By: Lindsay S.B. No. 1725

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the North Harris County Regional Water Authority.
3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
4	SECTION 1. Subsection (d), Section 2.02, Chapter 1029, Acts
5	of the 76th Legislature, Regular Session, 1999, is amended to read
6	as follows:
7	(d) At the first election after each time the voting
8	districts are redrawn <u>,</u> [÷
9	$[\frac{(1) \text{ five new}}{}]$ directors shall be elected <u>only</u> to
10	those positions for which the term of office is expiring. A
11	director in office on or elected to office before the effective date
12	of a change in the boundaries of the voting districts shall serve
13	the term of the position to which elected even though the change in
14	boundaries places the person's residence outside the district for
15	which the person was elected [represent the single-member voting
16	districts; and
17	[ <del>(2) the directors elected shall draw lots to</del>
18	determine their terms so that:
19	[(A) two directors serve two-year terms; and
20	[(B) three directors serve four-year terms].
21	SECTION 2. Section 4.10, Chapter 1029, Acts of the 76th
22	Legislature, Regular Session, 1999, is amended by adding Subsection
23	(d) to read as follows:
24	(d) Notwithstanding any inconsistent provision of general

- 1 law or of a home-rule municipal charter or ordinance, the authority
- 2 and a municipality may enter into a contract of unlimited duration.
- 3 SECTION 3. Subsections (a) and (c), Section 5.05, Chapter
- 4 1029, Acts of the 76th Legislature, Regular Session, 1999, are
- 5 amended to read as follows:

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- 6 (a) The authority may [shall] develop a procedure for 7 cooperatively funding a project of the authority with money from other political subdivisions located entirely [districts] inside 8  $[\frac{of}{e}]$  the authority's boundaries, and may develop a procedure for 9 10 cooperatively funding a project of the authority with money from political subdivisions located in whole or in part outside the 11 authority's boundaries, water supply corporations, or other 12 13 private entities, if the authority project fulfills a governmental 14 purpose of both the authority and other political subdivisions, or 15 fulfills a governmental purpose of the authority that the authority 16 determines would be furthered by cooperative funding from a private entity [districts]. 17
  - (c) A political subdivision [district] may enter into a contract with the authority for the political subdivision [district] to finance a portion of the proposed project with the political subdivision's [district's] resources instead of using only the proceeds from bonds of the authority for that purpose. The contract must be executed before the authority issues the bonds. As provided in the contract, the authority may [must]:
- (1) reduce the value of the bond issuance to the degree that the <u>political subdivision</u> [district] provides project funding; and

- 1 (2) credit the <u>political subdivision</u> [district] for 2 its contribution to the project financing and adjust the allocation 3 of revenue pledged to the payment of the bonds so that the authority 4 avoids using, to a degree <u>reasonably</u> commensurate with the 5 contribution, revenue from the <u>political subdivision</u> [district] to 6 service the authority's bond debt or interest.
- SECTION 4. Subsection (b), Section 5.05, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, is repealed.
- 9 SECTION 5. The change in law made by Subsection (d), Section 10 4.10, Chapter 1029, Acts of the 76th Legislature, Regular Session, 11 1999, as added by this Act, applies only to a contract between the 12 North Harris County Regional Water Authority and a municipality 13 that was entered into after January 1, 2002.
- SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.