

1-1 By: Thompson (Senate Sponsor - Ellis) H.B. No. 2295
1-2 (In the Senate - Received from the House April 28, 2003;
1-3 May 1, 2003, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 19, 2003, reported adversely,
1-5 with favorable Committee Substitute by the following vote: Yeas 4,
1-6 Nays 0; May 19, 2003, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2295 By: Gallegos

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the level of municipal participation in contracts with
1-11 developers for public improvements.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 212.072, Local Government Code, is
1-14 amended by amending Subsection (b) and adding Subsections (c) and
1-15 (d) to read as follows:

1-16 (b) The contract:

1-17 (1) must establish the limit of participation by the
1-18 municipality at a level not to exceed 30 percent of the total
1-19 contract price, if the municipality has a population of less than
1-20 1.8 million; or

1-21 (2) may allow participation by a municipality at a
1-22 level not to exceed 70 percent of the total contract price, if the
1-23 municipality has a population of 1.8 million or more.

1-24 (c) In addition, the contract may also allow participation
1-25 by the municipality at a level not to exceed 100 percent of the
1-26 total cost for any oversizing of improvements required by the
1-27 municipality, including but not limited to increased capacity of
1-28 improvements to anticipate other future development in the area.

1-29 (d) The municipality is liable only for the agreed payment
1-30 of its share of the contract, which shall be determined in advance
1-31 either as a lump sum or as a factor or percentage of the total actual
1-32 cost as determined by municipal ordinance.

1-33 SECTION 2. This Act takes effect immediately if it receives
1-34 a vote of two-thirds of all the members elected to each house, as
1-35 provided by Section 39, Article III, Texas Constitution. If this
1-36 Act does not receive the vote necessary for immediate effect, this
1-37 Act takes effect September 1, 2003.

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