

BILL ANALYSIS

Senate Research Center

H.B. 2274
By: Keel (Barrientos)
Natural Resources
5/13/1999
Engrossed

DIGEST

Currently, municipal utility districts created by a consent agreement are not specifically granted the power to enter into an agreement with a municipality which requires payment by the district to the municipality for purposes beyond the scope of district activities. The Wells Branch Municipal Utility District was created through a consent agreement. H.B.2274 authorizes the Wells Branch Municipal Utility District to enter into a contract with a municipality requiring payment to the municipality for mutually agreeable purposes, and to make annual appropriations from its operations and maintenance tax or other revenues to the district to make payments to a municipality under the contract. In addition, this bill authorizes the municipality to agree that the district will remain in existence and be exempt from annexation by the municipality for the term of the contract. This bill also provides that such a contract is binding on all subsequent governing bodies of the district and of the municipality for the contract's term.

PURPOSE

As proposed, H.B. 2274 sets forth powers and duties the Wells Branch Municipal Utility District in Travis County.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. DEFINITION. Defines "district" as the Wells Branch Municipal Utility District, located in Travis and Williamson Counties.

SECTION 2. PURPOSE. Provides that the purpose of this Act is to meet the special needs of the Wells Branch Municipal Utility District (district).

SECTION 3. LEGISLATIVE FINDINGS. Provides that the legislature finds that there exists a public necessity to amend the law to further the conservation and development of the natural resources of the state within this district.

SECTION 4. Amends Subchapter C, Chapter 42, Local Government Code, by adding Section 42.049, as follows:

Sec. 42.049. AUTHORITY OF WELLS BRANCH MUNICIPAL UTILITY DISTRICT. Authorizes Wells Branch Municipal Utility district to contract with a municipality to provide for payments to be made to the municipality for purposes that the governing body of the district determines will further regional cooperation between the district and the municipality, and to provide other lawful terms and considerations that the district and the municipality agree are reasonable and appropriate. Authorizes a contract entered into under this section to be for a term that is mutually agreeable to the parties. Authorizes the parties to renew or extend the contract. Authorizes a municipality to contract with the district to accomplish the purposes set forth in Subsection (a). Authorizes a municipality, in a contract entered into under this section, to agree that the district will remain in existence and be exempt from annexation by the municipality for the term of the contract. Provides that a contract entered into under this section is binding on all subsequent governing bodies of the district and of the municipality for the term of the contract. Authorizes the district to make annual appropriations from its operations and maintenance tax or other revenues lawfully available to the district to make payments to a municipality under a

contract entered into under this section.

SECTION 5. Emergency clause.

Effective date: upon passage.