

BILL ANALYSIS

Senate Research Center
80R14751 SGA-F

S.B. 2026
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the legislature is authorized to create municipal utility districts pursuant to Section 59 (Conservation and Development of Natural Resources and Parks Recreational Facilities; Conservation and Reclamation Districts), Article 16, Texas Constitution, with ad valorem authority and authority to issue debt supported by taxes in order to construct public infrastructure, to control and use water, and to provide for water quality and drainage.

Hays County has experienced increased population growth in areas adjacent to urban cities and is in need of water utility services, including water quality and drainage facilities. While a water district can be created by a commissioners court, the legislature, or by the Texas Commission on Environmental Quality, the legislature is the most expedient method for creating a water district and allows flexibility with regard to a district's powers and duties.

As proposed, S.B. 2026 creates the True Ranch Municipal Utility District No. 1 of Hays County to be located entirely in Hays County and enumerates its powers, duties, and obligations. The bill combines the traditional powers and duties of a district governed by Chapter 49 (Provisions Applicable to All Districts) and Chapter 54 (Municipal Utility Districts), Water Code, including the powers of a road district to the extent authorized by Article 3 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Section 52, Texas Constitution.

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 8269, as follows:

CHAPTER 8269. TRUE RANCH MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the True Ranch Municipal Utility District No. 1 in Hays County (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8269.001 - 8269.020);

Size, composition, election, and terms of the board of directors of the district (Sections 8269.021 - 8269.100);

Powers and duties of the district (Section 8269.101 - 8269.150); and

General financial provisions and authority to impose taxes and to issue bonds and obligations for the district (Sections 8269.151 - 8269.202).

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: upon passage or September 1, 2007.