

## **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 1217  
By: Gutierrez (Lucio)  
Intergovernmental Relations  
5-6-97  
Committee Report (Substituted)

### **DIGEST**

Currently, there is no state law that allows a municipality to contract with a water supply corporation for fire hydrant service. Certification requirements under the Water Code may limit expansion of city water systems to outlying areas, and the costs involved in extending water lines may be prohibitive. C.S.H.B. 1217 would allow a municipality to contract with a water supply corporation for fire hydrant service.

### **PURPOSE**

As proposed, C.S.H.B. 1217 outlines provisions regarding contracts for fire hydrant service made with a water supply and sewer service corporation.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2, Article 1434a, V.T.C.S., by adding Subsections (e) and (f), to authorize water supply and sewer service corporations to enter into a contract with a municipality or a volunteer fire department under which the water supply or sewer service corporation may supply water either to municipally owned fire hydrants or to water supply or sewer service corporation fire hydrants for the purposes of fire suppression by the municipality's fire department or a volunteer fire department. Requires the contract to be under such terms and conditions as shall be mutually beneficial to the contracting parties. Provides that the furnishing of a water supply and fire hydrant equipment by a municipality or volunteer fire department directly or through another entity by a lease, contract, or other method is an essential governmental function and not a proprietary function for all purposes, including the application of Chapter 101, Civil Practice and Remedies Code. Requires a water supply or sewer service corporation that contracts with a municipality or volunteer fire department to provide a water supply or fire hydrant equipment to be liable for damages only to the extent that the municipality or volunteer fire department would be liable if the municipality or volunteer fire department were performing the governmental function directly.

SECTION 2. Emergency clause.  
Effective date: upon passage.

### **SUMMARY OF COMMITTEE CHANGES**

Amends proposed relating clause.

#### SECTION 1.

Amends Section 2, Article 1434a, V.T.C.S., by adding Subsections (e) and (f), regarding certain contracts for fire hydrant service.