

## **BILL ANALYSIS**

C.S.H.B. 2207  
By: Oliveira  
Natural Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

A municipally owned utility company by municipal ordinance is currently able to allow a board of trustees to set electric rates and related terms for an applicable system. C.S.H.B. 2207 seeks to grant certain municipalities the ability to grant boards of trustees of municipally owned utilities similar authority for water and sewer services.

### **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**

C.S.H.B. 2207 amends the Local Government Code to expand the applicability of provisions of law relating to the management of certain encumbered municipal water systems to a home-rule municipality that owns or may own a water, wastewater, storm water, or drainage utility system and by ordinance elects to have the management and control of two or more such utility systems governed by those provisions of law, and that meets certain other requirements, to make those provisions applicable to such a municipality that by charter elects to have management and control of two or more of those systems, in addition to meeting the other requirements. The bill, in a provision authorizing such a municipality by ordinance to transfer management and control of two or more of those utility systems to a board of trustees, authorizes the ordinance to grant the board authority to set rates and related terms for the systems.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 2207 contains a provision not included in the original expanding the applicability of provisions of law relating to the management of certain encumbered municipal water systems to a home-rule municipality that owns or may own a water, wastewater, storm water, or drainage utility system that by ordinance elects to have the management and control of two or more such utility systems governed by those provisions of law, and that meets certain other requirements, to make those provisions applicable to such a municipality that by charter elects to have management and control of two or more of those systems, in addition to meeting the other requirements.