

AN ACT

1
2 relating to a bill payment assistance program, and the authority of
3 the board of trustees to set rates, for certain municipal utility
4 systems.

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

6 SECTION 1. (a) Section 1502.056(a), Government Code, is
7 amended to read as follows:

8 (a) If the revenue of a utility system, park, or swimming
9 pool secures the payment of public securities issued or obligations
10 incurred under this chapter, each expense of operation and
11 maintenance, including all salaries, labor, materials, interest,
12 repairs and extensions necessary to provide efficient service, and
13 each proper item of expense, is a first lien against that
14 revenue. For a municipality with a population of more than one
15 million but less than two million, the first lien against the
16 revenue of a municipally owned [~~electric or gas~~] utility system
17 that secures the payment of public securities issued or obligations
18 incurred under this chapter also applies to funding, as a necessary
19 operations expense, for a bill payment assistance program for
20 utility system customers who have been threatened with
21 disconnection from service for nonpayment of bills and who have
22 been determined by the municipality to be low-income customers.

23 (b) Notwithstanding any other provision of this Act, this
24 section takes effect immediately if this Act receives a vote of

1 two-thirds of all the members elected to each house, as provided by
2 Section 39, Article III, Texas Constitution. If this Act does not
3 receive the vote necessary for immediate effect, this section takes
4 effect September 1, 2011.

5 SECTION 2. Section 552.141, Local Government Code, is
6 amended to read as follows:

7 Sec. 552.141. APPLICABILITY OF SUBCHAPTER. This subchapter
8 applies only to a home-rule municipality that owns or may own a
9 water, wastewater, storm water, or drainage utility system, by
10 ordinance or charter elects to have the management and control of
11 two or more of those utility systems governed by this subchapter,
12 and:

13 (1) has outstanding obligations payable solely from
14 and secured by a lien on and pledge of the net revenue of one or more
15 of those systems; or

16 (2) issues obligations that are payable solely from
17 and secured by a lien on and pledge of the net revenue of one or more
18 of those systems.

19 SECTION 3. Section 552.142(a), Local Government Code, is
20 amended to read as follows:

21 (a) A municipality by ordinance may transfer management and
22 control of two or more of its water, wastewater, storm water, or
23 drainage systems to a board of trustees. A municipality by
24 ordinance may grant the board authority to set rates and related
25 terms for the systems.

26 SECTION 4. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

H.B. No. 2207

1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2011.

President of the Senate

Speaker of the House

I certify that H.B. No. 2207 was passed by the House on April 7, 2011, by the following vote: Yeas 140, Nays 4, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2207 on May 26, 2011, by the following vote: Yeas 142, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2207 was passed by the Senate, with amendments, on May 23, 2011, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor