who has submitted the notice and Act to the Texas Natural Resource Conservation Commission (commission).

(b) Provides that the commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(c) 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 3. Emergency clause.

Effective date: upon passage.