

## **BILL ANALYSIS**

Senate Research Center  
80R2389 SGA-D

H.B. 4044  
By: Parker (Estes)  
Natural Resources  
5/18/2007  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Mustang Special Utility District (district) furnishes retail water and sewer utility service to customers within its certificated service area, covering over 80 square miles of northeast Denton County.

Recently, developers have created several utility districts within the district's boundaries to fund water and sewer infrastructure for new high-density residential developments (developer districts). Residents of the developer districts are not customers of the district but still qualify to serve on the board of directors of the district because the political boundaries of the district and the developer districts overlap. Therefore, it is necessary to pass legislation to ensure that the district's customers serve on the district's board of directors.

H.B. 4044 requires that a person be a resident of the district and a retail water or sewer service customer of the district to be eligible for election to the district's board of directors. The bill also authorizes the district's board of directors to provide for the election of some or all of the directors from single-member districts.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the board of directors of the Mustang Special Utility District in SECTION 1 (Section 7209.053, Special District Laws Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle C, Title 6, Special District Local Laws Code, by adding Chapter 7209, as follows:

#### **CHAPTER 7209. MUSTANG SPECIAL UTILITY DISTRICT**

Sets forth standard language for the qualifications and method of electing directors of the Mustang Special Utility District (district). Sets forth standards, procedures, requirements, and criteria for:

General provisions of the district (Sections 7209.001-7214.050); and

Size, composition, election, and terms of the board of directors of the district (Sections 7209.051-7214.053).

SECTION 2. Provides that the changes in law made by Sections 7209.052 and 7209.053, Special District Local Laws Code, as added by this Act, do not affect the entitlement of a member serving on the board of directors of the district immediately before the effective date of this Act to continue to carry out the board's functions for the remainder of the member's term. Provides that the changes in law apply only to a member elected on or after the effective date of this Act. Provides that this Act does not prohibit a person who is a member of the board on the effective date of this Act from being reelected to the board if the person has the qualifications required for a member under Sections 7209.052 and 7209.053, Special District Local Laws Code, as added by this Act.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: September 1, 2007.