

## BILL ANALYSIS

Senate Research Center  
81R29596 SGA-F

S.B. 2579  
By: Watson  
Intergovernmental Relations  
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As Filed

### AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Lakeway Municipal Utility District (district) is governed by a five-person board of directors and there are customers of the district who cannot participate in elections to select the members of the board of directors.

As proposed, S.B. 2579 establishes a seven-member board of directors for the district, and allows for residents of the additional voting area as defined by the bill to participate in board elections.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. DEFINITIONS. Defines "additional voting area," "board," and "district."

SECTION 2. BOARD OF DIRECTORS. (a) Provides that the Lakeway Municipal Utility District (district) is governed by a board of seven directors elected in accordance with Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code.

(b) Provides that except as provided by Section 5 of this Act, directors serve staggered terms of four years.

SECTION 3. EFFECT OF ADDITIONAL VOTING AREA ON VOTING RIGHTS, ELIGIBILITY FOR OFFICE, AND TAXING AUTHORITY. (a) Entitles the qualified voters residing in the additional voting area to vote only in district elections for the election of directors. Prohibits the voters in the additional voting area from voting on any district bond or tax propositions.

(b) Requires the board of directors of the district (board) by rule to establish procedures to timely notify qualified voters residing in the additional voting area of the locations of polling places for each election of district directors.

(c) Provides that notwithstanding Section 54.102 (Qualifications for Directors), Water Code, a resident of the additional voting area is eligible to be a candidate for or to be elected to the board.

(d) Prohibits the district from imposing a tax on any property in or any resident of the additional voting area.

SECTION 4. ADDITIONAL VOTING AREA. Sets forth the additional boundaries of the voting area of the district.

SECTION 5. ELECTION OF DIRECTORS IN 2010. (a) Requires the district, not earlier than the 15th day or later than the sixth day before the date of the first district election held in which the residents of the additional voting area are entitled to vote, to publish notice in the form of a quarter-page advertisement in the newspaper of general circulation in the district notifying the

residents that they are eligible to vote in the election and state the location of all polling places for the residents.

(b) Requires that on the uniform election date in May of 2010, four directors be elected to the board. Requires the directors elected to the two additional positions on the board created by this Act to draw lots to determine which director serves a two-year term and which director serves a four-year term.

SECTION 6. NOTICE. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 7. EFFECTIVE DATE. Effective date: upon passage or September 1, 2009.