

SENATE AMENDMENTS

2nd Printing

By: Hartnett

H.B. No. 1174

A BILL TO BE ENTITLED

AN ACT

1
2 relating to payment by a municipality for certain damages arising
3 from the municipality's operation of its sanitary sewer system.

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

5 SECTION 1. Subchapter Z, Chapter 402, Local Government
6 Code, is amended by adding Section 402.912 to read as follows:

7 Sec. 402.912. DAMAGES ARISING FROM SEWAGE BACKUP. A
8 municipality may pay damages arising from the backup of the
9 municipality's sanitary sewer system regardless of whether the
10 municipality would be liable for the damages under Chapter 101,
11 Civil Practice and Remedies Code.

12 SECTION 2. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2009.

ADOPTED

MAY 25 2009

Antony Lewis
Secretary of the Senate

By: *Thurmond*

H.B. No. 1174

Substitute the following for H.B. No. 1174:

By: *M. Galy*

C.S. H.B. No. 1174

A BILL TO BE ENTITLED

1 AN ACT
2 relating to payment by a municipality or river authority for
3 certain damages caused by the municipality's or river authority's
4 operation of a sanitary sewer system.

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

6 SECTION 1. Subchapter Z, Chapter 552, Local Government
7 Code, is amended by adding Section 552.912 to read as follows:

8 Sec. 552.912. CERTAIN DAMAGES CAUSED BY SEWAGE BACKUP. (a)
9 A municipality or a river authority may pay actual property damages
10 caused by the backup of the municipality's or river authority's
11 sanitary sewer system regardless of whether the municipality or
12 river authority would be liable for the damages under Chapter 101,
13 Civil Practice and Remedies Code.

14 (b) This section does not waive governmental immunity from
15 suit or liability.

16 SECTION 2. Section 552.912, Local Government Code, as added
17 by this Act, applies to damages caused by the backup of a sanitary
18 sewer system on or after March 1, 2007.

19 SECTION 3. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2009.

ADOPTED

MAY 25 2009

FLOOR AMENDMENT NO. 1

Atty. Gen.
Secretary of the Senate

BY: *W. L. ...*

1 Amend C.S.H.B. No. 1174 (senate committee printing) as
2 follows:

3 (1) In SECTION 1 of the bill, in added Section 552.912(a),
4 Local Government Code (page 1, line 17), between "a river
5 authority" and "may pay", insert ", other than a river authority
6 listed in Subsection (c),".

7 (2) In SECTION 1 of the bill, at the end of added Section
8 552.912, Local Government Code (page 1, between lines 23 and 24),
9 insert the following:

10 (c) This section does not apply to the Trinity River
11 Authority, the San Jacinto River Authority, the Sabine River
12 Authority, or the Lower Neches Valley River Authority.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1174 by Hartnett (Relating to payment by a municipality or river authority for certain damages caused by the municipality's or river authority's operation of a sanitary sewer system.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would authorize a municipality or a river authority, other than certain river authorities listed in the bill, to pay actual property damages caused by the backup of the municipality's or river authority's sanitary sewer system regardless of whether the municipality or river authority would otherwise be liable for the damages. Provisions of the bill would not waive governmental immunity from suit or liability.

Provisions of the bill would apply to damage caused by the backup of a sanitary sewer system on or after March 1, 2007.

The bill would take effect immediately if it was to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2009.

Local Government Impact

The fiscal impact to a municipality or river authority would depend on whether the entity decided to pay the property damages, how many persons or entities suffered property damages, and the cost of those property damages. A municipality or river authority would likely be willing to pay the property damages only if the costs could be absorbed within existing resources.

Source Agencies:

LBB Staff: JOB, DB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1174 by Hartnett (Relating to payment by a municipality or river authority for certain damages caused by the municipality's or river authority's operation of a sanitary sewer system.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would authorize a municipality or a river authority to pay actual property damages caused by the backup of the municipality's or river authority's sanitary sewer system regardless of whether the municipality or river authority would otherwise be liable for the damages. Provisions of the bill would not waive governmental immunity from suit or liability.

Provisions of the bill would apply to damage caused by the backup of a sanitary sewer system on or after March 1, 2007.

The bill would take effect immediately if it was to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2009.

Local Government Impact

The fiscal impact to a municipality or river authority would depend on whether the entity decided to pay the property damages, how many persons or entities suffered property damages, and the cost of those property damages. A municipality or river authority would likely be willing to pay the property damages only if the costs could be absorbed within existing resources.

Source Agencies:

LBB Staff: JOB, DB

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 18, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1174 by Hartnett (Relating to payment by a municipality for certain damages arising from the municipality's operation of its sanitary sewer system.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would authorize a municipality to pay damages arising from the backup of the municipality's sanitary sewer system regardless of whether the municipality would otherwise be liable for the damages.

Local Government Impact

The fiscal impact to a municipality would depend on whether the municipality decided to pay the damages, how many persons or entities suffered damages, the level of damages that occurred, and the cost to mitigate those damages. A municipality would likely be willing to pay damages only if the costs could be absorbed within existing resources.

Source Agencies:

LBB Staff: JOB, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 20, 2009

TO: Honorable Yvonne Davis, Chair, House Committee on Urban Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1174 by Hartnett (Relating to payment by a municipality for certain damages arising from the municipality's operation of its sanitary sewer system.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would authorize a municipality to pay damages arising from the backup of the municipality's sanitary sewer system regardless of whether the municipality would otherwise be liable for the damages.

Local Government Impact

The fiscal impact to a municipality would depend on whether the municipality decided to pay the damages, how many persons or entities suffered damages, the level of damages that occurred, and the cost to mitigate those damages. A municipality would likely be willing to pay damages only if the costs could be absorbed within existing resources.

Source Agencies:

LBB Staff: JOB, DB

