

BILL ANALYSIS

Senate Research Center

C.S.S.B. 859
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Intergovernmental Relations
4-3-97
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 to expansion of city water systems to outlying areas, and the costs involved in extending water lines may be prohibitive. This bill allows a municipality to contract with a water supply corporation for fire hydrant service.

PURPOSE

As proposed, C.S.S.B. 859 allows a municipality to contract with a water supply corporation for fire hydrant service.

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 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 to supply water 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 terms and conditions that are mutually beneficial to the contracting parties. Provides that the furnishing of a water supply and fire hydrant equipment by a municipality or a volunteer fire department directly or through another entity by a lease, contract, or any other manner 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 fire department would be liable if the municipality or fire department were performing the governmental function directly.

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

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends proposed Section 2(e), Article 1434a, V.T.C.S., to authorize water supply and sewer service corporations, rather than water and sewer service corporations, to enter into certain contracts. Makes nonsubstantive changes.

Amends proposed Section 2(f), Article 1434a, V.T.C.S., to make nonsubstantive changes.