

BILL ANALYSIS

Senate Research Center
77R2732 MI-D

H.B. 2045
By: Williams (Bensen)
Natural Resources
5/9/2001
Engrossed

DIGEST AND PURPOSE

Under current law, a district that charges an impact fee is required to use the fees collected and interest accrued on the fees collected to pay the principal and interest on bonds, notes, or other obligations of the district. However, because voters in certain water districts may be reluctant to approve additional bonds, districts may need the option of using the collected impact fees and the interest accrued on the collected fees to help pay for capital improvements or facility expansions. H.B. 2045 provides that a district can pay for capital improvements or facility expansions with cash payments.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 54.243, Water Code, as follows:

Sec. 54.243. DISPOSITION OF IMPACT FEES. Requires a municipal utility district (district) that charges a fee that is an impact fee as described in Section 395.001(4), Local Government Code, to use the fees collected and any interest accrued on the fees collected only for certain payments.

SECTION 2. (a) Effective date: September 1, 2001.

(b) Provides that this Act applies to impact fees and interest on the fees regardless of the date on which the fees were collected or the interest accrued.