

By: Lucio III

H.B. No. 3355

A BILL TO BE ENTITLED

AN ACT

relating to exempting certain water districts from review and supervision by the Texas Commission on Environmental Quality of district bond packages and projects.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 49.181(h), Water Code, is amended to read as follows:

(h) This section does not apply to:

(1) a district if:

(A) the district's boundaries include one entire county;

(B) the district was created by a special Act of the legislature and:

(i) the district is located entirely within one county;

(ii) the district is located entirely within one or more home-rule municipalities;

(iii) the total taxable value of the real property and improvements to the real property zoned by one or more home-rule municipalities for residential purposes and located within the district does not exceed 25 percent of the total taxable value of all taxable property in the district, as shown by the most recent certified appraisal tax roll prepared by the appraisal district for the county; and

(iv) the district was not required by law to obtain commission approval of its bonds before the effective date of this section;

(C) the district is a special water authority;

(D) the district is governed by a board of directors appointed in whole or in part by the governor, a state agency, or the governing body or chief elected official of a municipality or county and does not provide, or propose to provide, water, sewer, drainage, reclamation, or flood control services to residential retail or commercial customers as its principal function;

(E) the district on September 1, 2003:

(i) is a municipal utility district that includes territory in only two counties;

(ii) has outstanding long-term indebtedness that is rated BBB or better by a nationally recognized rating agency for municipal securities; and

(iii) has at least 5,000 active water connections; ~~or~~

(F) the district:

(i) is a conservation and reclamation district created under Section 59, Article XVI, Texas Constitution, that includes territory in at least three counties; and

(ii) has the rights, powers, privileges, and functions applicable to a river authority under Chapter 30; or

(G) the district is a special utility district created or converted under Chapter 65; or

1 (2) a public utility agency created under Chapter 572,
2 Local Government Code, any of the public entities participating in
3 which are districts if at least one of those districts is a district
4 described by Subdivision (1)(E).

5 SECTION 2. Section 49.182, Water Code, is amended by adding
6 Subsection (f) to read as follows:

7 (f) This section does not apply to a special utility
8 district created or converted under Chapter 65.

9 SECTION 3. The change in law made by this Act applies only
10 to bonds issued on or after the effective date of this Act. Bonds
11 issued before the effective date of this Act are governed by the law
12 in effect on the date the bonds were issued, and the former law is
13 continued in effect for that purpose.

14 SECTION 4. This Act takes effect September 1, 2015.