By: J. Davis of Harris

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H.B. No. 2987

A BILL TO BE ENTITLED

AN ACT

2 relating to certain water districts that do not provide water and 3 sanitary sewer service to certain users in the districts' 4 territory.

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

6 SECTION 1. Sections 43.0761(a) and (b), Local Government 7 Code, are amended to read as follows:

8 (a) A district existing on September 1, 1997, that, within 9 10 years after the date of its creation, has not provided water and 10 sanitary sewer utility service from its facilities to all household 11 users in its territory shall:

(1) provide water and sanitary sewer utility service from its facilities to all household users in its territory not later than September 1, 1998; or

(2) for that part of the district for which the 15 16 district does not provide water and sanitary sewer utility service, and for which one or more of a municipality or conservation and 17 reclamation district created as a governmental agency and body 18 politic and corporate under Section 59, Article XVI, Texas 19 Constitution, does provide all or part of those services, provide 20 for periodic payments, as described by Subsection (b), by the 21 district to the municipality or governmental agency that provides 22 23 the services.

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(b) Payments made under Subsection (a)(2) are operation and

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1 maintenance expenses of the district and shall be made at least 2 every three months. The total annual amount of the payments may not 3 exceed the lesser of:

4 (1) the total <u>aggregate</u> annual <u>costs to any</u> [cost to
5 the] municipality <u>or governmental agency</u> of providing the water and
6 sanitary sewer utility service, including both capital and
7 operation and maintenance costs and expenses; or

8 (2) the total annual amount of maintenance and 9 operation taxes and debt service or bond taxes paid to the district 10 by the owners of taxable property within the district that receives 11 water and sanitary sewer utility service from <u>one or more</u> 12 <u>municipalities or governmental agencies</u> [the municipality].

13 SECTION 2. This Act takes effect immediately if it receives 14 a vote of two-thirds of all the members elected to each house, as 15 provided by Section 39, Article III, Texas Constitution. If this 16 Act does not receive the vote necessary for immediate effect, this 17 Act takes effect September 1, 2013.

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