

## **BILL ANALYSIS**

Senate Research Center  
76R15503 CAG-D

C.S.H.B. 508  
By: Wohlgemuth (Sibley)  
Intergovernmental Relations  
5/12/1999  
Committee Report (Substituted)

### **DIGEST**

Section 251.012, Transportation Code, provides that the commissioners court of a county may spend county money to finance the construction, improvement, maintenance, or repair of a street or alley that is located in a municipality within that county, with the governing body of the municipality's approval. Interlocal agreements have been used by county and municipal governments for several years. Recent attorney general opinions, citing supreme court precedents, have restricted the execution and content of interlocal agreements, so that county and municipal governments can no longer enter into contracts for construction of roadways within cities unless it is a connecting link or an integral part of a county road. This requirement has made it difficult for counties and cities to engage in contracts using county road funds when both parties consent to the agreement. C.S.H.B. 508 would regulate certain interlocal contracts.

### **PURPOSE**

As proposed, C.S.H.B. 508 regulates certain interlocal contracts.

### **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 Chapter 791C, Government Code, by adding Section 791.032, as follows:

Sec. 791.032. CONSTRUCTION, IMPROVEMENT, AND REPAIR OF STREETS IN MUNICIPALITIES. Authorizes a local government, with the approval of the governing body of a municipality, to enter into an interlocal contract with the municipality to finance the construction, improvement, maintenance, or repair of streets or alleys in the municipality.

SECTION 2. Amends Section 251.012(a), Transportation Code, to authorize the commissioners court of a county, with the approval of a governing body of a municipality, to spend county money to finance certain work on a street or alley in the county that is located in the municipality, including the provision of any construction, improvement, maintenance, or repair allowed under Section 791.032, Government Code, if the commissioners court finds that the county will receive benefits as a result of the work on the street or alley.

SECTION 3. Effective date: September 1, 1999.

SECTION 4. Emergency clause.