BILL ANALYSIS

C.S.H.B. 3991 By: King, Phil Natural Resources Committee Report (Substituted)

BACKGROUND AND PURPOSE

C.S.H.B. 3991 is a local bill that would create the Rolling V Ranch Water Control and Improvement District No. 1 of Wise County to provide water, sewer, drainage and road improvements to a 3,500-acre tract located between the towns of Rhome and Newark in southeast Wise County. All of the land within the District is located in Wise County, outside of the corporate limits or extraterritorial jurisdiction of any city. Nearby, the Cities of Rhome and Newark are supportive of C.S.H.B. 3991 and resolutions of support have been unanimously approved.

The proposed Rolling V Ranch is a 3,500-acre tract of rolling hills and countryside that is proposed to provide a master-planned, multi-use and multi-phased development that will provide for the demands in the burgeoning North Central Texas region. The proposed Rolling V Ranch is within the State Senatorial District of Sen. Craig Estes and within the House of Representatives district of Rep. Phil King.

The water, sewer and drainage bonds of the proposed district will be subject to approval by the Texas Commission on Environmental Quality. The bond issue for road improvements will be reviewed by the Attorney General of Texas. The road bonds must be approved by a two-thirds vote at an election within the district and may not exceed 25% of the amount of the ad valorem tax base in the district.

The district is essential to the financing of the infrastructure of the development. Upon completion of build-out, the ad valorem tax base attendant to the development will have increased value. This will provide direct benefits to the nearby school districts and Wise County.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subtitle I, Title 6, Special District Local Laws Code, by adding Chapter 9021, as follows:

CHAPTER 9021. ROLLING V RANCH WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 OF WISE COUNTY

Sets forth standard language for the creation of the Rolling V Ranch Water Control and Improvement District of Wise County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 9021.001 - 9021.004); Size, composition, election, and terms of the board of directors of the district and requirement for municipal consent (Sections 9021.021 – 9021.051); Powers and duties of the district (Sections 9021.101 - 9021.103); Provisions for the division and the dissolution of the district (Section 9021.104 – 9021.105); and general financial provisions and authority to issue bonds and obligations for the district (Sections 9021.151 - 9021.201).

Sections 9021.005-9021.020; Sections 9021.027-9021.050; Sections 9021.052 - 9021.100; Sections 9021.106-9021.150; 9021.152-9021.200 reserved for expansion.

SECTION 2. Sets forth the initial boundaries of the district and property description contained.

SECTION 3. Provides that all requirements of the constitution and the 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 4. Effective date of September 1, 2007

EFFECTIVE DATE

September 1, 2007

COMPARISON OF ORIGINAL TO SUBSTITUTE

When compared to the original version of H.B. 3991, the substitute alters Section 9021.102 related to road projects by removing the word "turnpikes" and the limitation to only road projects inside the district. When compared to the original version of H.B. 3991, the substitute alters Section 9021.103 related to the Authority to Contract with Owners of Real Property in District by allowing the district board to contract with an owner of real property to construct and acquire, finance, own, maintain, or operate a work, project, service, or commodity necessary for a project authorized by Section 9021.101 and 9021.102. The original version of H.B. 3991 only referenced 9021.102.

Additionally, the substitute, in Section 9021.104(b), removes a provision contained in the original version of H.B. 3991, providing that Sections 51.748 through 51.753, Water Code, do not apply to the district.

Lastly, when compared to the original version of HB. 3991, a misspelling was corrected in Section 2 of the bill related to the land survey meets and bounds. A typo occurred on the bottom of page 7 and is corrected.