## **BILL ANALYSIS**

C.S.H.B. 1155 By: Vo Land & Resource Management Committee Report (Substituted)

#### **BACKGROUND AND PURPOSE**

Concerns have been raised regarding the authority of the board of directors of a municipal utility district that is located in the extraterritorial jurisdictions of more than one municipality to select the municipality that may exercise authority within the district as a whole. Such a district can change its governing municipality to suit district needs. If, for example, one municipality's ordinances are too restrictive, the district can simply choose another applicable municipality by which to be governed. This can cause issues when a municipality has to decide whether to factor district finances into a municipal budget. C.S.H.B. 1155 seeks to address these concerns by prohibiting an applicable district from changing the selection of its governing municipality without the consent of all affected municipalities in order to eliminate uncertainty among municipalities and protect property owners from sudden changes.

# **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. 1155 amends the Water Code to prohibit a municipal utility district that is located in the extraterritorial jurisdictions of more than one municipality and that has selected the municipality that may exercise authority within the district as a whole from changing the selection without the consent of all affected municipalities. The bill applies to a selection of municipal authority made by a district regardless of the date the selection was made.

## **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 1155 differs from the original in minor or nonsubstantive ways to make a technical correction.

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