

Texas Commission on Environmental Quality

# Legislative Wrap-Up Report

*82<sup>nd</sup> Texas Legislature*

June 2011



# Table of Contents

Executive Summary .....	1
General Appropriations Act .....	3
Summary of TCEQ Sunset Legislation - HB 2694.....	5
Agency Administration .....	7
Employment & Benefits .....	7
General.....	8
Information Resources .....	11
Agency Programs.....	12
Air .....	12
Compliance & Enforcement.....	17
Energy Efficiency .....	19
Occupational Licensing .....	20
Remediation & Waste.....	21
Water .....	23
General Government .....	27
Local Government .....	30
Utilities, Districts & Authorities .....	31

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## Executive Summary

During the 82<sup>nd</sup> Legislative Session, the Legislature addressed several of Texas Commission on Environmental Quality's programs and priorities. Below is a summary of some of the actions taken affecting the agency's appropriation for various programs and decreases in FTEs, as well as examples of some key legislation that passed.

### Program Appropriations

Under the Appropriations Act (HB 1), the agency will receive \$693.2 million for the 2012-2013 biennium, which is a reduction of \$305 million from 2010-2011 biennium.

Several programs were impacted by this reduction.

- TERP received \$114 million for the biennium with a contingency appropriation of \$8 million per year if revenue exceeds the biennial revenue estimate (BRE), a potential reduction of 50%.
- LIRAP/LIP is funded at \$12.5 million for the biennium, an 88% reduction from the 2010-2011 biennium.
- Petroleum Storage Tank (PST) program was appropriated \$43.9 million for the biennium. A decrease of \$8.3 million from the 2010-2011 biennium.
- Superfund was appropriated \$48.26 million for the biennium. A decrease of \$13.3 million from the 2010-2011 biennium.
- TCEQ grant programs received a 50% reduction from 2010-2011 levels. Air Quality Planning was appropriated \$3.57 million and Local Solid Waste Planning was appropriated \$10.89 million for the biennium.

### FTEs

The agency's FTE cap which reflects a 235 FTE reduction from the 2010-2011 biennium is 2,766.2. However, 9 FTEs in the surface casing program will be transferred to the Railroad Commission and 4 FTEs will be added for the Aggregate Production program. The net will be 2,761.2 FTEs for 2012/13.

### Key Legislation

During the Session, the agency tracked 978 bills, and of those, the Legislature passed approximately 240 bills.

Below are examples of some key legislation that passed this Session:

- HB 451 - Requires the TCEQ to establish a "Don't Mess With Texas Water" program to prevent illegal dumping that affects surface waters of the state.
- HB 1981 - Modifies the TCEQ's current Air Pollutant Watch List (APWL) process, including changes to the requirements for publishing notice and allowing public comment.
- HB 2694 - Continues the Texas Commission on Environmental Quality for 12 years, until 2023. Also makes changes to several program areas, such as focusing the Dam Safety Program on the most hazardous dams in the state, transferring the authority for making groundwater protection recommendations regarding oil and gas activities to the Railroad Commission, and increasing the maximum to \$25,000 for almost all penalties and \$5,000 for others, such as water rate penalties.
- SB 20 & SB 385 - Establishes three new grant programs under TERP: the natural gas vehicle rebate program, a program to fund natural gas fueling stations, and an alternative fueling facilities program.
- SB 329 - Creates a television equipment recycling program. Includes shared responsibility among consumers, retailers, manufacturers, and the state government for recycling covered television equipment.
- SB 1134 - Prohibits TCEQ from promulgating new or amending existing authorizations [Permits by Rule (PBR) or Standard Permits (SP)] for the oil and gas industry without performing a regulatory impact analysis (RIA), extensive monitoring, and correlated modeling.
- SB 1258 - Allows TCEQ to issue a Permit By Rule to enable counties or municipalities with a population of 10,000 or less to dispose of demolition waste from buildings that are abandoned or found to be a nuisance. Disposal could only occur on land that is owned by the county and would qualify for an arid exemption.

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**Texas Commission on Environmental Quality (TCEQ)  
General Appropriations Act**

**2012-2013 Total Appropriations**

- \$693.2 million (does not include contingency rider appropriations)  
- a reduction of \$305 million from 2010-2011 biennium

**Method of Finance**

	<b>Totals</b>	<b>Percentage</b>
General Revenue	\$11.6 million	2.0%
General Revenue-Dedicated	\$584.9 million	84.0%
Federal Funds	\$78.6 million	11.0%
Other	\$18.1 million	3.0%

**FTEs** (includes new and transferred programs)

<b>FY 2012</b>	<b>FY 2013</b>
2,761.2	2,761.2

**Contingency Rider Appropriations**

- A contingency rider appropriates up to \$4.8 million, if revenue exceeds the biennial revenue estimate (BRE) for the Operating Permit Fee Account. This appropriation amount will allow the agency to maintain the current level of activities in the Title V federal air permitting program.
- A contingency rider appropriates up to \$500,000, if revenue exceeds the BRE for the Environmental Lab Accreditation Account. This will help enable the program to be self-supporting.

**Significant Changes to Programs**

- TERP received \$114 million for the biennium with a contingency appropriation of \$8 million per year if revenue exceeds the BRE, a potential reduction of 50%.
- LIRAP/LIP is funded at \$12.5 million for the biennium, an 88% reduction from the 2010-2011 biennium.
- Petroleum Storage Tank (PST) program was appropriated \$43.9 million for the biennium. A decrease of \$8.3 million from the 2010-2011 biennium.
- Superfund was appropriated \$48.26 million for the biennium. A decrease of \$13.3 million from the 2010-2011 biennium.
- TCEQ grant programs received a 50% reduction from 2010-2011 levels. Air Quality Planning was appropriated \$3.57 million and Local Solid Waste Planning was appropriated \$10.89 million for the biennium.
- Groundwater Protection for Oil and Gas Drilling i.e. “surface casing program” was transferred to the Railroad Commission. The transfer includes a transfer of \$1.6 million and 9 FTEs.

- A new registration and inspection program for active aggregate production operations was created. TCEQ is required to survey the state on an annual basis for active aggregate production facilities, processes registration every year and inspect aggregate production operations every three years. The appropriation for this program is \$535,368 for the biennium and 4 additional FTEs.
- A new television equipment recycling program was created. This is separate from and more extensive than the existing computer equipment recycling program. The appropriation for this program is \$300,000, for the biennium, from the Television Recycling Account.

**Significant Riders**

- #26 Low Level Radioactive Waste Disposal Compact Commission: provides \$583,289 in fiscal year 2012 and \$100,000 in fiscal year 2013 from the Low-Level Waste Account No. 88. An additional \$483,289 is appropriated in fiscal year 2013 contingent on revenues to the Low-Level Waste Account No. 88 coming in above the BRE.
- #33 Barnett Shale Permit By Rule Study: Requires the TCEQ to conduct a study on the economic impact of extending the provisions of the Barnett Shale permit by rule to other areas of the state before the TCEQ may implement a rule that would extend the permit by rule beyond the Barnett Shale 23-county area.

**TCEQ Method of Finance (HB 1)**

<b>Method of Finance</b>	<b>FY 2012</b>	<b>FY 2013</b>
General Revenue	\$5.93 million	\$5.63 million
Low Level Waste # 088	\$2.03 million	\$2.03 million
Used Oil Recycling # 146	\$865,000	\$852,967
Clean Air #151	\$52.46 million	\$48.83 million
Water Resource Management #153	\$55.74 million	\$55.63 million
Watermaster Administration #158	\$1.22 million	\$1.22 million
Occupational Licensing #468	\$1.68 million	\$1.68 million
Waste Management #549	\$28.06 million	\$28.30 million
Hazardous & Solid Waste Remediation Fee #550	\$23.88 million	\$23.96 million
Petroleum Storage Tank Remediation #655	\$25.48 million	\$18.48 million
Solid Waste # 5000	\$5.49 million	\$5.49 million
Environmental Testing Lab Accreditation #5065	\$706,842	\$706,842
Texas Emissions Reduction Plan #5071	\$65.17 million	\$65.17 million
Dry Cleaning Facility Release #5093	\$3.72 million	\$3.72 million
Operating Permit Fees #5094	\$31.06 million	\$31.05 million
Television Recycling	\$150,000	\$150,000
Federal Funds	\$39.17 million	\$39.40 million
Other	\$9.07 million	\$9.07 million

**TCEQ Appropriation by Strategies**

<b>Strategies</b>	<b>FY 2012</b>	<b>FY 2013</b>
Assessment, Planning & Permitting	\$192.37 million	\$188.69 million
Drinking Water & Water Utilities	\$14.42 million	\$14.40 million
Enforcement & Compliance Support	\$56.09 million	\$55.78 million
Pollution Cleanup	\$46.66 million	\$39.67 million
River Compact Commission	\$402,477	\$402,477
Indirect Administration	\$41.95 million	\$42.42 million

## Summary of TCEQ Sunset Legislation - HB 2694

### Article 1

- Continues the Texas Commission on Environmental Quality for 12 years, until 2023.
- Requires that TCEQ Commissioners resign their position if contributions are accepted for a campaign for an elected office.
- Provides for a process to allow PST remediation contractors currently cleaning up sites that have been eligible for reimbursement to continue their work.
- Provides direction to TCEQ to focus agency efforts on the most hazardous dams in the state.
- Allows agency to enter into agreements with dam owners regarding adequacy of dam or spillway, including timeline to comply.
- Exempts from dam safety regulations privately owned dams that impound less than 500 acre feet and are either low or significant hazard dams.

### Article 2

- Transfers, on September 1, 2011, the authority for making groundwater protection recommendations regarding oil and gas activities from TCEQ to the Railroad Commission (RRC).
- Authorizes RRC, not TCEQ, to issue letters of determination associated with geologic storage of anthropogenic carbon dioxide (CO<sub>2</sub>).

### Article 3

- Requires the Executive Director to provide assistance and education to the public on environmental matters under the agency's jurisdiction.
- Focuses the Public Interest Counsel's (PIC) efforts on representing the public interest in matters before the Commission.
- Requires the commission to define, by rule, factors PIC will consider in representing the public interest.

### Article 4

- Requires changes to the current Compliance History program requirements.
- Requires the TCEQ to adopt a general enforcement policy, by rule, which includes calculating penalties to reduce an economic benefit gained through noncompliance.
- Increases the maximum to \$25,000 for almost all penalties and \$5,000 for others, such as water rate penalties.
- Adds language to allow local governments to apply penalty dollars levied on them by the commission toward the cost of compliance in the form of a Supplemental Environmental Project.
- Reinstates common carrier liability and provides affirmative defense conditions for common carriers of petroleum products.
- Expands the use of the PST remediation fee to remove underground or aboveground storage tanks if certain criteria are met.
- Reauthorizes the PST remediation fee at the current level with no expiration date.
- Increases the trigger to determine whether a water district can submit a financial report instead of an audit from \$100,000 to \$250,000 in gross receipts.
- Provides for a public hearing and submission of public comment on permit amendment applications submitted by electric generating facilities (EGFs) to solely comply with Maximum Achievable Control Technology (MACT).
- Provides specific timelines for agency to issue the MACT-related permit.

### Article 5

- Requires water right holders to provide monthly water use reports to the commission upon request during times of drought or emergency shortages of water or to respond to a complaint.
- Authorizes that in a "period of drought or other emergency shortage of water" the executive director may temporarily suspend a water right and adjust the diversion of water between water right holders based on Texas Water Code Section 11.024 and Section 11.027.

- Directs the executive director to evaluate at least once every five years whether a watermaster should be appointed in water basins not covered under the jurisdiction of a watermaster. The results of the evaluation and subsequent recommendations would be reported to the commission.

#### Article 6

- Requires that the compact waste disposal fee must include funds to support the activities of the Low Level Radioactive Waste Disposal Compact Commission (TLLRWDC) and creates a dedicated TLLRWDC Account.
- Eliminates three existing water and wastewater utility application fees – rate changes, CCNs, and sale, transfer or merger of a CCN.

#### Article 7

- Requires the agency, when provided an electronic copy of a water rate case, to make it available to the public at a reasonable cost and at no cost to OPUC.

#### Article 8

- Abolishes Texas On-site Wastewater Treatment Research Council (TOWTRC) and transfers duties to TCEQ on September 1, 2011.

#### Article 9

- Allows e-mail to be used by public utilities and cities to send required notice of rate changes and for the public to send statement of intent.

#### Article 10

- Provides changes to Contested Case Hearings (CCH) process, including prohibiting a state agency from contesting the issuance of a permit or license by the commission under this subsection. Requires the ED to participate as a party in contested case hearings.
- Provides that for a SOAH hearing using pre-filed testimony, all discovery must be completed before the deadline for the submission of that testimony.





- HB 1247** by Callegari **Senate Sponsor: Birdwell**
- Relating to the repeal of certain prohibitions on purchases of paper supplies and cabinets by state agencies.**
- Repeals Section 2051.021, Government Code. The repeal removes the restriction that agencies not purchase forms, bond paper, stationery, pads, or similar paper supplies that exceed 8.5 inches by 11 inches in size or a filing cabinet designed to store completed documents exceeding that size.
- Effective Date:** June 17, 2011
- HB 1481** by Truitt **Senate Sponsor: Zaffirini**
- Relating to the use of person first respectful language in reference to individuals with disabilities.**
- Establishes the definition of "intellectual disability" in the Health and Safety Code, requires the Sunset Advisory Commission to consider respectful language in their 2013 session bill recommendations, requires health and human services agencies to use respectful language in all reference materials, publications, and electronic materials, and electronic media, and requires that the new language be used when referencing persons with mental retardation in general and wherever the term "retarded" is used in statute.
- Effective Date:** September 1, 2011
- HB 1812** by Phillips **Senate Sponsor: Seliger**
- Relating to the type of newspaper required for publication of notice in certain counties.**
- Amends current law relating to the type of newspaper required for publication of notice in certain counties.
- Effective Date:** June 17, 2011
- HB 2694** by Wayne Smith **Senate Sponsor: Huffman**
- Relating to the continuation and functions of the Texas Commission on Environmental Quality and abolishing the On-site Wastewater Treatment Research Council.**
- Continues the Texas Commission on Environmental Quality for 12 years, until 2023. See page 5 for an extensive summary of bill.
- Effective Date:** September 1, 2011
- HB 2866** by Harper-Brown **Senate Sponsor: Ellis**
- Relating to the electronic submission of certain documents to the attorney general and the submission of certain documents by the attorney general.**
- Amends the Government Code and authorizes the Office of Attorney General (OAG) to impose and collect an administrative fee for the electronic submission of documents to the agency. In addition, the OAG is authorized to establish rules as necessary to implement, adjust and administer the fee.
- Effective Date:** June 17, 2011

**HB 3333** by **Pena** Senate Sponsor: **Hegar**

**Relating to the authority of the governor to order the disconnection of state computer networks from the Internet.**

Provides the governor the authority to order the disconnection of state networks as part of emergency operations to ensure continuity of government and the protection of sensitive information.

**Effective Date:** September 1, 2011

**SB 602** by **Rodriguez** House Sponsor: **Marquez**

**Relating to allowing a governmental body to redact certain personal information under the public information law without the necessity of requesting a decision from the attorney general and the calculation of certain deadlines.**

Allows governmental entities to redact certain personal information requested under the Public Information Act (PIA) without requiring a decision from the attorney general. Clarifies when a PIA request is officially received by an entity. Allows requestors receiving redacted information to seek an attorney general's decision. The Office of the Attorney General would establish procedures and deadlines for this appeal process. The OAG must issue a decision on the requestor's appeal not later than the 45th business day after receiving the person's request for a decision.

**Effective Date:** September 1, 2011

**SB 1737** by **Van de Putte** House Sponsor: **Flynn**

**Relating to the use and accrual of leaves of absence for military training or duty for officers and employees of the state.**

Authorizes a public employee who is a member of the state military forces and who is currently eligible for a paid leave of absence, for authorized training or duty, to carry forward unused leave not to exceed 45 workdays. In addition, specifies that a state employee called to federal active duty for certain purposes is entitled to receive paid leave for not more than 22 workdays without loss of military leave.

**Effective Date:** September 1, 2011



## **Agency Programs Air**

**HB 1906** by Donna Howard                      **Senate Sponsor: Fraser**

**Relating to the idling of motor vehicles.**

Creates a Class C misdemeanor offense for violating a rule adopted by the TCEQ relating to a locally enforced motor vehicle idling limitation. A Class C misdemeanor is punishable by a fine of not more than \$500.

**Effective Date:** September 1, 2011

**HB 1981** by Wayne Smith                      **Senate Sponsor: Gallegos**

**Relating to measuring, monitoring, and reporting emissions.**

Modifies the TCEQ's current Air Pollutant Watch List (APWL) process. The APWL would be required to identify each air contaminant to be included on the list and each geographic area of the state where ambient air monitoring indicates either individual or cumulative emissions may cause short-term or long-term health effects or odors. Includes requirements for publishing notice and allowing public comment on the addition or removal of a contaminant or area. The TCEQ must provide monitoring data related to the APWL area to the state senator and representative who represent the area. States that public meetings in APWL areas may be held to provide residents with information on the reasons for including an area on the APWL, and commission actions to reduce emissions of the specific air contaminant(s) in that APWL. Requires a responsible state agency to make a determination as to whether a release reported to the state emergency response commission (SERC) in accordance with Emergency Planning and Community Right-to-Know Act (EPCRA) would endanger human health or the environment. Upon determining a release would endanger human health or the environment, the TCEQ or other responsible state agency will be required, on request, to notify the state senator or representative who represents the area in which the facility is located within four hours of receipt of the notification.

**Effective Date:** September 1, 2011

**HB 2280** by Eiland                                      **Senate Sponsor: Mike Jackson**

**Relating to the composition of the permanent advisory committee to advise the Texas Commission on Environmental Quality regarding the implementation of the ad valorem tax exemption for pollution control property.**

Requires that at least one of the Tax Relief for Pollution Control Property Advisory Committee members be a representative of a school district or a junior college district in which property is or was previously subject to a property tax exemption under Tax Code, §11.31. TCEQ would be required to appoint the new member(s) as soon as practicable after the act becomes law.

**Effective Date:** June 17, 2011

**HB 2357** by Pickett

**Senate Sponsor: Williams**

**Relating to motor vehicles.**

Establishes an electronic vehicle titling system and amends the definition of "commercial motor vehicle" in Transportation Code Section 502.001(7). The original definition of commercial motor vehicle included motor vehicles designed or used to transport property. The new language refers to the definition of a commercial motor vehicle in Transportation Code 644.001. Under this new definition, a commercial motor vehicle operated interstate would include a vehicle used to transport passengers or cargo and with a gross weight rating of more than 26,000 pounds, designed or used to transport more than 15 passengers, or used to transport hazardous cargo. Authorizes the collection of the Texas Emissions Reduction Plan (TERP) Surcharge amounting to 10 percent of the total fees due for the registration of a truck-tractor or commercial motor vehicle.

**Effective Date:** September 1, 2011 & January 1, 2012

**HB 3268** by Lyne

**Senate Sponsor: Estes**

**Relating to permits for air containment emissions of stationary natural gas engines used in combined heating and power systems.**

Requires TCEQ to issue a standard permit or permit by rule for stationary natural gas engines. The permit by rule or standard permit may consider geographic location, including proximity to nonattainment areas, total annual hours of operation, technology used, type of fuel, and other emission control policies of the state. TCEQ is prohibited from distinguishing between the end-use functions powered by the stationary natural gas engine and the emission limits must be in terms of air contaminant emission per unit of total energy output. Primary and secondary functions will be considered when determining the engine's emissions per unit of energy output. TCEQ is required to promulgate rules to issue a new standard permit or update the existing permit by rule for engines and turbines to remove the current restriction that natural gas engines cannot be used for electric generating units powered by engines or turbines. In addition, the agency must submit statutory and rule changes as revisions to the State Implementation Plan for approval by the Environmental Protection Agency.

**Effective Date:** June 17, 2011

**HB 3272** by Burman

**Senate Sponsor: Deuell**

**Relating to the low-income vehicle repair assistance, retrofit, and accelerated vehicle retirement program.**

Adds the definitions of an electric vehicle and natural gas vehicle and amends the definition of a hybrid vehicle for LIRAP purposes. Also changes the length of time that a vehicle must be registered in a LIRAP county to be eligible for the program from 12 months to at least 12 of the 15 months preceding the application for participation. Expands the replacement assistance that was reserved for hybrid vehicles to include hybrid, electric, natural gas, and federal Tier 2, Bin 3 or cleaner vehicles for the current model year or the previous three model years. Limits a replacement vehicle under the program to an odometer reading of not more than 70,000 miles and raises the total cost allowed to not more than \$35,000 for certain vehicles and \$45,000 for certain other vehicles, versus \$25,000 for all vehicles under current law. Requires the TCEQ to establish a partnership with representatives from the steel industry, automobile dismantlers, and scrap metal recycling industry to ensure that vehicles retired under the LIRAP are scrapped or recycled.

**Effective Date:** September 1, 2011

**HB 3399** by Legler Senate Sponsor: Williams

**Relating to the requirements for certain grant programs funded through the Texas emissions reduction plan.**

Prescribes criteria for various procedures relating to the TERP program. In addition, prescribes specific guidelines for the implementation of the Texas Clean Fleet Program within TERP, including the reduction of the number of vehicles an entity must operate to participate in the program from 100 to 75. Requires the TCEQ to minimize, to the maximum extent possible, the amount of paperwork required for a TERP application.

**Effective Date:** September 1, 2011

**SB 20** by Williams House Sponsor: Strama

**Relating to a grant program for certain natural gas motor vehicles.**

Establishes three new grant programs under TERP: the natural gas vehicle rebate program, a program to fund natural gas fueling stations, and an alternative fueling facilities program. Of the 87.5 percent funds in the General Revenue-Dedicated TERP Account No. 5071, money allocated to the emissions reduction incentive programs, not less than 16 percent would be allocated to the natural gas vehicle rebate program; not more than 4 percent would be allocated for the refueling station program; and up to 2 percent could be used for the alternative fueling facilities program.

Under the Alternative Fuels Facilities Program, the TCEQ shall establish and administer a program to provide grants for fueling facilities for alternative fuel in nonattainment areas. Entities that construct, reconstruct, or acquire an alternative fueling facility will be eligible to participate in the grant program. Under the Texas Natural Gas Vehicle Grant Program, TCEQ is directed to establish two new grant programs for funding the purchase or lease of natural gas vehicles or engines and the establishment of natural gas refueling stations along the interstate highways between Houston, San Antonio, and Dallas, and Fort Worth.

**Effective Date:** September 1, 2011

**SB 197** by West House Sponsor: Philips

**Relating to the compulsory inspection of motor vehicles; providing penalties.**

Permits the TCEQ to impose an administrative penalty for certain violations related to motor vehicle inspections. Requires applications for certification as a motor vehicle inspection station in certain counties to include a surety bond of \$5,000. Creates civil penalties for certain violations committed by inspection stations and inspectors related to motor vehicle inspections. Increases certain fees associated with applications for certification as a motor vehicle inspector or inspection station. Creates the offense of fraudulent emissions inspection of a motor vehicle.

**Effective Date:** September 1, 2011

**SB 365** by Ogden House Sponsor: Strama

**Relating to distributed generation of electric power.**

Defines and makes provisions for the interconnection of distributed natural gas facilities. Also makes provisions for distributed natural gas facilities to sell power to an electric utility, electric cooperative or a retail electric provider.

**Effective Date:** September 1, 2011



**SB 1003** by Fraser

**House Sponsor: Wayne Smith**

**Relating to penalties for, and emergency orders suspending, the operation of a rock crusher or certain concrete plants without a current permit under the Texas Clean Air Act.**

Provides the Texas Commission on Environmental Quality (TCEQ) conditional discretion to impose a penalty on a rock crushing facility if the person operating the facility holds any type of permit issued by the commission, even if the permit held is not the permit required for the facility. In addition, grants the TCEQ the option to issue an emergency order to suspend the operation of a rock crusher or cement plant instead of mandating a shutdown.

**Effective Date:** June 17, 2011

**SB 1134** by Hegar

**House Sponsor: Craddick**

**Relating to air permitting requirements for certain oil and gas facilities.**

Prohibits TCEQ from promulgating new or amending existing authorizations [Permits by Rule (PBR) or Standard Permits (SP)] for the oil and gas industry without performing a regulatory impact analysis (RIA), extensive monitoring, and correlated modeling. Limits the use of worst-case modeling inputs and require actual credible air quality monitoring data. Air quality monitoring data and the evaluation of that data would be required to be scientifically credible and could be generated by an ambient air monitoring program conducted by or on behalf of the TCEQ or by a local or federal government entity, or a private organization. Provides a definition of planned maintenance, startup, and shutdown (MSS) activities and would extend the deadline for filing an application to authorize MSS activities until the earlier of January 5, 2014 or the 120th day after the effective date of a new or amended permit under the provisions of the bill necessary to maintain certain affirmative defense criteria. Also requires that any PBR or SP adopted or amended by the agency that authorizes planned MSS activities must also conduct a RIA, perform monitoring, and perform correlated monitoring. Only applies to a PBR or SP adopted by the agency after the effective date of the bill, which is September 1, 2011 or upon receiving a two-thirds vote of both houses. Includes limitations on aggregation, which is a process used to determine if a site is a major source (Title V) as defined under federal law. In addition, limits review for SPs and PBRs to operationally dependent sources, shorter distance limitations, sources under common control, and the same first two-digit SIC code. Prohibits the TCEQ from requiring a person who applies for a permit or authorization under the provisions of the bill to demonstrate that the activity to be permitted/authorized complies with a NAAQS.

**Effective Date:** June 17, 2011

**SB 1250** by Lucio

**House Sponsor: Lozano**

**Relating to the applicability of certain restrictions on the location and operation of concrete crushing facilities.**

Removes the 440 yard distance restriction for a concrete crushing facility located: within 25 miles of an international border; within a county contiguous with the Gulf of Mexico; in a municipality with a population of not less than 6,100 but not more than 20,000; and within one mile of a United States highway.

**Effective Date:** September 1, 2011



**SB 875**

**by Fraser**

**House Sponsor: Hancock**

**Relating to compliance with state and federal environmental permits.**

Provides an affirmative defense to a person who is subject to an administrative, civil, or criminal action brought under Water Code, Chapter 7, for a nuisance or trespass violation arising from greenhouse gas emissions. To use the affirmative defense, the person must be in general compliance with the rule, permit, order, license, certificate, registration, approval, or other authorization while the alleged nuisance or trespass was occurring or the person would have to have received enforcement discretion from the TCEQ or the federal government or an agency of the federal government for the actions that resulted in the alleged nuisance. The affirmative defense would not apply to nuisance actions related to noxious odors.

**Effective Date:** June 17, 2011







**SB 1504** by Seliger

**House Sponsor: Lewis**

**Relating to the disposal of nonparty compact low-level radioactive waste at the Texas Low-Level Radioactive Waste Disposal Compact waste disposal facility.**

Provides definitions for noncompact waste and waste of international origin. Sets annual limits on the importation of noncompact waste. Imposes a surcharge of 20 percent of the total contracted rate on noncompact waste. Requires TCEQ to conduct three studies covering the following topics: capacity, financial assurance and surcharge revenue. Provides guidance on setting interim disposal rates.

**Effective Date:** September 1, 2011

**SB 1605** by Seliger

**House Sponsor: Lewis**

**Relating to the Texas Low-Level Radioactive Waste Disposal Compact Commission.**

Clarifies that the Texas Low-Level Radioactive Waste Disposal Compact Commission (LLRWDC) is an independent entity subject to review by the Sunset Advisory Commission, but not abolishment. The Sunset review would be conducted during each period in which the TCEQ is reviewed. The cost of the review would be paid by the LLRWDC. Clarifies that the LLRWDC is an independent entity and not a part of the TCEQ. Prohibits funding for LLRWDC activities from being made as part of an appropriation to the TCEQ. Requires that the LLRWDC file written reports with the Governor and the appropriate legislative committees on or before December 1 of each even numbered year. Also requires that the Attorney General represent the LLRWDC in all matters before the state courts and any court of the United States.

**Effective Date:** September 1, 2011



**SB 332** by Fraser House Sponsor: Ritter

**Relating to the vested ownership interest in groundwater beneath the surface and the right to produce that groundwater.**

Provides that a landowner owns the groundwater below the surface of the landowner's land as real property. A landowner would be entitled to drill for and produce the groundwater below the surface of the landowner's real property, subject to Subsection (d), without causing waste or malicious drainage of other properties or subsidence, but would not be entitled to a right to capture a specific amount. The rights and interests of the landowner could also be limited by a groundwater and conservation district's rules under Subsection (d), including that a district allocate to each landowner a proportionate share of available groundwater for production from the aquifer based on the number of acres owned by the landowner. A GCD will be required to consider the groundwater ownership and rights; the public interest in conservation, preservation, protection, recharging, and prevention of waste of groundwater and of groundwater reservoirs or their subdivisions, and in controlling subsidence caused by withdrawal of water; and the goals developed by districts as part of their management plans.

**Effective Date:** September 1, 2011

**SB 430** by Nichols House Sponsor: Christian

**Relating to written notice to a groundwater conservation district of groundwater contamination.**

Adds Groundwater Conservation Districts to written notification requirements if the contamination has occurred or is occurring in the jurisdiction of the district.

**Effective Date:** September 1, 2011

**SB 691** by Estes House Sponsor: Tracy King

**Relating to the exemption from permitting by groundwater conservation districts for certain water wells used for domestic, livestock, and poultry watering purposes.**

Clarifies that a water well used solely for domestic use or for watering livestock or poultry is exempt from groundwater conservation district permitting requirements if the well is located on a tract of land larger than 10 acres and the well is either drilled, completed, or equipped so it cannot produce more than 25,000 gallons of water per day.

**Effective Date:** September 1, 2011

**SB 692** by Estes

**House Sponsor: Doug Miller**

**Relating to exemptions from groundwater conservation district permit requirements.**

Clarifies that a GCD by rule may provide an exemption from the GCD's drilling, operating or other permitting requirements. Clarifies that a water well used solely for domestic use or for watering livestock or poultry is exempt from groundwater conservation district permitting requirements if the well is located on a tract of land larger than 10 acres and the well is either drilled, completed, or equipped so it cannot produce more 25,000 gallons of water per day. Clarifies that a GCD may not restrict production of water from an exempt well for domestic, livestock or poultry use. Allows a GCD to cancel an exemption, require an operating permit, and restrict production if the purpose of groundwater use for the exemption has changed. Clarifies that a GCD may require all wells to comply with the GCD's well spacing rules except for exempt wells used for mining activities specified by the permit issued by the RRC. Clarifies that all water wells must be registered with the GCD and equipped and maintained to conform to the GCD's rules. Clarifies that water well drillers must file the well log with the GCD and provides that the driller must also file the geophysical log if available. Clarifies that a well that is used to supply water for a subdivision of land platted through a County Commissioners court is not eligible for an exemption from GCD permitting requirements. Clarifies that groundwater withdrawn from an exempt well that is transported outside the GCD is subject to any applicable GCD production and export fees.

**Effective Date:** May 9, 2011

**SB 693** by Estes

**House Sponsor: Price**

**Relating to permit application and amendment hearings conducted by groundwater conservation districts and the State Office of Administrative Hearings.**

Authorizes a groundwater conservation district (GCD) to use the State Office of Administrative Hearings (SOAH) to conduct a hearing on a permit or permit amendment. If the GCD contracts with SOAH to conduct hearings, the bill authorizes but does not require that the GCD adopt rules consistent with SOAH's procedural rules. Provides that if the GCD does not set a deadline by rule, the applicant or other party must request the SOAH hearing at least 14 days before the evidentiary hearing is scheduled to begin. Provides the SOAH hearing may be conducted in Travis County and requires the party requesting the SOAH hearing to pay all costs associated with the contract for the hearing. Provides that the GCD board of directors will make the final permit or permit amendment decision after the proposal for decision has been issued by SOAH. Requires a GCD to adopt rules to establish a procedure for preliminary and evidentiary hearings, to allow the presiding officer to determine a party's right to participate in the hearing, and to set a deadline for a party to file a request to refer a contested case to SOAH.

**Effective Date:** May 12, 2011

**SB 727** by Seliger

**House Sponsor: Beck**

**Relating to groundwater conservation district management plans.**

Amends Water Code provisions related to the development, adoption, readoption, and approval of GCD management plans and other provisions of the Water Code that reference the plans.

**Effective Date:** April 29, 2011

**SB 737** by Hegar House Sponsor: Price

**Relating to the management of groundwater production by groundwater conservation districts.**

Changes the Water Code definition of managed available groundwater to modeled available groundwater and defines ‘modeled available groundwater’ to mean the amount of water as determined by the executive administrator of the TWDB that may be produced on an average annual basis to achieve a desired future condition. Provides that a GCD shall, to the extent possible, issue permits up to the point when the total volume of exempt and permitted groundwater production will achieve an applicable desired future condition. Provides that in issuing permits, the GCD must manage the total groundwater production on a long-term basis to achieve an applicable desired future condition and consider the modeled available groundwater determined, the executive administrator’s estimate of the current and projected amount of groundwater produced under exemptions granted by the GCD, the amount of groundwater authorized by the GCD’s issued permits, an estimate of the amount of groundwater actually produced under the permits issued by the GCD, and yearly precipitation and production patterns. Provides that the executive administrator of TWDB shall solicit information from each applicable GCD to determine estimates of exempt use.

**Effective Date:** September 1, 2011

**SB 1073** by Mike Jackson House Sponsor: Tracy King

**Relating to standards for a structure that is connected to a public water supply system and has a rainwater harvesting system.**

Requires TCEQ to work with the Texas Department of State Health Services to develop and adopt rules to regulate a structure that has a rainwater harvesting system for indoor use and that is connected to a public water supply system. Requires that a person who installs and maintains rainwater harvesting systems connected to public water supply systems and used for potable purposes must be licensed as a master or journeyman plumber by the Texas State Board of Plumbing Examiners (SBPE) and hold a certification as a water supply protection specialist. Also requires that municipalities or owners/operators of public water supply systems be notified in writing of the intention of a person to connect a rainwater harvesting system used for potable purposes to a public water supply system.

**Effective Date:** September 1, 2011

**SB 1132** by Hegar House Sponsor: Thompson

**Relating to a water rights permit issued to the Texas Water Development Board.**

Requires that upon application by the TWDB, the TCEQ must reissue, without notice or hearing, Water Right Appropriation Permit No. 2925 previously issued for Allen’s Creek Reservoir. The reissued permit would have a priority date of September 1, 1999 and the date to commence construction will not be later than September 1, 2025. Also authorizes the TCEQ to extend such time for good cause and provide for construction be completed within five years. Requires TCEQ to reissue a permit by September 1, 2011.

**Effective Date:** June 17, 2011

## General Government

**HB 442** by Guillen Senate Sponsor: Williams

**Relating to the establishment of an emergency radio infrastructure account.**

Establishes an emergency radio infrastructure account to be used to fund the planning, development, provision, enhancement, and maintenance of an interoperable statewide emergency radio infrastructure or for another public safety purpose.

**Effective Date:** September 1, 2011

**HB 726** by Sheffield Senate Sponsor: Huffman

**Relating to the electronic distribution of information to legislators by state agencies.**

Requires state agencies send only electronic notices to the Texas Legislature detailing publication availability. Further, members of the Legislature who wish to receive the publication may reply electronically.

**Effective Date:** June 17, 2011

**HB 1781** by Price Senate Sponsor: Nelson

**Relating to obsolete or redundant reporting requirements applicable to state agencies.**

Creates a new examination of statutory reporting requirements. Not later than August 1, 2012, the Executive Director of each state agency would be required to examine the agency's statutory reporting requirements and identify reports that are determined to be unnecessary, redundant, or required to be provided at a frequency for which data is not available. An electronic report would be created and provided to the Governor, Lieutenant Governor, the Speaker of the House of Representatives, chair of the House Committee on Government Efficiency and Reform, chair of the Senate Committee on Government Organization, chair of each standing committee of the Senate and House of Representatives with jurisdiction over the agency, Texas State Library and Archives Commission, and Legislative Budget Board. Reports submitted may not include reporting requirements that are required by federal law. Requires the Sunset Commission to review and make recommendations on agency reporting requirements as part of the Sunset review process.

**Effective Date:** June 17, 2011

**SB 18** by Estes House Sponsor: Geren

**Relating to the use of eminent domain authority.**

Amends various statutes related to the scope and process of private property condemnation under the power of eminent domain. Also amends Vernon's Texas Civil Statutes regarding the eminent domain authority of certain charitable corporations in obtaining a residential property.

**Effective Date:** September 1, 2011



**SB 791** by Duncan House Sponsor: Jim Jackson

**Relating to the delivery of proposed state agency rules to the lieutenant governor, a member of the legislature, or a legislative agency.**

Allows the secretary of state to electronically submit state agency rulemaking filings to the lieutenant governor, a member of the legislature or a legislative agency.

**Effective Date:** September 1, 2011

**SB 1179** by Nelson House Sponsor: Harper-Brown

**Relating to the elimination of certain required reports prepared by state agencies and institutions of higher education.**

Amends multiple statutes to eliminate certain required reports prepared by state agencies and institutions of higher education that are currently filed with the office of the governor, the presiding officer of each house of the legislature, the comptroller, or other state entities. Amends the Agriculture, Education, Family, Government, Health and Safety, Human Resources, Insurance, Natural Resources and Transportation Codes to repeal various reporting requirements of applicable state agencies.

**Effective Date:** June 17, 2011



## Utilities, Districts & Authorities

- HB 315** by Flynn Senate Sponsor: Deuell
- Relating to the creation of the Hunt County Municipal Utility District No. 1; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.**
- Provides authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- Effective Date:** June 17, 2011
- HB 427** by Driver Senate Sponsor: Deuell
- Relating to the creation of the Rowlett Waterfront Entertainment Management District; providing authority to impose a tax, levy an assessment, and issue bonds.**
- Provides authority to impose a tax, levy an assessment, and issue bonds.
- Effective Date:** June 17, 2011
- HB 534** by Phillips Senate Sponsor: Estes
- Relating to the powers and duties of the Gunter Municipal Utility Districts Nos. 1 and 2.**
- Allows for the districts to continue to exist within the boundaries of the city after they are annexed and levy a tax in addition to the city's tax rate. The legislation also allows each of the existing districts to be subdivided into two districts.
- Effective Date:** June 17, 2011 & September 1, 2011
- HB 709** by Fletcher Senate Sponsor: Patrick
- Relating to the creation of the Harris County Municipal Utility District No. 524.**
- Creates Harris County Municipal Utility District No. 524 (District) with the powers and duties of a municipal utility district under Water Code Chapters 49 and 54.
- Effective Date:** June 17, 2011
- HB 737** by Otto Senate Sponsor: Williams
- Relating to the East Montgomery County Improvement District.**
- Expands the applicable definition of "venue" in order to continue the district goals.
- Effective Date:** June 17, 2011

- HB 801** by Anderson Senate Sponsor: Birdwell
- Relating to the territory and dissolution requirements of the Southern Trinity Groundwater Conservation District.**
- Repeals the requirement that the district boundaries include at least one county adjacent to McLennan County on September 1, 2011.
- Effective Date:** May 17, 2011
- HB 805** by Callegari Senate Sponsor: Hegar
- Relating to the requirement that certain water service providers ensure emergency operations during an extended power outage.**
- Amends current law relating to the requirement that certain water service providers ensure emergency operations during an extended power outage to include Fort Bend County.
- Effective Date:** June 17, 2011
- HB 886** by Wayne Smith Senate Sponsor: Gallegos
- Relating to the creation of the Harris County Municipal Utility District No. 528.**
- Creates the Harris County Municipal Utility District and provides authority to impose a tax and issue bonds; granting a limited power of eminent domain.
- Effective Date:** June 17, 2011 & September 1, 2011
- HB 960** by Sylvester Turner Senate Sponsor: Whitmire
- Relating to the powers of the Central Harris County Regional Water Authority.**
- Ensures that the districts and political subdivisions pay applicable fees by waiving the governmental immunity of such entities from suit or liability for the purposes of an action by the authority. Also clarifies that certain provisions of law relating to groundwater conservation districts and water districts with taxing authority are inapplicable to the authority.
- Effective Date:** June 17, 2011
- HB 1060** by Kleinschmidt Senate Sponsor: Hegar
- Relating to the de-annexation of land in Bastrop County by the Barton Springs-Edwards Aquifer Conservation District.**
- Requires the board of the Barton Springs- Edwards Aquifer Conservation District, not later than the 30th day after the effective date of this Act, declare by resolution that the territory described by Section 2 of this Act is excluded from the territory of the Barton Springs-Edwards Aquifer Conservation District. Requires the board to file a copy of the resolution in the office of the county clerk of the county in which the excluded territory is located. Requires the county clerk to record the resolution in the county records. Provides that on the date the resolution is recorded, the excluded territory is no longer part of that district. Also sets forth the boundaries of the territory to be de-annexed by the Barton Springs-Edwards Aquifer Conservation District.
- Effective Date:** June 17, 2011

**HB 1120** by Weber **Senate Sponsor: Jackson**

**Relating to the dissolution of the Country Place Management District.**

Repeals the law relating to the establishment and operation of the district in deference to those voters.

**Effective Date:** June 17, 2011

**HB 1251** by Deshotel **Senate Sponsor: Williams**

**Relating to the election of the members of the Board of Port Commissioners of the Port of Port Arthur Navigation District of Jefferson County.**

Requires the Port of Port Arthur Navigation District of Jefferson County to hold an election in the district to elect the appropriate number of port commissioners as required to maintain a full Board of Port Commissioners on the uniform election date in May in each odd-numbered year, rather than to hold an election in the district on the first Saturday of May in each odd-numbered year at which time there shall be elected five (5) port commissioners. Also requires a port commissioner who on the effective date of this act serves on the board to continue in office until a successor is elected and qualified. Requires port commissioners to serve six-year terms of office beginning with terms of port commissioners elected at the election held in 2013.

**Effective Date:** May 27, 2011

**HB 1383** by Quintanilla **Senate Sponsor: Uresti**

**Relating to the territory of the El Paso County Water Control and Improvement District No. 4.**

Provides that the El Paso County Water Control and Improvement District No. 4 is composed of the territory described by Subsection (d) of this section. Provides that the boundaries and field notes contained in Subsection (d) of this section form a closure. Provides that a mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's: (1) organization, existence, or validity; (2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond; (3) right to impose a tax; or (4) legality or operation. And Sets forth the initial boundaries of the district.

**Effective Date:** June 17, 2011

**HB 1525** by Alvarado **Senate Sponsor: Gallegos**

**Relating to the board of directors of the Greater East End Management District.**

Reduces the residential requirement to five members (or one-third of total membership) and eliminating the ownership provision on the other seats, so that business employees, other than the owners of district businesses, can serve on the board.

**Effective Date:** June 17, 2011

- HB 1551** by Aycock Senate Sponsor: Fraser
- Relating to the power of the Bell County Water Control and Improvement District No. 1 to issue bonds.**
- Authorizes the district to issue bonds for certain purposes, including bonds that may be issued without an election.
- Effective Date:** May 17, 2011
- HB 1651** by Alonzo Senate Sponsor: West
- Relating to the North Oak Cliff Municipal Management District.**
- Amends the original legislation that established the district and provides that the district's bonds may be secured by revenue received by the district under Chapter 311, Tax Code, and authorizes the establishment of defined areas.
- Effective Date:** September 1, 2011
- HB 1756** by Rodriguez Senate Sponsor: Watson
- Relating to the creation of the Pilot Knob Municipal Utility District No. 2.**
- Creates a conservation and reclamation district to be known as Pilot Knob Municipal Utility District No. 2 in Travis County, Texas. Provides authority to impose a tax and issue bonds.
- Effective Date:** June 17, 2011
- HB 1757** by Rodriguez Senate Sponsor: Watson
- Relating to the creation of the Pilot Knob Municipal Utility District No. 1.**
- Creates a conservation and reclamation district to be known as Pilot Knob Municipal Utility District No. 1 in Travis County, Texas. Provides authority to impose a tax and issue bonds.
- Effective Date:** June 17, 2011
- HB 1758** by Rodriguez Senate Sponsor: Watson
- Relating to the creation of the Pilot Knob Municipal Utility District No. 3.**
- Creates a conservation and reclamation district to be known as Pilot Knob Municipal Utility District No. 3 in Travis County, Texas. Provides authority to impose a tax and issue bonds.
- Effective Date:** June 17, 2011
- HB 1759** by Rodriguez Senate Sponsor: Watson
- Relating to the creation of the Pilot Knob Municipal Utility District No. 4.**
- Creates a conservation and reclamation district to be known as Pilot Knob Municipal Utility District No. 4 in Travis County, Texas. Provides authority to impose a tax and issue bonds.
- Effective Date:** June 17, 2011

**HB 1760** by **Rodriguez** Senate Sponsor: **Watson**

**Relating to the creation of the Pilot Knob Municipal Utility District No. 5.**

Creates a conservation and reclamation district to be known as Pilot Knob Municipal Utility District No. 5 in Travis County, Texas. Provides authority to impose a tax and issue bonds.

**Effective Date:** June 17, 2011

**HB 1814** by **Lucio III** Senate Sponsor: **Lucio**

**Relating to the provision of water and certain equipment by water supply or sewer service corporations for use in fire suppression and the liability of those corporations.**

Authorizes a corporation to enter into a contract with a governmental entity to provide a water supply to a governmental entity or a volunteer fire department for use in fire suppression. A corporation that provides a water supply or fire hydrant equipment is liable for damages only to the extent that a governmental entity would be liable.

**Effective Date:** September 1, 2011

**HB 1832** by **Ritter** Senate Sponsor: **Williams**

**Relating to the law governing the Lower Neches Valley Authority.**

Amends various sections of the enabling legislation of the Lower Neches Valley Authority. Further defines the Authority's service area to be the Neches River basin and the adjoining Neches-Trinity coastal basin.

**Effective Date:** May 21, 2011

**HB 1901** by **Keffer** Senate Sponsor: **Birdwell**

**Relating to the applicability of provisions concerning bond approval by the Texas Commission on Environmental Quality to certain water entities.**

Authorizes a public utility agency created under Chapter 572, Local Government Code, or any of the districts that are participating, if at least one of the districts meets the specified criteria, to issue bonds without the feasibility determination or approval by the TCEQ. Under current statute, a district may not issue bonds without the approval of TCEQ with the exception of certain types of refunding bonds and bonds issued to and approved by the Farmers Home Administration, the United States Department of Agriculture, the North American Development Bank, or the TWDB. Current statutes also exempt specific categories of district from TCEQ's bond approval process.

**Effective Date:** May 28, 2011

**HB 1932** by Schwertner Senate Sponsor: Ogden

**Relating to the powers and duties of the Williamson-Liberty Hill Municipal Utility District.**

Grants the district the authority to undertake certain road projects and places conditions on the issuance of bonds by the district for such projects. Authorizes the district to designate, acquire, construct, finance, and issue bonds for the operation and maintenance of graveled or paved roads or improvements, including storm drainage. Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects, and payable from property taxes, from exceeding one-fourth of the assessed value of the real property in the district at the time of issuance. Also prohibits the district from issuing bonds payable from property taxes to finance a road project unless the issuance is approved by a vote of two-thirds majority of the district voters at an election held for that purpose.

**Effective Date:** June 17, 2011

**HB 1944** by Hilderbran Senate Sponsor: Uresti

**Relating to the election of the board of directors of the Crockett County Water Control and Improvement District.**

Changes the election of the board of directors of the Crockett County Water Control and Improvement District No. 1. by Stipulating that on the uniform election date in November of each even-numbered year, the District shall hold an election to elect the appropriate number of directors to the board. Also stipulates that the election may be held at any location that is in the boundaries of the District and Crockett County.

**Effective Date:** May 17, 2011

**HB 2007** by Shelton Senate Sponsor: Wendy Davis

**Relating to payment by the Benbrook Water Authority for certain damages caused by the authority's operation of a sanitary sewer system.**

Authorizes the authority to pay actual property damages caused by the backup of the authority's sanitary sewer system without waiving governmental immunity from suit or liability.

**Effective Date:** June 17, 2011

**HB 2162** by Kuempel Senate Sponsor: Wentworth

**Relating to the power of the Cibolo Creek Municipal Authority to issue bonds.**

Provides the Cibolo Creek Municipal Authority the authority to issue bonds.

**Effective Date:** June 17, 2011

**HB 2207** by Oliveira Senate Sponsor: Lucio

**Relating to the authority of the board of trustees to set rates for certain municipal utility systems.**

Authorizes a home-rule municipality by ordinance to grant authority to a board of trustees to set rates and related terms for a municipal utility system. Authorizes a municipality with a population of one million or more but less than two million, to include funding for a bill payment assistance program for municipally owned system as a necessary operations expense for utility customers who have been threatened with disconnection from service for nonpayment of bills and who have been determined to be low-income customers.

**Effective Date:** June 17, 2011

**HB 2238** by Creighton Senate Sponsor: Nichols

**Relating to the powers and duties of the Montgomery County Municipal Utility District No. 112.**

Grants Montgomery County Municipal Utility District No. 112 the powers and duties provided in chapter 49 and 54 of the water code excluding the no allocation agreement.

**Effective Date:** September 1, 2011

**HB 2296** by Ritter Senate Sponsor: Huffman

**Relating to the creation of Jefferson County Management District No. 1.**

Creates the Jefferson County Management District No. 1 and provides authority to impose an assessment, impose a tax, and issue bonds.

**Effective Date:** June 17, 2011

**HB 2346** by Bonnen Senate Sponsor: Huffman

**Relating to authorized investments for ports and navigation districts.**

Authorizes a port or a navigation district to purchase, sell and invest its funds or funds under its control in negotiable certificates of deposit issued by a bank that has a commercial paper rating of at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency.

**Effective Date:** September 1, 2011

**HB 2360** by Schwertner Senate Sponsor: Ogden

**Relating to the creation of the Corn Hill Regional Water Authority.**

Allows the Corn Hill Regional Water Authority the ability to enter into financial contracts and to own and operate regional water facilities to serve its members entities and other water suppliers. Sets out provisions regarding the creation, administration, powers, duties, operation, and financing of the authority and provides the authority to issue bonds.

**Effective Date:** June 17, 2011

**HB 2363** by Flynn **Senate Sponsor: Deuell**

**Relating to the creation of the Bearpen Creek Municipal Utility District of Hunt County.**

Creates the Bearpen Creek Municipal Utility District of Hunt County, provides authority to impose a tax and issue bonds, and grants a limited power of eminent domain.

**Effective Date:** June 17, 2011

**HB 2418** by Callegari **Senate Sponsor: Dan Patrick**

**Relating to the territory, board of directors, and powers of the North Harris County Regional Water Authority.**

Authorizes the North Harris County Regional Water Authority to include additional territory that is listed in seven districts and does not include property that lies within the boundaries of a local government or has a groundwater reduction plan. Territory that is annexed by the local government or added to service area becomes territory of the authority on the effective date of annexation. The authority by rule may require the person or local government to send a written notice or copies of documents describing the annexation or the new boundaries of the service area. Lists water code provisions that deal with groundwater management, disqualification of a director and notices that will not apply to the authority. Removes provisions relating to temporary directors and sets terms for Directors to staggered four year terms. Grants the authority to enforce the Authority's rules or orders and grants waiver of governmental immunity for districts or other political subdivisions for purposes of the Authorities civil and enforcement powers.

**Effective Date:** June 17, 2011

**HB 2670** by Miles **Senate Sponsor: Ellis**

**Relating to validating certain acts and proceedings of Harris County Improvement District No. 5 and to the boundaries of the district.**

Expands the area of Harris County Improvement District No. 5. Also, with stated exceptions, validates and confirms all governmental acts and proceedings of the district taken before the effective date of the bill.

**Effective Date:** June 17, 2011

**HB 2770** by **Wayne Smith** Senate Sponsor: **Williams**

**Relating to the powers and duties of navigation districts, port authorities, and certain municipalities.**

Authorizes a navigation district, port authority or its board of trustees to conduct a closed meeting to consider proposed changes to facilities or services, or a bid, proposal or contract for goods or services under negotiation, if the release of information would have a detrimental effect on the position of the entity. Includes wharves, docks, navigation channels, and dredge material placement areas to the definition of civil works projects; Alters the powers and duties of a navigation district and certain municipalities. Any navigation district could engage in certain activities, including constructing improvements and leasing oil, gas and minerals. Modifies the procedures for the sale of land and the ability to lease, including the ability to contract with a broker to sell a tract of land. A navigation district would be authorized to enter into a contract with a public facility corporation for the purpose of improvements and to make payments under a contract through the sale of bonds or notes, taxes or any other income. In order to enter into such a contract, a district is required to hold an election using the same process as an election to authorize bonds and be subject to approval by the attorney general. Once a contract, lease, or agreement has been approved by the attorney general and registered by the comptroller, it would be incontestable except for forgery or fraud.

**Effective Date:** June 17, 2011

**HB 2792** by **Hunter** Senate Sponsor: **Hegar**

**Relating to the power of the Aransas County Navigation District to determine the amount of a check or bond necessary to purchase land from the district.**

Authorizes the navigation and canal commission of the Aransas County Navigation District, notwithstanding existing provisions relating to security for bids on land to be sold or leased for more than 30 years, to determine the amount of the check or bond a bidder is required to submit with a bid to purchase land from the district to guarantee that the bidder will perform the terms of the purchase bid if it is accepted by the the navigation and canal commission.

**Effective Date:** June 17, 2011

**HB 2809** by **Phillips** Senate Sponsor: **Estes**

**Relating to the construction contract change order authority for the Greater Texoma Utility Authority.**

Authorizes the board of directors of the Greater Texoma Utility Authority, if changes in plans or specifications are necessary after performance of a construction contract begins, to approve change orders necessary to decrease or increase the amount of materials, equipment, or supplies to be provided under the contract or the amount of work to be performed. Prohibits the total cost of the change orders from increasing the original contract price by more than 25 percent.

**Effective Date:** June 17, 2011

**HB 2859** by **Gallego** Senate Sponsor: **Uresti**

**Relating to the creation of the Terrell County Groundwater Conservation District.**

Creates the Terrell County Groundwater Conservation District. Authorizes the district to impose certain reasonable well fees and allows the district to impose an ad valorem tax. Prohibits the district from exercising the power of eminent domain.

**Effective Date:** September 1, 2011

**HB 3002** by Hughes Senate Sponsor: Eltife

**Relating to certain conservation and reclamation districts exempted from filing a full audit.**

Allows conservation and reclamation districts whose gross receipts would not be in excess of \$250,000 in a fiscal year, as opposed to \$100,000 under current law, file annual financial reports with TCEQ, instead of having an audit performed and submitting an audit report.

**Effective Date:** June 17, 2011

**HB 3090** by Creighton Senate Sponsor: Nichols

**Relating to the frequency of water audits by certain retail public utilities.**

Requires a retail public utility that provides potable water and receives financial assistance from the TWDB to file an annual water audit computing the utility's system water loss during the preceding year. Unless the utility does not receive board financial assistance, the water audit would be required once every five years. TWDB would be required to compile the information included in the required water audits.

**Effective Date:** September 1, 2011

**HB 3109** by Craddick Senate Sponsor: Seliger

**Relating to the rulemaking power of certain groundwater conservation districts.**

Exempts from a GCD regulation a municipal supply well that serves a municipal population of 121,000 or less if the rights to use the groundwater are owned by a political subdivision that is not a municipality or are owned by a municipality that has a population of 115,000 or less that purchased, owned, or held rights to the groundwater.

**Effective Date:** June 17, 2011

**HB 3372** by Tracy King Senate Sponsor: Mike Jackson

**Relating to standards for a structure that is connected to a public water supply system and has a rainwater harvesting system.**

Requires TCEQ to work with the Texas Department of State Health Service (DSHS) to develop and adopt rules to regulate a structure that has a rainwater harvesting system for indoor use and that is connected to a public water supply system. Requires that a person who installs and maintains rainwater harvesting systems connected to public water supply systems and used for potable purposes must be licensed as a master or journeyman plumber by the Texas State Board of Plumbing Examiners (SBPE) and hold a certification as a water supply protection specialist. Also requires that municipalities or owners/operators of public water supply systems be notified in writing of the intention of a person to connect a rainwater harvesting system used for potable purposes to a public water supply system.

**Effective Date:** September 1, 2011

**HB 3597** by Larson Senate Sponsor: Uresti

**Relating to the powers and duties of certain public improvement districts.**

Authorizes certain public improvement districts to annex and exclude land and removes a requirement to obtain certain consent prior to the imposition of a hotel occupancy tax under certain circumstances.

**Effective Date:** June 17, 2011

**HB 3743** by Workman Senate Sponsor: Watson

**Relating to the rights, powers, functions, and duties of the West Travis County Municipal Utility District No. 5.**

Provides the West Texas County Municipal Utility District road powers and the ability to provide potable and nonpotable water service to residents and businesses in Travis and Hays Counties.

**Effective Date:** June 17, 2011

**HB 3803** by Phillips Senate Sponsor: Estes

**Relating to the creation of the Cottonwood Municipal Utility District No. 2 of Grayson County.**

Creates Cottonwood Municipal Utility District No. 2 of Grayson County (District). Specifies that the District may not hold an election to confirm the District or elect the five permanent directors until all municipalities in which the District is located consent to the creation. Specifies that the District may be included in a tax increment reinvestment zone created by the City of Dorchester. Specifies that on or after September 1, 2011, the owner or owners of a majority of assessed valuation of the real property within the District may submit a petition to the TCEQ for the appointment or re-appointment of the five temporary directors for the District and that the TCEQ shall appoint the five persons named in the petition, regardless of eligibility. Gives the District road powers. Further limits the District's power of eminent domain by specifying that the District may not exercise the power of eminent domain to acquire a site for a road or recreational facility. Specifies that the District may divide if the District has never issued any bonds and is not imposing ad valorem taxes and that municipal consent to the creation of the District acts as municipal consent to the creation of any new district created by the division of the District.

**Effective Date:** June 17, 2011

**HB 3804** by Gallego Senate Sponsor: Uresti

**Relating to the creation of the Lajitas Utility District No. 1 of Brewster County.**

Creates the Lajitas Utility District (District) as a municipal utility district; however, allows the District to fund public improvement projects and services in the same manner as a municipal management district under the Local Government Code that a typical municipal utility district cannot fund. Provides authority to impose taxes and issue bonds; granting a limited power of eminent domain.

**Effective Date:** June 17, 2011

**HB 3813** by Isaac **Senate Sponsor: Wentworth**

**Relating to the Hudson Ranch Fresh Water Supply District No. 1.**

Adds the powers of a municipal utility district to an existing fresh water supply district, changes the name of the district from the Hudson Ranch Fresh Water Supply District to the Hudson Ranch Water District. The district will retain the powers of a fresh water supply district as well as the powers of a municipal utility district.

**Effective Date:** June 17, 2011

**HB 3814** by Rodriguez **Senate Sponsor: Wentworth**

**Relating to certain financial powers and duties of the Travis-Creedmoor Municipal Utility District.**

Exempts the Travis-Creedmoor Municipal Utility District (District) from Section 54.016(f), Water Code,. States that the District's bonds may be sold at a public or private sale according to terms and procedures the board determines, and also specifies certain powers and duties of the District's board, or an officer or employee of the District on behalf of the board, regarding the issuance of bonds.

**Effective Date:** June 17, 2011

**HB 3818** by Geren **Senate Sponsor: Harris**

**Relating to a limitation on production fees on groundwater withdrawals assessed by the Northern Trinity Groundwater Conservation District.**

Provides that the Northern Trinity Groundwater Conservation District may assess annual groundwater production fees at rates not to exceed \$1.00 per acre-foot for a well permitted solely for agriculture use and \$0.20 per 1,000 gallons for all other permitted well uses.

**Effective Date:** June 17, 2011

**HB 3819** by Crownover **Senate Sponsor: Nelson**

**Relating to the creation of the Valencia Municipal Management District No. 1.**

Creates Valencia Municipal Management District No. 1 of Denton County (District). Specifies that all or part of the District's area is eligible to be included in a tax increment reinvestment zone, a tax abatement reinvestment zone, an enterprise zone, or an industrial district. Specifies that the District has the powers conferred to municipal utility districts under the Water Code. Grants the District road powers. Specifies that the District may not exercise the power of eminent domain, does not have the authority to impose an ad valorem tax, and may not construct, acquire, maintain, or operate a toll road. Unlike general law districts and most special law districts, the District's issuance of bonds is not subject to TCEQ jurisdiction or supervision.

**Effective Date:** September 1, 2011

- HB 3821** by Eiland **Senate Sponsor: Huffman**
- Relating to temporary directors and the continuation in existence of the Bolivar Yacht Basin Water Control and Improvement District No. 1 of Galveston County.**
- Eliminates the deadline for a confirmation election of temporary directors of the district and establish provisions relating to temporary directors and the continuation in existence of the district. Establishes that the temporary directors of the district serve until the fourth anniversary of the effective date of provisions relating to the district.
- Effective Date:** June 17, 2011
- HB 3827** by Zerwas **Senate Sponsor: Hegar**
- Relating to the creation of the Fulshear Town Center Management District.**
- Creates Fulshear Town Center Management District of Fort Bend County. Provides authority to impose an assessment, impose a tax, and issue bonds.
- Effective Date:** June 17, 2011
- HB 3828** by Hochberg **Senate Sponsor: Gallegos**
- Relating to the creation of the Gulfton Area Municipal Management District; providing authority to impose a tax, levy an assessment, and issue bonds.**
- Creates Gulfton Area Municipal Management District. Provides authority to impose an assessment, impose a tax, and issue bonds.
- Effective Date:** June 17, 2011
- HB 3831** by Marquez **Senate Sponsor: Rodriguez**
- Relating to the creation of the Montecillo Municipal Management District No. 1.**
- Creates Montecillo Municipal Management District No. 1 of El Paso County. Provides authority to impose an assessment, impose a tax, and issue bonds.
- Effective Date:** September 1, 2011
- HB 3834** by Zerwas **Senate Sponsor: Hegar**
- Relating to the creation of North Fort Bend County Improvement District No. 1.**
- Creates North Fort Bend County Improvement District No. 1. Provides authority to impose an assessment, impose a tax, and issue bonds.
- Effective Date:** June 17, 2011

**HB 3836** by Pitts **Senate Sponsor: Birdwell**

**Relating to the creation of the Windsor Hills Municipal Management District No. 1.**

Creates Windsor Hills Municipal Management District No. 1 of Ellis County. Provides the authority to levy an assessment and issue bonds.

**Effective Date:** September 1, 2011

**HB 3840** by Parker **Senate Sponsor: Nelson**

**Relating to the extension of the deadline for holding the confirmation and initial directors' election of the Tradition Municipal Utility District No. 2 of Denton County.**

Extends the confirmation and chapter expiration date requirements to September 1, 2015 and September 1, 2018, respectively. Specifies that the initial directors serve until permanent directors are elected. Additionally, if permanent directors have not been chosen the owner or owners of a majority of the assessed value of the real property in the District may submit a petition to the TCEQ requesting that the TCEQ appoint as successor temporary directors the five persons named in the petition. Specifies that the TCEQ shall appoint as successor temporary directors the five persons named in the petition, regardless of eligibility.

**Effective Date:** June 17, 2011

**HB 3842** by Callegari **Senate Sponsor: Dan Patrick**

**Relating to the creation of the Bridgeland Management District.**

Creates the Bridgeland Management District, provides authority to levy an assessment, impose a tax, and issue bonds.

**Effective Date:** June 17, 2011

**HB 3843** by Thompson **Senate Sponsor: Williams**

**Relating to excluding certain territory from the Harris County Road Improvement District No. 2.**

Removes 59.785 acres from the boundaries of Harris County Road Improvement District No. 2.

**Effective Date:** June 17, 2011

**HB 3845** by Sheffiend **Senate Sponsor: Ogden**

**Relating to the powers of the CLL Municipal Utility District No. 1.**

Amends current law relating to the powers of the CLL Municipal Utility District No. 1 and provides authority to levy an assessment, impose a tax, and issue bonds.

**Effective Date:** June 17, 2011

**HB 3847** by Lavender Senate Sponsor: Eltife

**Relating to the Riverbend Water Resources District.**

Restructures the district's board of directors and appoint a temporary administrator to oversee the transition to the new board.

**Effective Date:** June 17, 2011

**HB 3852** by Pitts Senate Sponsor: Birdwell

**Relating to the creation of the Midlothian Municipal Management District No. 2.**

Amends current law relating to the creation of the Midlothian Municipal Management District No. 2 and provides authority to impose a tax, levy an assessment, and issue bonds. Gives the District road powers.

**Effective Date:** June 17, 2011

**HB 3857** by Dutton Senate Sponsor: Gallegos

**Relating to the creation of the Near Northside Management District.**

Creates Near Northside Management District of Harris County (District). Specifies that all or part of the District's area is eligible to be included in a tax increment reinvestment zone, a tax abatement reinvestment zone, or an enterprise zone. Specifies that the District is to be governed by a board of nine directors that are to be appointed by the governing body of the City of Houston. Names the initial nine directors. Grants the District housing finance powers under the Local Government Code. Specifies that the District may not exercise the power of eminent domain. Specifies that the District may not finance a project unless a written petition requesting that service or improvement is filed with the board. Specifies that the District may not impose an impact fee or assessment on property that provides public gas, electricity, telephone, sewage, or water service.

**Effective Date:** June 17, 2011

**HB 3859** by Laubenberg Senate Sponsor: Deuell

**Relating to the creation of the Club Municipal Management District No. 1.**

Creates Club Municipal Management District No. 1. Provides the authority to levy an assessment and issue bonds.

**Effective Date:** September 1, 2011

**HB 3862** by Wayne Smith Senate Sponsor: Whitmire

**Relating to temporary directors and the continuation in existence of the Harris County Municipal Utility District No. 510.**

Amends the law governing the Harris County Municipal Utility District to eliminate the deadline for a confirmation election, extend the period during which temporary directors may serve on the district's board of directors, and allow the district to continue in existence.

**Effective Date:** June 17, 2011

**HB 3864** by Gooden Senate Sponsor: Deuell

**Relating to the creation of the Lazy W District No. 1.**

Amends current law relating to the creation of the Lazy W District No. 1; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

**Effective Date:** June 17, 2011

**HB 3866** by Doug Miller Senate Sponsor: Fraser

**Relating to the date for the election of directors of the Hill Country Underground Water Conservation District.**

Amends the enabling Act of the Hill Country Underground Water Conservation District to change the directors' election date from the May uniform election date of odd-numbered years to the November uniform election date of even-numbered years. Sets the terms of office for the current District directors that were elected in May 2009 and May 2011.

**Effective Date:** June 17, 2011

**SB 181** by Shapiro House Sponsor: Laubenberg

**Relating to the reporting of water conservation measures by municipalities and water utilities.**

Requires municipalities and water utilities with more than 3,300 connections to implement reporting measures established by the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ). Municipalities and water utilities would be required to implement the reporting measures only at a level currently available to the entity. TCEQ could not adopt a rule that would require an entity to report water use data that is more detailed than the entity's billing system is capable of producing; however, the rules may require billing systems purchased after September 1, 2011, be capable of reporting detailed water use data as described in the subchapter. The TCEQ and TWDB are required to consult with the Water Conservation Advisory Council to develop uniform methodology and guidance for calculating and reporting municipal water use and conservation to be used in water conservation plans and reports and must be available by September 1, 2012. Requires TWDB and TCEQ to adopt rules on the reporting of water conservation measures by municipalities and water utilities. The TWDB is required to bi-annually submit a report to the Legislature on statewide water usage, projected water use and conservation, and the status of implementation of state water plan projects beginning January 1, 2015.

**Effective Date:** June 17, 2011

**SB 233** by Deuell House Sponsor: Driver

**Relating to the creation of the Rowlett Pecan Grove Management District.**

Creates the Rowlett Pecan Grove Management District with the powers and duties of a municipal utility district under Water Code Chapters 49 and 54, an Improvement District in a municipality and county under Local Government Code Chapter 372, a Municipal Management District under Local Government Code Chapter 375, and a Type B Corporation under Local Government Code Chapter 505. Provides the authority to impose a tax, levy an assessment, and issue bonds.

**Effective Date:** June 17, 2011

**SB 234** by Deuell **House Sponsor: Driver**

**Relating to the creation of the Rowlett Downtown Management District.**

Creates the Rowlett Downtown Management District, which would have the authority to impose a tax, levy an assessment, and issue bonds, but would be prohibited from exercising the power of eminent domain.

**Effective Date:** June 17, 2011

**SB 271** by Uresti **House Sponsor: Menendez**

**Relating to the board of directors of the Bexar Metropolitan Water District.**

Amends Bexar Metropolitan Water District's (BMWD) enabling statute by increasing the number of board members from five at large members to seven from single member districts and set a three term limit for board members. BMWD board members must be qualified voters living in the district. The BMWD Oversight Committee will continue with seven members instead of five. There will be two senators appointed by the Lieutenant Governor, two representatives appointed by the Speaker, two public representatives (one with water utility experience) appointed by the Governor and one representative from the Bexar County Commissioners Court. Specifies that the Oversight Committee reports to the Legislature by December 31, 2012 and is abolished on January 1, 2013. Establishes eligibility qualifications and specific training requirements for a person to be elected or appointed to the BMWD board. TCEQ may create an advanced training program that can be used by new and existing BMWD board members. Board members must meet the training requirements each term or they shall be considered incompetent and removed. A process to recall a BMWD board member is included

**Effective Date:** June 17, 2011

**SB 333** by Fraser **House Sponsor: Tracy King**

**Relating to election procedures and qualifications of members of boards of directors for water supply or sewer service corporations.**

Establishes qualifications for prospective board members of water supply or sewer service corporations; institutes a process and timeline for getting a name on a ballot; sets the information required on a ballot and how the ballot must be handled; takes away the option of proxies; changes the definition of a quorum; and requires an election auditor.

**Effective Date:** September 1, 2011

**SB 341** by Uresti **House Sponsor: Menendez**

**Relating to the appointment of a conservator for and authorizing the dissolution of the Bexar Metropolitan Water District.**

Requires TCEQ, instead of a conservator, to evaluate Bexar Metropolitan Water District (BMWD) and to establish and oversee a rehabilitation plan. Authorizes the TCEQ to employ or contract with a person to carry out any duties required in the bill and to be reimbursed by BMWD for all related expenses.

**Effective Date:** June 17, 2011

**SB 475** by **Dan Patrick** House Sponsor: **Fletcher**

**Relating to the creation of the Harris County Municipal Utility District No. 524.**

Creates a MUD No. 524, with limited road powers and additional district division powers, over a tract of land in Harris County. Provides authority to impose a tax and issue bonds, and granting a limited power of eminent domain.

**Effective Date:** June 17, 2011

**SB 512** by **Hegar** House Sponsor: **Creighton**

**Relating to the qualification of supervisors of a fresh water supply district.**

Provides that a person may qualify to serve as supervisors of a fresh water supply district by being a registered voter of the district.

**Effective Date:** September 1, 2011

**SB 564** by **Uresti** House Sponsor: **Gallego**

**Relating to the election of members of the board of directors of the Middle Pecos Groundwater Conservation District.**

Changes the election date for directors of the Middle Pecos Groundwater Conservation District from May to November of each even-numbered year. Sets the terms of office for the present directors, and validates the District's actions taken before the effective date of the Act. The validation of District actions does not apply to matters that, on the effective date of the Act, have been or could be held invalid by a final court judgment.

**Effective Date:** May 28, 2011

**SB 569** by **Mike Jackson** House Sponsor: **Larry Taylor**

**Relating to the rates charged by certain conservation and reclamation districts for potable water or wastewater service to recreational vehicle parks.**

Requires water districts to use the same basis for determining water and wastewater rates for campgrounds and RV parks as they use for commercial entities served by the district. It sets forth language to define an RV as a commercial entity and require a water district that provides non-sub metered master meter utility service to an RV park to determine rates for that service to an RV park on the same basis as the district would determine rates for a commercial entity.

**Effective Date:** September 1, 2011

**SB 573** by Nichols

**House Sponsor: Creighton**

**Relating to certificates of public convenience and necessity for water or sewer services.**

Creates a new expedited Certificate of Convenience and Necessity (CNN) release process for landowners in counties with a population of 1 million-including adjacent counties, as well as counties with a population of between 200,000 and 220,000, but the process would not apply in a county with a population of 45,500 to 47,500. Reduces the acreage requirement for an expedited release from a CCN from 50 acres to 25 acres. Also deletes the current petition requirements for an expedited release, other than the requirement that the petitioner not be in a platted subdivision. Also shortens TCEQ's review period from 90 to 60 days and require the TCEQ to approve all petitions. Puts a limitation that the TCEQ may not deny a petition based on the fact that a CCN holder is a borrower under a federal loan program. Various provisions of the bill would apply only to certain types of counties, while certain counties would be specifically exempted from various other provisions of the bill.

**Effective Date:** September 1, 2011

**SB 580** by Hegar

**House Sponsor: Morrison**

**Relating to community assistance and economic development program activities of the Lavaca-Navidad River Authority.**

Amends the enabling legislation of the Lavaca-Navidad River Authority to provide it with the authority to sponsor and participate in an economic development program within the boundaries of the Authority or its water service area. Further provides that the program may involve the granting or lending of money, services, or property to a person engaged in an economic development activity. Provides that an economic development program is established by formal action of the District's Board of Directors, and requires the Board of Directors to take certain steps to ensure that a governmental purpose is achieved. Provides that the District may employ staff and spend its resources, other than money received from an ad valorem tax or a general appropriation; apply for and receive money, grants, or assistance; and enter into agreements. Finally, requires the District to adopt certain guidelines if it proposes to provide scholarships, grants, loans, or financial assistance to a public fire-fighting organization.

**Effective Date:** September 1, 2011

**SB 629** by Hegar

**House Sponsor: Isaac**

**Relating to the Ranch at Clear Fork Creek Municipal Utility District No. 1.**

Provides for additional powers of the Ranch at Clear Fork Creek Municipal Utility District No. 1, including the addition of road powers, providing for division of the district, and placing limitations on eminent domain powers. Also adds an additional 1136.29 acres currently located partially in the city limits or extraterritorial jurisdiction of the City of Uhland and located within Caldwell County. It amends current law relating to the Ranch at Clear Fork Creek Municipal Utility District No. 1, provides authority to impose a tax and issue bonds, and grants a limited power of eminent domain.

**Effective Date:** June 17, 2011



**SB 813** by Gallegos House Sponsor: Wayne Smith

**Relating to the creation of the Harris County Municipal Utility District No. 528.**

Creates Harris County Municipal Utility District No. 528 (District). Specifies that the District may not hold a confirmation election until all municipalities located in the District consent to the creation. Specifies that on or after the effective date of the bill, the owner or owners of a majority of assessed valuation of the real property within the District may submit a petition to the Commission for the appointment of the five temporary directors for the District and that the Commission shall appoint the five persons named in the petition, regardless of eligibility. Gives the District road powers. Further limits the District's power of eminent domain by specifying that the District may not exercise the power of eminent domain to acquire a site for any road or recreational facility.

**Effective Date:** June 17, 2011 & September 1, 2011

**SB 832** by Rodriguez House Sponsor: Quintanilla

**Relating to voter eligibility and registration in El Paso County Water Improvement District No. 1.**

Requires that for an individual to be able to vote in the El Paso County Water Improvement District No. 1 (District), the individual must be: (1) 18 years of age or older; (2) a U.S. citizen; (3) hold title or interest in title to irrigable land within the boundaries of the District; and (4) receives and uses irrigation water delivered by the District through the District's canal system. Requires an eligible voter to register no later than 30 days before a District election is held in order to vote in the election. Requires the District to file with the county clerk of El Paso County a certified copy of the list of the District's registered voters not later than the 25th day before an election is held. Specifies that not later than the 60th day and not earlier than the 90th day before the date of each District election, the District shall publish notice of the voter eligibility and registration requirements.

**Effective Date:** September 1, 2011

**SB 900** by Gallegos House Sponsor: Thompson

**Relating to the Aldine Improvement District.**

Changes the Aldine Improvement District's name to East Aldine Management District and increases the amount of land within the District's boundaries. Specifies that the revenue received from sales and use taxes may be used by the District for any purpose for which any revenue of the District may be used. Allows the District's board to establish one or more areas within the District as a special sales and use tax zone. Also validates all acts of the District taken before the effective date of the bill.

**Effective Date:** June 17, 2011

**SB 914** by Wentworth House Sponsor: Doug Miller

**Relating to the applicability to certain regional water districts of provisions concerning bond approval by the Texas Commission on Environmental Quality.**

Exempts a conservation and reclamation district located in at least three counties that has the rights, powers, privileges and functions applicable to a river authority from the requirement of obtaining prior bond approval from the TCEQ.

**Effective Date:** May 9, 2011

**SB 942** by **Watson** House Sponsor: **Workman**

**Relating to the creation and financing of the Lakeway Regional Medical Center Defined Area in Travis County Water Control and Improvement District No. 17.**

Creates Lakeway Regional Medical Center Defined Area within Travis County Water Control and Improvement District No. 17. Grants the Defined Area road powers. Specifies that the District is to be governed by the statutes relating to water control and improvement districts under the Water Code. Specifies that the Water Code statutes relating to the requirement to hold an election to confirm the Defined Area and the development of a tax plan do not apply. Also specifies that the Water Code statutes relating to the requirement to hold an election for the issuance of bonds by the Defined Area do not apply. Further specifies that the District may impose a contract tax in the Defined Area only and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the Defined Area voters in accordance with the Water Code.

**Effective Date:** September 1, 2011

**SB 987** by **Hegar** House Sponsor: **Kleinschmidt**

**Relating to the term of office and qualifications for a director of the Colorado County Groundwater Conservation District.**

Provides that the director of the Colorado County Groundwater Conservation District may serve only two full consecutive terms in the same position. Also provides that three directors will be elected from Colorado County at large instead of individually from the cities of Columbus, Eagle Lake, and Weimar.

**Effective Date:** June 17, 2011

**SB 1082** by **Hegar** House Sponsor: **Laubenberg**

**Relating to strategic partnerships for the continuation of certain water districts annexed by a municipality.**

Amends the Local Government Code to include in the definition of a "district," a conservation and reclamation district operating under Chapter 49 of the Water Code that could enter into certain strategic partnerships with a municipality. The term would not include a groundwater conservation district operating under Chapter 36 of the Water Code or a special utility district operating under Chapter 65 of the Water Code. Also adds that a district or the area of a district annexed for limited purposes under Section 43.0751 of the Local Government Code, must be in the municipality's extraterritorial jurisdiction, and contiguous to the corporate boundaries of the municipality or an area annexed by the municipality for limited purposes, unless the district consents to noncontiguous annexation under a strategic partnership agreement with the municipality. Also prohibits a municipality from regulating the sale, use, storage, or transportation of fireworks outside of the municipality's boundaries under Section 43.0751 or 43.0752.

**Effective Date:** September 1, 2011

**SB 1140** by **Watson** House Sponsor: **Hartnett**

**Relating to payment by a water control and improvement district for certain damages caused by the district's operation of a sanitary sewer system.**

Authorizes a water control and improvement district to pay actual property damage caused by the backup of the district's sanitary sewer system regardless of liability under Chapter 101 of the Civil Practice and Remedy Code. Also would not waive governmental immunity from suit or liability.

**Effective Date:** May 28, 2011

**SB 1184** by Nichols House Sponsor: Christian

**Relating to the creation of the Timber Springs Municipal Management District.**

Creates the Timber Springs Municipal Management District (District) and provides for the District's administration, powers, operation, and financing, and the appointment of the District's board of directors. Authorizes the District to impose property taxes and to levy assessments on property within its boundaries, to impose and collect other revenues for its public purposes, and to issue voter-approved bonds and other obligations that are secured by such property taxes to finance costs associated with public infrastructure, including water, sanitary sewer, drainage, roadway, public green space, lighting, sidewalks, landscaping, and streetscaping improvements. The District does not have the power of condemnation.

**Effective Date:** June 17, 2011

**SB 1225** by Hegar House Sponsor: Isaac

**Relating to the deannexation of land in Caldwell County by the Gonzales County Underground Water Conservation District.**

Requires the Gonzales County Underground Water Conservation District (UWCD) to de-annex any areas located in Caldwell County. It requires action by the Gonzales County UWCD, the Plum Creek Conservation District (CD), and the landowners with property presently located in both districts. The landowners will decide whether to be de-annexed from either the Gonzales County UWCD or the Plum Creek CD by a specified deadline. The two districts will then de-annex the land by resolution.

**Effective Date:** June 17, 2011

**SB 1234** by West House Sponsor: Dutton

**Relating to municipal management districts.**

Amends the Local Government Code regarding rules and regulations governing municipal management districts. Expands the definition of a disadvantaged business to include any person certified as a disadvantaged business by the State or a political subdivision of the State. Specifies powers of a district for a road project and a mass transit system. Any act made by a district would be presumed valid after the third anniversary of the effective date unless deemed invalid by a court. A district would not be required to submit bonds that are not public securities to the attorney general for review. A municipality would be authorized to dissolve a district even if the district has outstanding bond indebtedness. A district would be authorized to enter into a strategic partnership agreement with a municipality if the district has territory in the extraterritorial jurisdiction of the municipality. Amends the Local Government Code to allow an improvement project or service provided by a district to include theatres, studios, exhibition halls, production facilities and related ancillary facilities.

**Effective Date:** September 1, 2011

**SB 1290** by Hegar House Sponsor: Hunter

**Relating to the creation of the Calhoun County Groundwater Conservation District.**

Creates the Calhoun County Groundwater Conservation District (District) to manage groundwater in district territory. Authorizes the District to impose certain reasonable well fees and prohibits the District from imposing a tax. Prohibits the District from exercising the power of eminent domain.

**Effective Date:** September 1, 2011

**SB 1361** by Estes **House Sponsor: Hardcastle**

**Relating to the audit report exemption for districts created pursuant to the Water Code.**

Increases the threshold from \$100,000 to \$250,000 for gross receipts from operations, loans, taxes, or contributions for certain water districts to be allowed to file an annual financial report in lieu of complying with an annual audit from the TCEQ.

**Effective Date:** August 29, 2011

**SB 1492** by Uresti **House Sponsor: Hilderbran**

**Relating to the election of directors of the Real-Edwards Conservation and Reclamation District.**

Amends the enabling act for the Real-Edwards Conservation and Reclamation District to provide that director terms expire on January 1 of odd-numbered years and that the director elections are held on the uniform election date in November of even-numbered years. Provides that a director candidate must identify the position for which they seek office and must be a registered voter eligible for the position. Provides the November 6, 2012 election date for four directors and the November 4, 2014 election date for the other five directors.

**Effective Date:** May 28, 2011

**SB 1493** by Uresti **House Sponsor: Farias**

**Relating to the qualifications of directors of a defense base management authority.**

Amends the Local Government Code relating to the directors of a defense base management authority. Requires the board of an authority to study the effectiveness of the authority and to submit a report to the legislature on the effectiveness of the authority.

**Effective Date:** June 17, 2011

**SB 1875** by Hinojosa **House Sponsor: Munoz**

**Relating to the governing body of the Agua Special Utility District.**

Authorizes a director of the Agua Special Utility District to serve two terms consecutively, provides that initial appointment counts as one term, and specifies that a person who is initially appointed is considered eligible to serve as an elected director.

**Effective Date:** September 1, 2011

**SB 1877** by Hegar **House Sponsor: Isaac**

**Relating to the creation of the Oatman Hill Municipal Utility District.**

Creates the Oatman Hill Municipal Utility District (District) and provides the District authority to impose a tax and issue bonds, grants a limited power of eminent domain.

**Effective Date:** June 17, 2011 & September 1, 2011

**SB 1880** by **Huffman** House Sponsor: **Charlie Howard**

**Relating to the powers and duties of the Imperial Redevelopment District.**

Updates the Imperial Redevelopment District's (District) enabling legislation regarding these powers, by including standardized language consistent with other management districts. Authorizes the District to undertake sports and community venue projects. These powers will be used, among other things, to provide necessary services and improvements to serve a new minor league baseball stadium to be constructed by the city. Provides the District authority to impose a tax and issue bonds.

**Effective Date:** June 17, 2011

**SB 1882** by **Dan Patrick** House Sponsor: **Fletcher**

**Relating to the creation of Harris County Improvement District No. 22.**

Creates Harris County Management District No. 22 (District) as a political subdivision to accomplish the public infrastructure and economic development purposes of the district. The district will be a municipal management district similar to those operating pursuant to Chapter 375 (Municipal Management Districts in General), Local Government Code, and Title 4 (Development and Improvement), Special Districts Local Law Code. Amends current law relating to the creation of Harris County Improvement District No. 22 and provides authority to levy an assessment, impose a tax, and issue bonds.

**Effective Date:** June 17, 2011

**SB 1895** by **Hegar** House Sponsor: **Morrison**

**Relating to director elections and powers of the Texana Groundwater District.**

Amends current law relating to director elections and powers of the Texana Groundwater Conservation District. It changes the election date of the Board of Directors from the May uniform election date to the November uniform election date. It deletes the power of eminent domain from the power of the district and it deletes the power to contract with a river authority to perform the functions of the district.

**Effective Date:** June 17, 2011

**SB 1899** by **Nichols** House Sponsor: **Pitts**

**Relating to compensation for services and reimbursement for expenses of a member of the board of directors of the Lake View Management and Development District.**

Allows Lake View Management and Development District to compensate its board of directors in the manner and amounts comparable to districts of its type.

**Effective Date:** June 17, 2011

**SB 1913** by **Watson** House Sponsor: **Rodriguez**

**Relating to the creation of the Southeast Travis County Municipal Utility District No. 1.**

Creates Southeast Travis County Municipal Utility District No. 1 and provides authority to impose a tax and issue bonds.

**Effective Date:** June 17, 2011



**SJR 28**

**by Rodriguez**

**House Sponsor: Marquez**

**Amendment authorizing the legislature to permit conservation and reclamation districts in El Paso County to issue bonds supported by ad valorem taxes to fund the development and maintenance of parks and recreational facilities.**

Authorizes the legislature, for development of parks and recreational facilities, to authorize indebtedness payable from taxes as may be necessary to provide for improvements and maintenance only for a conservation and reclamation district all or part of which is located in certain counties, including El Paso County. Provides that the legislature intends to expand the authority of the legislature with regard to conservation and reclamation districts in El Paso County. Provides that the proposed amendment should not be construed as a limitation on the powers of the legislature or of a district with respect to parks and recreational facilities as those powers exist immediately before the amendment takes effect.

**Effective Date:** November 8, 2011