

1-1 By: Oliveira (Senate Sponsor - Lucio) H.B. No. 2207
1-2 (In the Senate - Received from the House April 11, 2011;
1-3 April 26, 2011, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 20, 2011, reported adversely,
1-5 with favorable Committee Substitute by the following vote: Yeas 5,
1-6 Nays 0; May 20, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2207 By: Nichols

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the authority of the board of trustees to set rates for
1-11 certain municipal utility systems.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 552.141, Local Government Code, is
1-14 amended to read as follows:

1-15 Sec. 552.141. APPLICABILITY OF SUBCHAPTER. This subchapter
1-16 applies only to a home-rule municipality that owns or may own a
1-17 water, wastewater, storm water, or drainage utility system, by
1-18 ordinance or charter elects to have the management and control of
1-19 two or more of those utility systems governed by this subchapter,
1-20 and:

1-21 (1) has outstanding obligations payable solely from
1-22 and secured by a lien on and pledge of the net revenue of one or more
1-23 of those systems; or

1-24 (2) issues obligations that are payable solely from
1-25 and secured by a lien on and pledge of the net revenue of one or more
1-26 of those systems.

1-27 SECTION 2. Section 552.142(a), Local Government Code, is
1-28 amended to read as follows:

1-29 (a) A municipality by ordinance may transfer management and
1-30 control of two or more of its water, wastewater, storm water, or
1-31 drainage systems to a board of trustees. A municipality by
1-32 ordinance may grant the board authority to set rates and related
1-33 terms for the systems.

1-34 SECTION 3. This Act takes effect immediately if it receives
1-35 a vote of two-thirds of all the members elected to each house, as
1-36 provided by Section 39, Article III, Texas Constitution. If this
1-37 Act does not receive the vote necessary for immediate effect, this
1-38 Act takes effect September 1, 2011.

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