By:  Jetton, et al. (Senate Sponsor - Kolkhorst) H.B. No. 1154

(In the Senate - Received from the House April 26, 2021; May 13, 2021, read first time and referred to Committee on Local Government; May 24, 2021, reported adversely, with favorable Committee Substitute by the following vote: Yeas 8, Nays 0; May 24, 2021, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Menéndez          X

Eckhardt          X

Gutierrez                  X

Hall              X

Nichols           X

Paxton            X

Springer          X

Zaffirini         X

COMMITTEE SUBSTITUTE FOR H.B. No. 1154 By:  Nichols

A BILL TO BE ENTITLED

AN ACT

relating to the requirements for meetings held and Internet websites developed by certain special purpose districts.

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

SECTION 1.  Section 403.0241(c), Government Code, is amended to read as follows:

(c)  For each special purpose district described by Subsection (b), the database must include:

(1)  the name of the special purpose district;

(2)  the name of each board member of the special purpose district;

(3)  contact information for the main office of the special purpose district, including the physical address, the mailing address, and the main telephone number;

(4)  if the special purpose district employs a person as a general manager or executive director, or in another position to perform duties or functions comparable to those of a general manager or executive director, the name of the employee;

(5)  if the special purpose district contracts with a utility operator, contact information for a person representing the utility operator, including a mailing address and a telephone number;

(6)  if the special purpose district contracts with a tax assessor-collector, contact information for a person representing the tax assessor-collector, including a mailing address and telephone number;

(7)  the special purpose district's Internet website address or, if the district does not maintain an Internet website, the address of any Internet website or websites the district uses to comply with Section 2051.202 of this code and Section 26.18, Tax Code [~~,if any~~];

(8)  the financial information described by Section 140.008(b) or (g), Local Government Code, including any revenue obligations;

(9)  the total amount of bonds authorized by the voters of the special purpose district that are payable wholly or partly from ad valorem taxes, excluding refunding bonds if refunding bonds were separately authorized and excluding contract revenue bonds;

(10)  the aggregate initial principal amount of all bonds issued by the special purpose district that are payable wholly or partly from ad valorem taxes, excluding refunding bonds and contract revenue bonds;

(11)  the rate of any sales and use tax the special purpose district imposes;

(12)  for a special purpose district that imposes an ad valorem tax:

(A)  the ad valorem tax rate for the most recent tax year if the district is a district as defined by Section 49.001, Water Code; or

(B)  the table of ad valorem tax rates for the most recent tax year described by Section 26.16, Tax Code, in the form required by that section, if the district is not a district as defined by Section 49.001, Water Code; and

(13)  a link to the Internet website described by Section 49.062(g), Water Code, with a plain-language description of how a resident may petition to require that board meetings of certain special purpose districts be held not further than 10 miles from the boundary of the district.

SECTION 2.  Section 551.1283, Government Code, is amended by adding Subsections (d) and (e) to read as follows:

(d)  A district that maintains an Internet website shall post on that website links to any other Internet website or websites the district uses to comply with Section 2051.202 of this code and Section 26.18, Tax Code.

(e)  Nothing in this chapter shall prohibit a district from allowing a person to watch or listen to a board meeting by video or telephone conference call.

SECTION 3.  Subchapter E, Chapter 2051, Government Code, as added by Chapter 1029 (H.B. 305), Acts of the 86th Legislature, Regular Session, 2019, is redesignated as Subchapter F, Chapter 2051, Government Code, and amended to read as follows:

SUBCHAPTER F [~~E~~]. INTERNET WEBSITE

Sec. 2051.201  [~~2051.151~~]. [~~APPLICABILITY OF SUBCHAPTER. Except as provided by Section 2051.152(b), this subchapter applies only to a political subdivision with the authority to impose a tax that at any time on or after January 1, 2019, maintained a publicly accessible Internet website.~~

[~~Sec. 2051.152.~~] INFORMATION REQUIRED ON WEBSITE. (a) This section applies only to a political subdivision with the authority to impose a tax that:

(1)  at any time on or after January 1, 2019, maintained a publicly accessible Internet website; and

(2)  is not subject to Section 2051.202.

(b)  A political subdivision to which this section applies shall post on a publicly accessible Internet website the following information:

(1)  the political subdivision's contact information, including a mailing address, telephone number, and e-mail address;

(2)  each elected officer of the political subdivision;

(3)  the date and location of the next election for officers of the political subdivision;

(4)  the requirements and deadline for filing for candidacy of each elected office of the political subdivision, which shall be continuously posted for at least one year before the election day for the office;

(5)  each notice of a meeting of the political subdivision's governing body under Subchapter C, Chapter 551; and

(6)  each record of a meeting of the political subdivision's governing body under Section 551.021.

(c) [~~(b)~~]  Subsections (b)(5) [~~(a)(5)~~] and (6) do not apply to:

(1)  a county with a population of less than 10,000;

(2)  a municipality with a population of less than 5,000 located in a county with a population of less than 25,000; or

(3)  a school district with a population of less than 5,000 in the district's boundaries and located in a county with a population of less than 25,000.

Sec. 2051.202.  FINANCIAL AND OPERATING INFORMATION OF SPECIAL PURPOSE DISTRICTS. (a) In this section, "special purpose district" means a political subdivision of this state with geographic boundaries that define the subdivision's territorial jurisdiction. The term does not include a municipality, county, junior college district, independent school district, groundwater conservation district, river authority, or political subdivision with statewide jurisdiction.

(b)  This section applies only to a special purpose district that:

(1)  is authorized by the state by a general or special law to impose an ad valorem tax;

(2)  during the most recent fiscal year imposed an ad valorem tax;

(3)  during the most recent fiscal year:

(A)  had bonds outstanding;

(B)  had gross receipts from operations, loans, taxes, or contributions in excess of $250,000; or

(C)  had cash and temporary investments in excess of $250,000; and

(4)  at the beginning of the most recent fiscal year, had a population of 500 or more, as determined by the governing body of the special purpose district.

(c)  Notwithstanding Subsections (a) and (b), this section applies to a district created and operating under Chapter 387, Local Government Code.

(d)  A special purpose district shall post or cause to be posted on an Internet website the following information, if applicable:

(1)  the name of the special purpose district;

(2)  the name and term of office of each member of the governing body of the special purpose district;

(3)  the contact information for the main office of the special purpose district, including the physical address, the mailing address, and the telephone number;

(4)  the official contact information for each member of the governing body of the special purpose district;

(5)  if the special purpose district employs a person as a general manager or executive director, or in another position to perform duties or functions comparable to those of a general manager or executive director, the name of the general manager, executive director, or person that performs those duties;

(6)  if the special purpose district contracts with a utility operator, the contact information for a person representing the utility operator, including a mailing address and telephone number;

(7)  if the special purpose district contracts with a tax assessor-collector, the contact information for a person representing the tax assessor-collector, including a mailing address and telephone number;

(8)  if the special purpose district imposes an ad valorem tax, the rate of the ad valorem tax of the special purpose district;

(9)  if the special purpose district imposes a sales and use tax, the rate of the sales and use tax of the special purpose district;

(10)  any notice of tax hearing required to be given under Chapter 26, Tax Code, or Section 49.236, Water Code;

(11)  the location and schedule of meetings of the governing body of the special purpose district;

(12)  a statement substantially similar to the following: “Residents of the district have the right to request the designation of a meeting location within the district under Section 49.062(g), Water Code. A description of this process can be found at (insert link to the Internet website described by Section 49.062(g), Water Code).”;

(13)  each notice of a meeting of the governing body of the special purpose district under Subchapter C, Chapter 551, for meetings conducted in the current calendar year and the immediately preceding calendar year;

(14)  the minutes of a public meeting of the governing body of the special purpose district under Section 551.021 for meetings conducted in the current calendar year and the immediately preceding calendar year; and

(15)  the most recent financial audit of the special purpose district.

SECTION 4.  Section 49.062, Water Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b)  Except as provided by Subsection (b-1), the [~~The~~] board shall designate one or more places inside or outside the district for conducting the meetings of the board. The meeting place may be a private residence or office, provided that the board, in its order establishing the meeting place, declares the same to be a public place and invites the public to attend any meeting of the board. If the board establishes a meeting place or places outside the district, it shall give notice of the location or locations by filing a true copy of the resolution establishing the location or locations of the meeting place or places and a justification of why the meeting will not be held in the district or within 10 miles of the boundary of the district, if applicable, with the commission and also by publishing notice of the location or locations in a newspaper of general circulation in the district. If the location of any of the meeting places outside the district is changed, notice of the change shall be given in the same manner.

(b-1)  In this subsection, "rural area district" means a district in which more than half of the district's projected retail water or sewer connections are active and that is not wholly or partly located in a county that as of the 2010 Census had a population of 800,000 or more or bordered a county with a population of 800,000 or more. If the board of a rural area district conducts meetings at least quarterly, the board shall conduct a meeting at a designated meeting location inside the district or within 10 miles of the boundary of the district at least once per quarter. If the board determines that it is not practical to meet within 10 miles of the boundary of the district, the district may conduct the quarterly meeting at another designated meeting place in the county in which the district is located.

SECTION 5.  Section 49.0631, Water Code, is amended to read as follows:

Sec. 49.0631.  DISTRICT [~~MEETING~~] INFORMATION ON WATER BILL. A district providing potable water or sewer service shall as a part of the district's billing process include on a district's bill to a customer the following statement: "For more information about the district, including information about the district's board and board meetings, please go to the Comptroller's Special Purpose District Public Information Database or (district's Internet website if the district maintains an Internet website, or, if the district does not maintain an Internet website, the Internet website or websites the district uses to comply with Section 2051.202, Government Code, and Section 26.18, Tax Code)." The statement may be altered to provide the current Internet website address of [~~either~~] the database created under Section 403.0241, Government Code, [~~or~~] the district, or the Internet website or websites the district uses to comply with Section 2051.202, Government Code, and Section 26.18, Tax Code.

SECTION 6.  Sections 2051.202(d)(13) and (14), Government Code, as added by this Act, apply only to a meeting held by a special purpose district on or after the effective date of this Act.

SECTION 7.  To the extent of any conflict, this Act prevails over another Act of the 87th Legislature, Regular Session, 2021, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 8.  This Act takes effect September 1, 2021.

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