

BILL ANALYSIS

S.B. 795

By: Lucio

International Trade & Intergovernmental Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that the City of Brownsville recently established a gas utility system as authorized by state law and its local charter but that the charter provides for a seven-member utilities board to manage the city's electric, water, and wastewater system whereas state law calls for a five-member board. S.B. 795 seeks to address this disparity by authorizing a seven-member board of trustees named in the proceedings adopted by a municipality to manage the municipality's utility system, if the municipality meets certain criteria, in addition to authorizing such a board to enter into power purchase agreements to satisfy the power supply requirements of its ratepayers.

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

S.B. 795 amends the Government Code to authorize the management and control of a utility system in a municipality located in a county with a population of at least 375,000 that is located on an international border and that borders the Gulf of Mexico to be vested in a board of trustees named in the proceedings adopted by the municipality and consisting of not more than seven members, one of whom must be the mayor of the municipality.

S.B. 795 amends the Local Government Code to authorize the governing body, board of trustees, or other entity vested with the management and control of such a municipality's utility system to contract for the purchase of electricity under terms the governing body, board of trustees, or other entity considers appropriate.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.