By: Isaac H.B. No. 3620

Substitute the following for H.B. No. 3620:

By: Price C.S.H.B. No. 3620

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to changes in participation in public utility agencies.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Section 572.051(1), Local Government Code, is
- 5 amended to read as follows:
- 6 (1) "Concurrent ordinance" means an ordinance or
- 7 resolution adopted under this subchapter by two or more public
- 8 entities [that relates to the creation or re-creation of a public
- 9 utility agency].
- 10 SECTION 2. Section 572.053, Local Government Code, is
- 11 amended to read as follows:
- 12 Sec. 572.053. CHANGES IN PUBLIC ENTITIES PARTICIPATING IN
- 13 [RE-CREATION OF] PUBLIC UTILITY AGENCY. The public entities that
- 14 participate in [create] a public utility agency may by concurrent
- 15 ordinances add [re-create the agency by adding or deleting, or
- 16 both, a public entity to, or delete a public entity from,
- 17 participation in the public utility agency.
- 18 SECTION 3. Section 572.054, Local Government Code, is
- 19 amended by amending Subsections (a) and (c) and adding Subsection
- 20 (a-1) to read as follows:
- 21 (a) The governing body of each public entity that
- 22 participates in the creation of a public utility agency shall
- 23 publish notice of its intention to create the [a public utility]
- 24 agency in a newspaper of general circulation in the county in which

- 1 the entity is located [domiciled].
- 2 (a-1) The governing body of a public entity that proposes to
- 3 be added to an existing public utility agency shall publish notice
- 4 of its intention to be added to the agency in a newspaper of general
- 5 circulation in the county in which the entity is located.
- 6 (c) The notice must state:
- 7 (1) the date, time, and location at which the
- 8 governing body proposes to adopt the concurrent ordinance; and
- 9 (2) that a public utility agency will be created or a
- 10 public entity will be added to an agency on the date on which the
- 11 concurrent ordinances take effect, as applicable.
- 12 SECTION 4. Section 572.055, Local Government Code, is
- 13 amended to read as follows:
- 14 Sec. 572.055. CONTENTS OF CONCURRENT ORDINANCE. A
- 15 concurrent ordinance creating a public utility agency under Section
- 16 572.052 or changing the public entities participating in
- 17 [re-creating] an agency under Section 572.053 must, as adopted by
- 18 each public entity:
- 19 (1) contain identical provisions;
- 20 (2) define the boundaries of the agency to include the
- 21 territory within the boundaries of each participating public entity
- 22 as the boundaries are changed periodically;
- 23 (3) designate the name of the agency; and
- 24 (4) designate the number, place, initial term, and
- 25 manner of appointment of directors in accordance with Section
- 26 572.057.
- SECTION 5. Section 572.056(a), Local Government Code, is

- 1 amended to read as follows:
- 2 (a) If, before the date set for the adoption of a concurrent
- 3 ordinance that creates a public utility agency or adds a public
- 4 entity to an agency, 10 percent of the registered voters of a public
- 5 entity required to publish notice of the creation or addition
- 6 present a petition to the governing body of the entity requesting
- 7 that a referendum be called, the ordinance may not take effect
- 8 unless a majority of the qualified voters of the entity voting in
- 9 the election have approved the ordinance.
- 10 SECTION 6. Sections 572.053, 572.054, 572.055, and 572.056,
- 11 Local Government Code, as amended by this Act, apply only to a
- 12 public entity that participates in a public utility agency created
- 13 or changed on or after the effective date of this Act.
- 14 SECTION 7. This Act takes effect immediately if it receives
- 15 a vote of two-thirds of all the members elected to each house, as
- 16 provided by Section 39, Article III, Texas Constitution. If this
- 17 Act does not receive the vote necessary for immediate effect, this
- 18 Act takes effect September 1, 2011.