

## **BILL ANALYSIS**

Senate Research Center

H.B. 1110  
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Natural Resources  
4/24/2001  
Engrossed

### **DIGEST AND PURPOSE**

Currently, the North Harris County Regional Water Authority (authority) provides groundwater service to more than 400,000 people living outside the boundaries of the city of Houston. The authority was created by the 76th Legislature. Due to challenges regarding water quality and quantity and ground subsidence in the Harris and Galveston county areas, the authority is implementing procedures to convert from groundwater usage to surface water usage. H.B. 1110 authorizes the board of directors of a district to petition the authority for inclusion in the authority.

### **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. Amends Section 1.02, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Subdivision (12) to define “groundwater reduction plan.”

SECTION 2. Amends Section 1.03, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Subsection (e) to provide that, notwithstanding Subsections (a) and (b) of this section, the North Harris County Regional Water Authority (authority) does not include the territory of a municipal utility district (district) organized under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, located within the area described by Subsections (a) and (b) of this section only if the territory meets certain criteria.

SECTION 3. Amends Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Section 1.045, as follows:

Sec. 1.045. INCLUSION OF CERTAIN TERRITORY. (a) Authorizes the board of directors of a district organized under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, all or part of which is not included within the boundaries of the authority under Section 1.03 of this Act, to request by petition the inclusion of its territory in the authority’s territory. Requires the petition to meet certain requirements.

(b) Requires the board, if the board has bonds, notes, or other obligations outstanding, to require the petitioning district to assume its share of the outstanding bonds, notes, or other obligations.

(c) Requires the board, before the 61st day after the date the authority receives the petition, to hold a hearing to consider the petition. Authorizes the board to grant the petition and order the territory described in the petition included in the authority’s territory under certain conditions.

(d) Requires the board, if the board grants the petition, to file for recording in the office of the county clerk of Harris County a copy of the order and a description of the authority's boundaries as they exist after the inclusion of the territory.

(e) Provides that the order including the territory is effective immediately after the order and description are recorded.

(f) Prohibits a district that petitions before January 1, 2002, for inclusion within the territory of the authority from being required to pay any fee to the authority for admission or reimbursement for activities the authority has undertaken since its creation in the furtherance of its duties and functions. Requires a district that petitions for inclusion within the territory of the authority on or after January 1, 2002, to be subject to such fees and reimbursements as are in effect at the time of such petition and are applicable to such petitioners.

SECTION 4. Amends Section 4.01, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by amending Subsection (b) and adding Subsections (e) through (h), as follows:

(b) Adds language to authorize the authority to provide for the reduction of groundwater withdrawals by the development, implementation, or enforcement of a groundwater reduction plan as provided by Subsection (e) of this section; to specify the rates, terms, and conditions under which sources of water other than groundwater will be provided by the authority, which may be changed from time to time as deemed necessary by the authority; and to specify the dates and extent to which each person or district within the authority's boundaries is required to accept water from the authority.

(e) Authorizes the authority to develop, implement, participate in, and enforce a groundwater reduction plan. Requires a groundwater reduction plan developed, implemented, participated in, or enforced by the authority to be binding on persons, districts, entities, and wells within the authority's boundaries.

(f) Authorizes the authority to contract on such terms as are mutually agreeable with any person or district located outside the authority to allow the person or district to be included in the authority's groundwater reduction plan. Requires such contracts to have the same force and effect as if the person or district were located within the authority, except that the person or district is prohibited from having the right to vote in elections for members of the board of the authority.

(g) Authorizes the plan authorized by Subsection (e) of this section to be amended from time to time at the discretion of the authority subject to the requirements and procedures of the subsidence district applicable to the amendment of groundwater reduction plans.

(h) Authorizes the groundwater reduction plan developed by the authority to exceed the minimum requirements imposed by the subsidence district, including without limitation any applicable groundwater reduction requirements.

SECTION 5. Amends Section 4.08, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, as follows:

(a) Authorizes the authority to exercise the power of eminent domain inside the boundaries of the authority, rather than in the manner provided in Chapter 21 (Eminent Domain), Property Code, to acquire property of any kind to further the authorized purposes of the authority. Deletes language prohibiting the authority from exercising the power of eminent domain outside of the boundaries of the authority.

(b)(1) Authorizes the authority to exercise the power of eminent domain outside the boundaries of the authority to acquire any land, easements, or other property for purposes of pumping, treating, storing, and transporting water.

(2) Prohibits the authority from using the power of eminent domain granted by Subsection (b)(1) of this section for the condemnation of land for the purpose of acquiring rights to underground water or water or water rights.

(3) Prohibits the authority from using the power of eminent domain granted by Subsection (b)(1) of this section to acquire property of any kind that meets certain requirements.

(4) Authorizes the authority, notwithstanding Subsection (b)(3)(B) of this section, to use the power of eminent domain granted by Subsection (b)(1) of this section to acquire certain property.

(c) Requires the power of eminent domain granted by Subsections (a) and (b) of this section to be exercised in the manner provided in Chapter 21, Property Code, except that the authority is prohibited from being required to give bond for appeal or bond for costs in any condemnation suit, or other suit to which it is a party, and is prohibited from being required to deposit more than the amount of any award in any suit.

(d) Authorizes the authority, when exercising the power of eminent domain granted by Subsections (a) and (b) of this section, to elect to condemn either the fee simple or a lesser property interest.

(e) Prohibits the authority from exercising the power of eminent domain granted by Subsections (a) and (b) of this section to acquire property of any kind in certain counties.

SECTION 6. Amends Section 4.12(b), Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, to add the phrase “notwithstanding any other law.”

SECTION 7. Amends Article 4, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Section 4.14, as follows:

Sec. 4.14. INCLUDED DISTRICTS. Provides that a district inside of the authority’s boundaries retains its separate identity, powers, and duties, except that the district is subject to the powers and duties of the authority, including those powers and duties of the authority necessary to develop, implement, and enforce a groundwater reduction plan.

SECTION 8. Repealer: Section 1.04 (Exclusion of Certain Territory), Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999.

SECTION 9. Effective date: upon passage or September 1, 2001.