

By: Springer

S.B. No. 2624

A BILL TO BE ENTITLED

AN ACT

relating to the Mustang Ridge Municipal Utility District, the Wildwood Municipal Utility District, the Creedmoor Municipal Utility District, and the Williamson County Municipal Utility District No. 40; granting limited powers of eminent domain.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. DIVISION OF DISTRICT

SECTION 1.01. Subchapter C, Chapter 7946A, Special District Local Laws Code, is amended by adding Section 7946A.0307 to read as follows:

Sec. 7946A.0307. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the

1 district.

2 (e) The board may adopt an order dividing the district
3 before or after the date the board holds an election under Section
4 7946A.0103 to confirm the district's creation.

5 (f) An order dividing the district shall:

6 (1) name each new district;

7 (2) include the metes and bounds description of the
8 territory of each new district;

9 (3) appoint temporary directors for each new district;

10 and

11 (4) provide for the division of assets and liabilities
12 between or among the new districts.

13 (g) On or before the 30th day after the date of adoption of
14 an order dividing the district, the district shall file the order
15 with the commission and record the order in the real property
16 records of each county in which the district is located.

17 (h) Any new district created by the division of the district
18 shall hold a confirmation and directors' election as required by
19 Section 7946A.0103. If the voters of a new district do not confirm
20 the creation of the new district, the assets, obligations,
21 territory, and governance of the new district revert to the
22 original district.

23 (i) If the creation of the new district is confirmed, the
24 new district shall provide the election date and results to the
25 commission.

26 (j) Municipal consent to the creation of the district and to
27 the inclusion of land in the district granted under Section

1 7946A.0104 acts as municipal consent to the creation of any new
2 district created by the division of the district and to the
3 inclusion of land in the new district.

4 (k) Any new district created by the division of the district
5 must hold an election as required by this chapter to obtain voter
6 approval before the district may impose a maintenance tax or issue
7 bonds payable wholly or partly from ad valorem taxes.

8 ARTICLE 2. REPEALER

9 SECTION 2.01. The following sections of the Special
10 District Local Laws Code are repealed:

- 11 (1) Section 7945A.0306;
- 12 (2) Section 7946A.0306;
- 13 (3) Section 7951A.0306; and
- 14 (4) Section 8141.0307.

15 ARTICLE 3. TRANSITION AND EFFECTIVE DATE

16 SECTION 3.01. If this Act does not receive a two-thirds vote
17 of all the members elected to each house, Article 2 of this Act does
18 not take effect.

19 SECTION 3.02. This Act takes effect immediately if it
20 receives a vote of two-thirds of all the members elected to each
21 house, as provided by Section 39, Article III, Texas Constitution.
22 If this Act does not receive the vote necessary for immediate
23 effect, this Act takes effect September 1, 2023.