

By: Lindsay

S.B. No. 1725

A BILL TO BE ENTITLED

AN ACT

relating to the North Harris County Regional Water Authority.

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

SECTION 1. Subsection (d), Section 2.02, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, is amended to read as follows:

(d) At the first election after each time the voting districts are redrawn, ~~+~~

~~[(1) five new]~~ directors shall be elected only to those positions for which the term of office is expiring. A director in office on or elected to office before the effective date of a change in the boundaries of the voting districts shall serve the term of the position to which elected even though the change in boundaries places the person's residence outside the district for which the person was elected ~~[represent the single-member voting districts, and~~

~~[(2) the directors elected shall draw lots to determine their terms so that:~~

~~[(A) two directors serve two-year terms, and~~

~~[(B) three directors serve four-year terms].~~

SECTION 2. Section 4.10, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, is amended by adding Subsection (d) to read as follows:

(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:

6 (a) The authority may [~~shall~~] develop a procedure for  
7 cooperatively funding a project of the authority with money from  
8 other political subdivisions located entirely [~~districts~~] inside  
9 [~~of~~] the authority's boundaries, and may develop a procedure for  
10 cooperatively funding a project of the authority with money from  
11 political subdivisions located in whole or in part outside the  
12 authority's boundaries, water supply corporations, or other  
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  
17 entity [~~districts~~].

18 (c) A political subdivision [~~district~~] may enter into a  
19 contract with the authority for the political subdivision  
20 [~~district~~] to finance a portion of the proposed project with the  
21 political subdivision's [~~district's~~] resources instead of using  
22 only the proceeds from bonds of the authority for that purpose. The  
23 contract must be executed before the authority issues the bonds. As  
24 provided in the contract, the authority may [~~must~~]:

25 (1) reduce the value of the bond issuance to the degree  
26 that the political subdivision [~~district~~] provides project  
27 funding; and

1           (2) credit the political subdivision [~~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 reasonably commensurate with the  
5 contribution, revenue from the political subdivision [~~district~~] to  
6 service the authority's bond debt or interest.

7           SECTION 4. Subsection (b), Section 5.05, Chapter 1029, Acts  
8 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.

14           SECTION 6. This Act takes effect immediately if it receives  
15 a vote of two-thirds of all the members elected to each house, as  
16 provided by Section 39, Article III, Texas Constitution. If this  
17 Act does not receive the vote necessary for immediate effect, this  
18 Act takes effect September 1, 2003.

COMMITTEE AMENDMENT NO. 1

Amend S.B. 1725 by adding the appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS appropriately:

SECTION \_\_\_\_ . Section 1.03(d), Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, is amended to read as follows:

~~(d) On a municipality's annexation of any of the authority's territory, the annexed territory is excluded from the authority's territory. The authority shall continue to provide services to the annexed territory in accordance with contracts in effect at the time of the annexation unless a written agreement between the board and the governing body of the municipality provides otherwise~~  
Except to the extent the authority agrees in writing, a municipality's annexation of territory within the authority has no effect on the authority's ability to assess and collect inside the territory annexed by the municipality the types of fees, rates, charges, or special assessments that the authority was assessing and collecting at the time the municipality initiated the annexation; provided, however, that the authority's ability to assess and collect such fees, rates, charges, or special assessments shall terminate on the later to occur of (i) the date of final payment or defeasance of any bonds or other indebtedness (including any refunding bonds) that are secured by such fees, rates, charges, or special assessments or (ii) the date that the authority no longer provides services inside the annexed territory. The authority shall continue to provide services to the annexed territory in accordance with contracts in effect at the time of the

1 annexation unless a written agreement between the board and the  
2 governing body of the municipality provides otherwise.

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4 COMMITTEE AMENDMENT NO. 2

5 Amend S.B. No. 1725 by striking SECTION 1 of the bill (Senate  
6 engrossed version, page 1, lines 4-20) and substituting the  
7 following:

8 SECTION 1. Section 2.02(c), Chapter 1029, Acts of the 76th  
9 Legislature, Regular Session, 1999, is amended to read as follows:

10 (c) In the manner described by Section 49.103(d), Water  
11 Code, the board shall redraw the single-member voting districts as  
12 required by law as soon as practicable after:

13 (1) each federal decennial census; and

14 (2) any change in the boundaries of the authority [~~-~~]  
15 which increases the total area of the authority by more than 20  
16 percent.

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