

## **BILL ANALYSIS**

H.B. 101  
By: Craddick  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties note that certain municipalities located in dry areas of Texas are planning to take appropriate steps to use, enhance, and preserve their water resources in a manner that will benefit residents. H.B. 101 seeks to help these municipalities by providing for the development of and contracting for certain reclaimed water projects.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 101 amends the Local Government Code to authorize a home-rule municipality that has a population of at least 99,000 and not more than 160,000, is located in two counties, only one of which has a population of at least 132,000 and not more than 170,000, and owns and operates a water system, sewer system, or combined system to execute, perform, and make payments under a contract with any person for the development of a reclaimed water project and the provision of water from that project. The bill defines "reclaimed water project" as the design, construction, equipment, repair, reconstruction, replacement, expansion, operation, or maintenance of a reclaimed water facility with a capacity of not less than 10 million gallons per day to be owned by a municipality and related infrastructure.

H.B. 101 makes a contract entered into under the bill's provisions an obligation of the municipality, provides for the payment of the contract but prohibits the contract from being made payable from property taxes, and provides for certain terms and conditions of the contract.

H.B. 101 makes a contract procurement or delivery requirement that is applicable to a municipality inapplicable to the reclaimed water project and exempts the project from statutory provisions relating to professional and consulting services if a contract provides for the design, construction, and financing of the reclaimed water project by the person with whom the municipality contracts. The bill applies statutory provisions relating to the adjudication of a claim arising under a written contract with a local governmental entity to a written contract entered into under the bill's provisions. The bill provides for the control of its provisions to the extent of a conflict with another statute or municipal charter provision or ordinance. The bill establishes that the validity or enforceability of a contract entered into under the bill's provisions by a municipality is not affected if, after the contract is entered into, the municipality no longer meets the bill's applicability criteria.

H.B. 101 applies to a contract entered into before the bill's effective date that is made contingent on the bill taking effect.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.