

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1008
By: Hinojosa
Water, Agriculture & Rural Affairs
4/29/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As the Rio Grande Valley continues to rapidly urbanize, agricultural land is being sold for housing and commercial developments. On this former agricultural land, water utilities must provide potable water to hundreds of thousands of new residents each decade. Inevitably, new drinking water lines must cross decades-old irrigation canals owned by irrigation districts. While most crossings are worked out amiably, a few irrigation districts have charged exorbitant fees and required unduly burdensome engineering and construction standards.

Irrigation districts should not be harmed when a water utility or any other service needs to cross their lands or irrigation canals to serve the general public. At the same time, irrigation districts should not demand payments greatly in excess of their costs for ensuring utility crossings are compatible with and do not interfere with the irrigation of land. While irrigation districts should not incur financial losses from crossing, crossing should not become a profit center for the irrigation districts or consultants hired to review the crossings. The exorbitant fees and over-engineering and building costs are pushing the cost of water up for residents and businesses.

S.B. 1008 proposes to establish reasonable fees and rules for water utilities crossing irrigation district canals within certain counties in the Rio Grande Valley.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 1008 amends current law relating to fees for pipeline construction imposed by certain districts.

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 Subchapter H, Chapter 49, Water Code, by adding Section 49.2127, as follows:

Sec. 49.2127. PIPELINE FEES AND REQUIREMENTS IMPOSED BY CERTAIN DISTRICTS. (a) Defines "retail public utility."

(b) Provides that this section applies only to a district whose territory is located wholly or partly in a county:

- (1) located on the Gulf of Mexico and an international border; or
- (2) adjacent to a county described by Subdivision (1).

(c) Provides that, notwithstanding Section 49.002 (Applicability), this section prevails over a special law governing a district.

(d) Prohibits a district from imposing on a retail public utility that proposes to construct a water or sewer pipeline or associated infrastructure in the district's service area:

(1) requirements for constructing the pipeline that are unduly burdensome;
or

(2) a fee or deposit that is greater than the actual, reasonable, and documented costs incurred by the district for review, legal services, engineering services, inspection, construction, and repair associated with the retail public utility construction, and any other related costs incurred by the district in association with the retail public utility construction.

SECTION 2. Effective date: September 1, 2021.