

## **BILL ANALYSIS**

H.B. 2731  
By: Flores  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Persons who have developed land in Texas counties within 50 miles of an international border have been mandated by the Minimum State Standards and Model Political Subdivision Rules to either install septic tanks upon the sale of a lot in a platted subdivision or to purchase a bond and file it with the appropriate county that would cover the cost of installing the septic tank at the time a home is built on the purchased lot.

When a buyer purchases a lot covered by the Minimum State Standards and Model Political Subdivision Rules, the buyer may not intend to build on the lot for an extended period of time, requiring an open-ended commitment for the developer to purchase a bond annually to cover the cost of installing the septic tank. Under current law, the developer may install the septic tank upon sale of the lot, however, if construction has not begun, the developer does not have any information on placement of the septic tank.

H.B. 2731 addresses this issue by placing a three year limit on the required financial guarantee if construction of a dwelling or other structure on the tract has not begun.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Sec. 16.343, Water Code, by adding Subsection (h) to state that the model rules may not require an owner of a subdivided tract to provide a financial guarantee for a period of more than three years to ensure that any water supply or sewer facilities constructed or installed to service the tract meet the criteria specified by the model rules if the construction of a dwelling or other structure on the tract has not begun.

SECTION 2. Effective date of September 1, 2005.

### **EFFECTIVE DATE**

September 1, 2005.