

By: Lucio

S.B. No. 1670

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

8 SUBCHAPTER I. HISTORIC STRUCTURE ASSISTANCE PROGRAM IN CERTAIN
9 MUNICIPALITIES

10 Sec. 552.151. DEFINITIONS. In this subchapter:

11 (1) "Historic structure" has the meaning assigned by
12 Section 442.001, Government Code.

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

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

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

21 Sec. 552.152. APPLICABILITY OF SUBCHAPTER. This subchapter
22 applies only to a municipality:

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

24 (2) located in a county that is located on the

1 international border.

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

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

12 (1) adopt a resolution that specifies:

13 (A) the amount of the proposed historic structure
14 fee;

15 (B) the purpose for which the proposed historic
16 structure fee is charged; and

17 (C) the date on which the municipally owned
18 utility proposes to begin charging the proposed historic structure
19 fee; and

20 (2) order an election to approve the historic
21 structure fee.

22 Sec. 552.155. NOTICE OF ELECTION. (a) The governing body
23 of a municipality shall provide notice of an election for the
24 approval of a proposed historic structure fee by publishing a copy
25 of the resolution and election order described by Section 552.154
26 once a week for two consecutive weeks in a newspaper with general
27 circulation in the municipality.

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

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

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

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

18 Sec. 552.158. HISTORIC STRUCTURE ASSISTANCE PROGRAM. (a)
19 If a historic structure fee is approved under Section 552.156, the
20 municipally owned utility shall establish and operate a historic
21 structure assistance program in accordance with this section. The
22 utility may use the fee only for the purpose of operating the
23 program, and the utility may not use more than 10 percent of the
24 revenue generated by the fee for the purpose of paying the program's
25 administrative costs.

26 (b) A nonprofit organization or a governmental entity may
27 apply to the municipally owned utility to enter into an agreement

1 under the program. To be eligible, an applicant must own a historic
2 structure that is at least 150 years old and is located within the
3 corporate boundaries of the municipality.

4 (c) If an applicant is approved for the program, the
5 municipally owned utility and the applicant shall enter into an
6 agreement that allows the utility to provide the applicant
7 financial assistance in accordance with the program for the purpose
8 of promoting the public purpose of preserving historic structures
9 by maintaining, operating, or renovating the utility systems of the
10 structures. The agreement must include provisions under which the
11 municipally owned utility is granted sufficient control to ensure
12 that the public purpose is accomplished and the municipality
13 receives a return benefit.

14 (d) After entering into an agreement under Subsection (c),
15 the municipally owned utility shall provide financial assistance
16 under the program to the program participant. Money provided under
17 the program may be used only for maintaining, operating, or
18 renovating the utility systems of the participant's historic
19 structure described by Subsection (b). The purposes described by
20 this subsection include:

21 (1) increasing energy or water efficiency in the
22 historic structure;

23 (2) promoting energy or water conservation in the
24 historic structure; and

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

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