

BILL ANALYSIS

Senate Research Center
82R9654 KYF-F

H.B. 2418
By: Callegari (Patrick)
Natural Resources
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The legislation that created the North Harris County Regional Water Authority (authority) in 1999, used a combination of geographic descriptions and designated legislative districts to establish its boundaries. Since that time, certain water districts within the authority have annexed property outside of the authority's initial boundaries. As a result, all of these districts' residents pay for authority operations, but only those within the authority's boundaries having the right to vote for the authority's board members. Further, some water districts have property inside the authority, but participate in and pay for the legally-required groundwater reduction programs of entities neighboring the authority.

Several sections of the Water Code appear applicable to the authority, but its own legislation conflicts with those sections or the sections are more properly applicable to the water districts that are located within the authority. Also, there is a question under current law whether the statutory fees paid by water districts to fund the authority and their participation in the legally-required groundwater reduction plan of the authority are enforceable without a statutory change. Finally, a number of provisions in the original legislation creating the authority have been executed.

H.B. 2418 clarifies the authority's boundaries so that all residents who, now and in the future, pay for its operation and are subject to its programs have the right to vote for the authority's board members. The bill also eliminates conflicting laws, makes fees enforceable, and repeals provisions that have already been executed.

H.B. 2418 amends current law relating to the territory, board of directors, and powers of the North Harris County Regional Water 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 1.03, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by amending Subsection (b) and adding Subsections (b-1), (b-2), (f), (g), and (h) as follows:

(b) Provides that the North Harris County Regional Water Authority (authority) includes the territory, rather than includes only that territory, described by Subsection (a) (relating to description of the boundaries of the authority) of this section only if that territory is also in one or more of the following state representative districts as described by Article II, Chapter 2, Acts of the 72nd Legislature, 3rd Called Session, 1992 (Article II, Article 195a-11, V.T.C.S.), as the districts existed on the effective date of this Act:

- (1) District 127;
- (2) District 126;

- (3) District 130;
- (4) District 135; and
- (5) District 150.

(b-1) Provides that the authority also includes the territory of the following districts:

- (1) Harris County Municipal Utility District No. 16;
- (2) Harris County Municipal Utility District No. 26;
- (3) Harris County Municipal Utility District No. 233;
- (4) Richey Road Municipal Utility District;
- (5) Harris County Water Control and Improvement District No. 109;
- (6) Inverness Forest Improvement District; and
- (7) Memorial Hills Utility District.

(b-2) Provides that the territory of the authority does not include property that lies within the boundaries of a local government, other than the authority, if the local government had a groundwater reduction plan approved by the subsidence district before January 1, 2010, and the property was included in the local government's approved groundwater reduction plan on January 1, 2010.

(f) Provides that territory annexed by a local government located in the authority becomes territory of the authority on the effective date of the annexation, unless the annexed territory is included in another local government's approved groundwater reduction plan as of the effective date of the annexation. Authorizes the authority by rule to require the local government to send to the authority written notice of the effective date of an annexation, and copies of documents describing the annexed land and describing the new boundaries of the local government.

(g) Provides that if territory is added to the service area of a person owning a water system located in the authority, the territory becomes territory of the authority on the effective date of the territory's addition to the service area, unless the added territory is included in another local government's approved groundwater reduction plan as of the effective date of the addition. Authorizes the authority by rule to require the person to send to the authority written notice of the effective date of an addition of territory, and copies of documents describing the added territory and describing the new boundaries of the person's service area.

(h) Provides that the annexation or addition of territory to the authority under this section does not affect the validity of bonds issued by the authority.

SECTION 2. Amends Section 1.05, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Subsection (c), as follows:

(c) Provides that the following laws do not apply to the authority:

- (1) Chapter 36 (Groundwater Conservation Districts), Water Code;
- (2) Section 49.052 (Disqualification of Directors), Water Code; and
- (3) Sections 49.451 (Posting Signs in the District), 49.452 (Notice to Purchasers), 49.453 (Notice Form From District), 49.454, (Notice of Unpaid Standby Fees), and 49.455 (Filing Information), Water Code.

SECTION 3. Amends Section 2.03, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, as follows:

Sec. 2.03. SERVICE OF DIRECTORS. Provides that directors of the board of directors of the authority serve staggered four-year terms. Deletes existing Subsection (a) providing that temporary directors serve until the initial permanent directors are elected under Section 2.05 of this Act. Deletes existing Subsection (b) providing that the initial permanent directors serve until permanent directors are elected under Section 2.06 of this Act. Deletes existing Subsection (c) designation and existing text providing that permanent directors serve staggered four-year terms. Deletes existing Subsection (d) providing that a director serves until the director's successor has qualified.

SECTION 4. Amends the heading to Section 4.04, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, to read as follows:

Sec. 4.04. CIVIL PENALTY; CIVIL ACTION; INJUNCTION.

SECTION 5. Amends Section 4.04, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, by adding Subsections (b-1) and (e), as follows:

(b-1) Authorizes the authority to bring an action in a district court against a district, other political subdivision, or other person located in the authority's territory or included in the authority's groundwater reduction plan to recover any fees, rates, charges, assessments, collection expenses, attorney's fees, interest, penalties, or administrative penalties due the authority, or enforce the authority's rules or orders.

(e) Provides that governmental immunity from suit or liability of a district or other political subdivision is waived for the purposes of an action described by Subsection (b-1) of this section.

SECTION 6. Repealers: Section 2.04 (Temporary Directors), Section 2.05 (Confirmation and Initial Permanent Directors), and Section 2.07 (Cost of Election) of Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999.

SECTION 7. 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 8. Effective date: upon passage or September 1, 2011.