

1-1 By: Lindsay S.B. No. 748
1-2 (In the Senate - Filed February 24, 2005; March 10, 2005,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; March 31, 2005, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; March 31, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the use of funds received by certain special purpose
1-9 districts under a contract with a municipality.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter C, Chapter 49, Water Code, is amended
1-12 by adding Section 49.073 to read as follows:

1-13 Sec. 49.073. USE OF CERTAIN CONTRACT FUNDS. A district
1-14 receiving funds from a municipality pursuant to the provisions of a
1-15 contract with the municipality, including a strategic partnership
1-16 agreement authorized under Section 43.0751, Local Government Code,
1-17 may use such funds for any lawful purpose of either the district or
1-18 the applicable municipality, unless required otherwise by the
1-19 applicable contract. The purposes of the district shall be
1-20 construed to include the municipal purposes for which such funds
1-21 are used by the district hereunder.

1-22 SECTION 2. This Act takes effect immediately if it receives
1-23 a vote of two-thirds of all the members elected to each house, as
1-24 provided by Section 39, Article III, Texas Constitution. If this
1-25 Act does not receive the vote necessary for immediate effect, this
1-26 Act takes effect September 1, 2005.

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