

By: Lucio

S.B. No. 1551

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 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 applies only to a municipality:

(1) operating a municipally owned utility; and

(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 on the uniform election date in
21 November authorized under Section 41.001, Election Code, to approve
22 the historic structure fee.

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

1 circulation in the municipality.

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

4 Sec. 552.156. RESULTS OF FEE ELECTION; NOTICE. (a) If a
5 majority of municipal voters approve a historic structure fee at an
6 election called for that purpose, the municipally owned utility:

7 (1) shall provide notice to all affected utility
8 customers that contains:

9 (A) the election results; and

10 (B) information regarding:

11 (i) the opt out process; and

12 (ii) how the fee is to be used; and

13 (2) may begin charging the fee on the date specified in
14 the resolution adopted under Section 552.154.

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

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

25 Sec. 552.158. HISTORIC STRUCTURE ASSISTANCE PROGRAM.

26 (a) If a historic structure fee is approved under Section 552.156,
27 the municipally owned utility shall establish and operate a

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

6 (b) A nonprofit organization or a governmental entity may
7 apply to the municipally owned utility to enter into an agreement
8 under the program. To be eligible, an applicant must own a historic
9 structure that is:

10 (1) at least 100 years old; and

11 (2) located within the corporate boundaries of the
12 municipality.

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

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

1 receives a return benefit.

2 (e) After entering into an agreement under Subsection (d),
3 the municipally owned utility shall provide financial assistance
4 under the program to the program participant. Money provided under
5 the program may be used only for maintaining, operating, or
6 renovating the utility systems of the participant's historic
7 structure described by Subsection (b). The purposes described by
8 this subsection include:

9 (1) increasing energy or water efficiency in the
10 historic structure;

11 (2) promoting energy or water conservation in the
12 historic structure; and

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

15 SECTION 2. This Act takes effect September 1, 2019.