

By: Lucio

S.B. No. 1670

A BILL TO BE ENTITLED

AN ACT

relating to a historic structure assistance program operated by a municipally owned utility in certain municipalities; authorizing a fee.

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

SECTION 1. Chapter 552, Local Government Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. HISTORIC STRUCTURE ASSISTANCE PROGRAM IN CERTAIN MUNICIPALITIES

Sec. 552.151. DEFINITIONS. In this subchapter:

(1) "Historic structure" means a structure described by:

(A) Section 442.001(3), Government Code; and

(B) Sections 442.001(3)(A) and (D), Government Code.

(2) "Historic structure fee" means a fee charged by a municipally owned utility in accordance with this subchapter for the purpose of maintaining, operating, and renovating the utility systems of certain historic structures.

(3) "Municipally owned utility" means a utility owned, operated, and controlled by a municipality.

(4) "Program" means a historic structure assistance program established under Section 552.158.

Sec. 552.152. APPLICABILITY OF SUBCHAPTER. This subchapter

1 applies only to a municipality:

2 (1) with a population of 135,000 to 230,000; and

3 (2) located in a county that is located on the  
4 international border.

5 Sec. 552.153. HISTORIC STRUCTURE FEE. A municipally owned  
6 utility may charge a historic structure fee in an amount not to  
7 exceed \$1 each month for the purpose of maintaining, operating, and  
8 renovating the utility systems of certain historic structures under  
9 the historic structure assistance program if a majority of  
10 municipal voters approve the fee in an election held in accordance  
11 with this subchapter.

12 Sec. 552.154. FEE RESOLUTION; ELECTION ORDER. If a  
13 municipally owned utility proposes a historic structure fee, the  
14 governing body of a municipality that owns the utility shall:

15 (1) adopt a resolution that specifies:

16 (A) the amount of the proposed historic structure  
17 fee;

18 (B) the purpose for which the proposed historic  
19 structure fee is charged; and

20 (C) the date on which the municipally owned  
21 utility proposes to begin charging the proposed historic structure  
22 fee; and

23 (2) order an election on the uniform election date in  
24 November authorized under Section 41.001, Election Code, to approve  
25 the historic structure fee.

26 Sec. 552.155. NOTICE OF ELECTION. (a) The governing body  
27 of a municipality shall provide notice of an election for the

1 approval of a proposed historic structure fee by publishing a copy  
2 of the resolution and election order described by Section 552.154  
3 once a week for two consecutive weeks in a newspaper with general  
4 circulation in the municipality.

5 (b) The notice must be published not earlier than the 30th  
6 day or later than the 10th day before election day.

7 Sec. 552.156. RESULTS OF FEE ELECTION. (a) If a majority  
8 of municipal voters approve a historic structure fee at an election  
9 called for that purpose, the municipally owned utility may begin  
10 charging the fee on the date specified in the resolution adopted  
11 under Section 552.154.

12 (b) If a majority of municipal voters do not approve a  
13 historic structure fee at an election called for that purpose, the  
14 municipality may not hold another election on the approval of a  
15 historic structure fee before the first anniversary of the date of  
16 the election at which the voters did not approve of the fee.

17 Sec. 552.157. FEE OPT OUT. If a historic structure fee is  
18 approved under Section 552.156, a customer of the municipally owned  
19 utility may provide written notice to the utility that the customer  
20 elects to opt out of paying the fee. On receipt of the notice, the  
21 utility may not charge that customer the fee.

22 Sec. 552.158. HISTORIC STRUCTURE ASSISTANCE PROGRAM.

23 (a) If a historic structure fee is approved under Section 552.156,  
24 the municipally owned utility shall notify all utility customers of  
25 the election results and inform them of the opt out process with an  
26 explanation of how the fees are to be used, and establish and  
27 operate a historic structure assistance program in accordance with

1 this section. The utility may use the fee only for the purpose of  
2 operating the program, and the utility may not use more than 10  
3 percent of the revenue generated by the fee for the purpose of  
4 paying the program's administrative costs.

5 (b) A nonprofit organization or a governmental entity may  
6 apply to the municipally owned utility to enter into an agreement  
7 under the program. To be eligible, an applicant must own a historic  
8 structure that is at least 100 years old and is located within the  
9 corporate boundaries of the municipality.

10 (c) A municipally owned utility that receives an  
11 application under this section as soon as practicable must forward  
12 a copy of the application to the governing body of the municipality  
13 that owns the utility and to the Texas Historical Commission. The  
14 governing body and the commission must jointly determine whether to  
15 approve the application.

16 (d) If an applicant is approved for the program, the  
17 municipally owned utility and the applicant shall enter into an  
18 agreement that allows the utility to provide the applicant  
19 financial assistance in accordance with the program for the purpose  
20 of promoting the public purpose of preserving historic structures  
21 by maintaining, operating, or renovating the utility systems of the  
22 structures. The agreement must include provisions under which the  
23 municipally owned utility is granted sufficient control to ensure  
24 that the public purpose is accomplished and the municipality  
25 receives a return benefit.

26 (e) After entering into an agreement under Subsection (d),  
27 the municipally owned utility shall provide financial assistance

1 under the program to the program participant. Money provided under  
2 the program may be used only for maintaining, operating, or  
3 renovating the utility systems of the participant's historic  
4 structure described by Subsection (b). The purposes described by  
5 this subsection include:

6 (1) increasing energy or water efficiency in the  
7 historic structure;

8 (2) promoting energy or water conservation in the  
9 historic structure; and

10 (3) assisting the participant with utility bill  
11 payments charged by the utility for the historic structure.

12 SECTION 2. This Act takes effect September 1, 2017.