

## **BILL ANALYSIS**

Senate Research Center

S.B. 896  
By: Brown  
Intergovernmental Relations  
4/12/1999  
As Filed

### **DIGEST**

Currently, Texas law limits the level of municipal participation in developer costs to 30 percent of the total contract price. When a developer plans for and constructs water and waste water facilities for an area, the developer usually installs only such facilities as necessary to meet the capacity of the area. The municipality often requires the oversizing of these facilities to meet future capacity development in the area. S.B. 896 would allow a municipality to reimburse a developer for 30 percent of the total cost for public improvements and 100 percent of the total cost for oversizing any facilities.

### **PURPOSE**

As proposed, S.B. 896 establishes municipal participation in contracted developer costs.

### **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 212.072(b), Local Government Code, to establish that the level of participation for total public improvements, rather than the total contract price, necessitated by a developer in a contract, may not exceed 30 percent of the total by the municipality. Authorizes the contract to allow participation by the municipality at a level not to exceed 100 percent of the total cost for oversizing of improvements required by the municipality in anticipation of future development in the area.

SECTION 2. Emergency clause.

Effective date: 90 days after adjournment.