

BILL ANALYSIS

H.B. 4044
By: Parker
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Mustang Special Utility District ("Mustang") furnishes retail water and sewer utility service to customers within its certificated service area ("CCN") covering 80+ square miles of northeast Denton County, Texas. Developers have created several utility districts within Mustang's CCN to fund water and sewer infrastructure and provide service to new high-density residential developments (the "Developer Districts"). Residents of the Developer Districts are not customers of Mustang but they are currently eligible for election to Mustang's governing board because the political boundaries of Mustang and the Developer Districts overlap. This bill is necessary to ensure that Mustang's customers serve on its governing board.

H.B. 4044 will require that a person be a resident of Mustang and retail water or sewer service customer of Mustang to be eligible for election to Mustang's board. H.B. 4044 will also authorize Mustang's board to provide for the election of some or all of the directors from single-member districts.

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

CHAPTER 7209. MUSTANG SPECIAL UTILITY DISTRICT

Sec. 7209.001. DEFINITIONS. Defines the terms "board," "director" and "district" as relating to Mustang.

Sec. 7209.051. COMPOSITION OF BOARD. Provides that the district be governed by a board of nine directors.

Sec. 7209.052. DIRECTOR ELIGIBILITY. Provides that to be eligible for election or to serve as a director of Mustang, a person must be a resident of Mustang and a retail water or sewer service customer of Mustang.

Sec. 7209.053. ELECTION OF DIRECTORS FROM SINGLE-MEMBER DISTRICTS.

- (a) Authorizes Mustang's board by rule to provide for the election of some or all of the directors from single-member districts.
- (b) If the board provides for the election of directors from single-member districts, provides that a person must reside in a single-member district to be eligible for election or to serve as a director from that district, in addition to satisfying the qualifications required by Section 7209.052.

SECTION 2. Provides that the changes in law concerning director eligibility made by Sections 7209.052 and 7209.053, Special District Local Laws Code, as added by H.B. 4044, apply only to a director of Mustang elected on or after the effective date of said bill.

H.B. 4044 80(R)

SECTION 3. (a) Provides that legal notice of the intention to introduce the bill, setting forth the general substance of same, has been published as provided by law, and the notice and a copy of the bill have been furnished to all required persons under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

- (b) Provides that the governor has submitted the notice and bill to the Texas Commission on Environmental Quality (the "Commission").
- (c) Provides that the Commission has filed its recommendations relating to this bill with the governor, lieutenant governor, and speaker of the house of representatives within the required time.
- (d) Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this bill are fulfilled and accomplished.

SECTION 4. Effective date: September 1, 2007.

EFFECTIVE DATE

September 1, 2007.