

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1137
By: Wentworth
Natural Resources
4-9-97
Committee Report (Substituted)

DIGEST

Currently, no state law exists relating to the option for a board of directors of a municipal utility district (district) to select extraterritorial jurisdiction for certain districts. Property owners in certain annexed districts may be subject to double taxation from the municipality and the district, due to some districts having multiple extraterritorial jurisdiction. This provides the option for a board of directors of a municipal utility district that is located in the extraterritorial jurisdictions of more than one municipality to select the municipality that may exercise authority within the district.

PURPOSE

As proposed, C.S.S.B. 1137 provides the option for a board of directors of a municipal utility district that is located in the extraterritorial jurisdictions of more than one municipality to select the municipality that may exercise authority within the district.

RULEMAKING AUTHORITY

Rulemaking authority is granted to a municipal utility district operating under Chapter 54, Water Code, in SECTION 1 (Section 54.0163(a) and (b), Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 54B, Water Code, by adding Section 54.0163, as follows:

Sec. 54.0163. OPTION OF SELECTION OF EXTRATERRITORIAL JURISDICTION FOR CERTAIN DISTRICTS. Authorizes the board of a municipal utility district (district) that is located in the extraterritorial jurisdictions of more than one municipality, by resolution, to select the municipality may exercise authority within the district as a whole. Requires the resolution to state the effective date. Requires the board to file with each affected municipality and in the real property records of each county in which the district is located a certified copy of the resolution. Provides that the district is contained wholly in the extraterritorial jurisdiction of the municipality selected by the resolution for all purposes, on the effective date of the resolution. Provides that no action or approval by a municipality not selected is required. Authorizes a board that has made a selection of extraterritorial jurisdiction under Section 54.0162 to confirm the selection by the adoption of a resolution under this section. Requires the selection to be effective from the date of the original selection, if the selection under Section 54.0162 is confirmed under this subsection.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Emergency clause.
Effective date: upon passage.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 54.0163, Water Code, to authorize a board of a district that is located in the extraterritorial jurisdictions of more than one municipality, rather than a board that is located

wholly or partly in extraterritorial districts, to take certain actions. Provides that no action or approval is required of a municipality not selected.

SECTION 2.

Sets forth a new prospective clause.