BILL ANALYSIS

Senate Research Center 80R12108 HLT-F H.B. 4118 By: Phillips (Estes) International Relations & Trade 5/18/2007 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Kimberlin Ranch Municipal Utility District No. 2 of Grayson County (district) will encompass an area of land inside the extraterritorial jurisdiction of the City of Gunter, Texas. The land located within the district is single family residential and commercial development; therefore, road services need to be secured. It is necessary to empower the district under Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code and Section 52(b)(3), Article III, Texas Constitution, in order to purchase, acquire, or construct facilities for such roads to serve the future occupants of the land utilizing tax exempt bonds. It is also necessary to empower the district with authority to impose a tax to repay bonds.

H.B. 4118 creates Kimberlin Ranch Municipal Utility District No. 2 of Grayson County, provides regulations regarding the district having road powers, and provides the authority to impose a tax to repay bonds.

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. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8265, as follows:

CHAPTER 8265. KIMBERLIN RANCH MUNICIPAL UTILITY DISTRICT NO. 2 OF GRAYSON COUNTY

Sets forth standard language for the creation of the Kimberlin Ranch Municipal Utility District No. 2 of Grayson County (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8265.001-8265.020);

Size, composition, election, and terms of the board of directors of the district (Sections 8265.021-8265.100);

Powers and duties of the district (Section 8265.101-8265.150); and

General financial provisions and authority to impose taxes and to issue bonds and obligations for the district (Sections 8265.151-8265.201).

Authorizes the use of eminent domain by the district.

SECTION 2. Sets forth the initial boundaries of the district.

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: September 1, 2007.

SRC-ARA, BEC H.B. 4118 80(R)