

## **BILL ANALYSIS**

Senate Research Center  
82R11727 NC-D

H.B. 2207  
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Intergovernmental Relations  
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Engrossed

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

A municipally-owned utility system is currently able by municipal ordinance to allow a board of trustees to set electric rates and related terms for an applicable system. H.B. 2207 amends the Local Government Code to permit certain municipalities to grant the board of trustees of a municipally-owned utility similar authority for water and sewer services.

H.B. 2207 amends current law relating to the authority of the board of trustees to set rates for certain municipal utility systems.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 552.141, Local Government Code, as follows:

Sec. 552.141. APPLICABILITY OF SUBCHAPTER. Provides that this subchapter applies only to a home-rule municipality that owns or may own a water, wastewater, storm water, or drainage utility system, by ordinance or charter elects to have the management and control of two or more of those utility systems governed by this subchapter, and has outstanding obligations payable solely from and secured by a lien on and pledge of the net revenue of one or more of those systems, or issues obligations that are payable solely from and secured by a lien on and pledge of the net revenue of one or more of those systems.

SECTION 2. Amends Section 552.142(a), Local Government Code, to authorize the ordinance to grant the board of trustees the authority to set rates and related terms for the systems.

SECTION 3. Effective date: upon passage or September 1, 2011.