BILL ANALYSIS

Senate Research Center

S.B. 1875 By: Hinojosa Intergovernmental Relations 9/6/2011 Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Agua Special Utility District (district) is a reconstituted entity that assumed the duties of the defunct La Joya Water Supply Corporation. As part of the reorganization of the entity, the Agua district elected a new board of directors to lead the district.

S.B. 1875 has two provisions. The first creates a limit of two consecutive terms for directors. An initial term for the first appointed directors constitutes one term.

The bill also clarifies that appointed directors may serve a second elected term. There was confusion as to whether appointed directors were eligible for elected service.

The district requested these changes to establish term limits and to create continuity for a reconstituted entity. By allowing appointed directors to qualify for election to their posts, voters in the district may retain directors with institutional knowledge necessary for a successful transition from its former constitution.

S.B. 1875 amends current law relating to the governing body and the powers of the Agua Special Utility District.

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 7201.052, Special District Local Laws Code, by amending Subsection (j) and adding Subsection (k-1), as follows:
 - (j) Prohibits a director from serving more than two consecutive terms. Provides that an initial appointment under Section 7201.051 (Appointment of Initial Directors) constitutes one term.
 - (k-1) Provides that a person who was appointed as an initial director under Section 7201.051 is eligible to serve as an elected director.
- SECTION 2. Amends Section 7201.205(a), Special District Local Laws Code, to prohibit the Agua Special Utility District (district) from disconnecting service of a customer for late payment before the 11th day, rather than 31st day, after the date the district notifies the customer of the overdue payment.
- SECTION 3. Provides that all requirements of the constitution and the laws of this tate 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, 2011.