

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1791  
By: Wentworth  
Natural Resources  
4-17-97  
Committee Report (Substituted)

### **DIGEST**

Currently, a home-rule municipality may unilaterally annex a municipal utility district lying within its extraterritorial jurisdiction so long as the entire municipal utility district is annexed and the municipality assumes all of the outstanding obligations of the district. This bill prevents a municipality from annexing a municipal utility district under certain conditions.

### **PURPOSE**

As proposed, C.S.S.B. 1791 provides regulations regarding the annexation of a portion of certain municipal utility districts.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 43D, Local Government Code, by adding Section 43.0725, as follows:

Sec. 43.0725. ANNEXATION OF AREAS OF CERTAIN MUNICIPAL UTILITY DISTRICTS. Sets forth municipal utility districts to which this section applies. Prohibits a municipality, except as provided by Subsection (c), from annexing any portion of a municipal utility district to which it provides wastewater service unless the district is providing retail service to 80 percent or more of the equivalent wastewater connection rights that the municipality has allocated to the district under the agreements described by Subsection (a) for the collection and transmission of wastewater. Sets forth conditions under which Subsection (b) does not apply to an annexation.

SECTION 2. Provides that the change in law made by this Act applies only to an annexation for which the first hearing notice required by Section 43.052, Local Government Code, is published on or after January 1, 1997, and that has not been completed before the effective date of this Act.

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

### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.

Amends Chapter 43D, Local Government Code, by adding Section 43.0725, to provide that this section applies only to a municipal district created by an agreement with a municipality under Section 54.016, Water Code, executed before January 1, 1997, that receives wastewater, rather than wholesale wastewater, from the municipality under the agreement and one or more subsequent wastewater agreements between the municipality and the district or developers of the districts. Prohibits a municipality from annexing portions of the municipal utility district unless the district is providing a certain level of service that the municipality has allocated to the district under the agreements described by Subsection (a) for the collection

and transmission of wastewater.