

.BILL ANALYSIS

C.S.H.B. 3821
By: Goodwin
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been suggested that legislation is needed to address disparities in how certain municipalities execute the annexation of a special district under a strategic partnership agreement. C.S.H.B. 3821 seeks to address this issue by setting out provisions relating to annexation by certain municipalities of a special district under a strategic partnership agreement.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 3821 amends the Local Government Code to require a municipality that operates a municipally owned water utility, is a party to a strategic partnership agreement with a municipal utility district under which the municipality contemplates annexing 400 or more water or wastewater connections that are not located in the district, and is authorized or required to annex a conservation and reclamation district for full purposes under an applicable strategic partnership agreement to receive approval for the annexation as required by specified annexation provisions for tier 2 municipalities, as applicable, before annexation.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3821 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include provisions requiring a municipality that operates a municipally owned water utility, that uses revenue from the utility partly for general municipal purposes or other purposes not related to the water utility, and that is annexing a conservation and reclamation district for full purposes under an applicable strategic partnership agreement to do the following:

- comply with specified annexation provisions for tier 2 municipalities, as applicable; and

- annex the district and all of the unincorporated area served by the district that is located in the municipality's extraterritorial jurisdiction.

The substitute includes provisions requiring a municipality that operates a municipally owned water utility, is a party to a strategic partnership agreement with a municipal utility district under which the municipality contemplates annexing 400 or more water or wastewater connections that are not located in the district, and is authorized or required to annex a conservation and reclamation district for full purposes under an applicable strategic partnership agreement to receive approval for the annexation as required by specified annexation provisions for tier 2 municipalities, as applicable, before annexation.