

AN ACT

relating to the sale of a water or sewer utility system by a municipality without an election.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1502.055, Government Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding Subsection (a) or other law, a municipality is not required to hold an election to authorize the sale of a municipal retail water or sewer utility system if the Texas Commission on Environmental Quality has issued a notice of violation to the utility system and the governing body of the municipality finds by official action that the municipality is either financially or technically unable to restore the system to compliance with the applicable law or regulations.

SECTION 2. This Act takes effect September 1, 2021.

President of the Senate

Speaker of the House

I certify that H.B. No. 3717 was passed by the House on April 27, 2021, by the following vote: Yeas 138, Nays 9, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3717 was passed by the Senate on May 24, 2021, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor