

## **BILL ANALYSIS**

Senate Research Center  
77R8628 MI-F

H.B. 924  
By: Walker (Brown)  
Natural Resources  
4/7/2001  
Engrossed

### **DIGEST AND PURPOSE**

Currently, a water district or water supply corporation (corporation) is not authorized to require an applicant or developer, as a condition for service, to grant or provide a permanent recorded easement to a district or corporation. Occasionally, a district or corporation is required to move lines in response to road projects, resulting in significant costs that may be passed on to customers through higher rates. H.B. 924 authorizes a water district or corporation to require a service applicant or developer, as a condition for service, to grant or provide a permanent recorded easement to the district or corporation for specified purposes.

### **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 49.218, Water Code, by adding new Subsections (d), (e), and (f) and relettering existing Subsection (d) as Subsection (g), as follows:

- (d) Authorizes a district or water supply corporation to require, as a condition for service, that an applicant for service grant to the district or water supply corporation a permanent recorded easement that meets certain requirements.
- (e) Prohibits a district or water supply corporation, under Subsection (d), from requiring an applicant to provide an easement for a service line for the sole benefit of another applicant.
- (f) Authorizes a district or water supply corporation, as a condition of service to a new subdivision, to require a developer to provide permanent recorded easements to and throughout the subdivision adequate for the construction, installation, maintenance, replacement, upgrade, inspection, or test of any facility necessary to serve the subdivision's anticipated service demands when the subdivision is fully occupied.
- (g) Authorizes a district or water supply corporation to also lease property from others for its use on such terms and conditions as the board of the district or the board of directors of the water supply corporation may determine to be advantageous.

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

- (b) Makes application of this Act prospective.