

## **BILL ANALYSIS**

Senate Research Center

S.B. 1137  
By: Wentworth  
Natural Resources  
4-7-97  
As Filed

### **DIGEST**

Currently, no state law exists relating to the option for a board of directors of a municipal utility district (district) to select extraterritorial jurisdiction for certain districts. Property owners in certain annexed districts may be subject to double taxation from the municipality and the district, due to some districts having multiple extraterritorial jurisdiction. This bill provides the option for a board of directors of a district to select extraterritorial jurisdiction for certain municipal utility districts.

### **PURPOSE**

As proposed, S.B. 1137 provides the option for a board of directors of a municipal utility district to select extraterritorial jurisdiction for certain municipal utility districts.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to a municipal utility district operating under Chapter 54, Water Code, in SECTION 1 (Section 54.0163(a) and (b), Water Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 54B, Water Code, by adding Section 54.0163, as follows:

Sec. 54.0163. OPTION OF SELECTION OF EXTRATERRITORIAL JURISDICTION FOR CERTAIN DISTRICTS. Authorizes the board of a municipal utility district (district) operating under this chapter that is located partly or wholly in the extraterritorial jurisdiction of more than one municipality, by resolution, to select the municipality that is authorized to exercise authority within the district as a whole. Requires the resolution to state the effective date. Requires the board to file with each affected municipality and in the real property records of each county in which the district is located a certified copy of the resolution. Provides that the district is contained wholly in the extraterritorial jurisdiction of the municipality selected by the resolution for all purposes, on the effective date of the resolution. Authorizes a board that has made a selection of extraterritorial jurisdiction under Section 54.0162 to confirm the selection by the adoption of a resolution under this section. Requires the selection to be effective from the date of the original selection, if the selection under Section 54.0162 is confirmed under this subsection.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Emergency clause.  
Effective date: upon passage.