

BILL ANALYSIS

S.B. 1993
By: Nichols
Urban Affairs
Committee Report (Amended)

BACKGROUND AND PURPOSE

The engrossed version of Senate Bill No. 1993 authorizes the Lake View Management and Development District (district) to utilize Section 53, Water Code, that authorizes districts to divide into two or more separate districts under certain circumstances.

The existing district is located entirely in Henderson County and is contemplating annexation of additional lands.

The existing district needs to divide into two separate districts, and will be authorized to do so provided that there are no outstanding bonds and provided that no ad valorem taxes are being levied.

The engrossed version of Senate Bill No. 1993 would actually allow the existing district to divide into more than just two separate districts.

RULEMAKING AUTHORITY

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

SECTION-BY-SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 3828, Special District Local Laws Code, by adding Section 3828.112, as follows:

Sec. 3828.112. DIVISION OF DISTRICT.

(a) Authorizes the Lake View Management and Development District to be divided into two--or more than two--new districts only if the district has no outstanding bonded debt and is not imposing ad valorem taxes.

(b) Provides that the division procedure is prescribed by Sections 53.030 through 53.041, Water Code.

(c) Prohibits any new district created by the division of the district from, at the time the new district is created, containing any land outside Henderson County or in the corporate limits or extraterritorial jurisdiction of a municipality, unless the municipality consents.

(d) Provides that any new district created by the division of the district has all the powers and duties of the district.

SECTION 2. (a) Provides that all governmental and proprietary actions of the Lake View Management and Development District taken before the effective date of this Act are validated, ratified, and confirmed in all respects as if the actions had been taken as authorized by law.

(b) Provides that this section does not apply to certain matters that are the subject of litigation.

SECTION 3. Effective date: Upon passage (if a two-thirds vote is obtained in both houses of the Legislature) or on the default date of September 1, 2007.

EFFECTIVE DATE

Upon passage--or on the default date of September 1, 2007.

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1 would allow the existing district to divide itself only into two districts, whereas the engrossed version of Senate Bill No. 1993 would have allowed division into more than two districts.

Committee Amendment No. 1 would replace a hyphen with the word "through" for greater clarity in reference to Sections 53.030 through 53.041 of the Water Code.

Committee Amendment No. 1 would provide that the validation, ratification, and confirmation of the governmental and proprietary actions end with April 1, 2007, rather than ending upon the effective date of the Act.