

BILL ANALYSIS

C.S.H.B. 1841
By: Kleinschmidt
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

XS Ranch is a master plan community, which incorporates innovative and environmentally sensitive planning principles and standards to maintain the natural beauty of this area of Texas. The boundary of the district encompasses an area of land outside the corporate limits of any city and partially within the extraterritorial jurisdiction of the City of Bastrop, Bastrop County, Texas.

C.S.H.B. 1841 creates the XS Ranch Municipal Utility District in Bastrop County, Texas.

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

C.S.H.B. 1841 amends the Special District Local Laws Code to set forth standard language for the creation of the XS Ranch Municipality Utility District in Bastrop County. The bill sets forth general provisions for the nature of the district, the confirmation of the district and election of the board of directors, municipal consent, the district's public purpose and benefit, and initial district territory; the number of members and terms of the board of directors of the district, including provisions for temporary directors; the powers and duties of the district, including the power to undertake certain road projects and the standards and requirements for such projects, required compliance with municipal ordinances and resolutions, contract requirements with certain municipalities, the limited use of eminent domain, powers of the City of Bastrop related to creation of special districts, and the procedures for the division of the district.

C.S.H.B. 1841 sets forth general financial provisions authorizing the district, subject to the approval of district voters with limited exception, to issue bonds and other obligations, impose a property tax for operations and maintenance, and impose contract taxes. The bill requires the board, on bonds payable wholly or partly from property taxes, to provide for the annual imposition of a continuing direct property tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required. The bill requires the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from property taxes to not exceed one-fourth of the assessed value of the real property in the district at the time of issuance. The bill sets forth the initial boundaries of the district. The bill defines "board," "commission," "director," and "district" for the purposes of these provisions.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 1841 adds a provision not in the original defining "commission."

C.S.H.B. 1841 adds a provision not in the original to provide that land in the district that is located in the City of Bastrop's extraterritorial jurisdiction is subject to municipal ordinances applicable to extraterritorial areas, unless the municipality's governing body waives compliance.

C.S.H.B. 1841 adds a provision not in the original prohibiting the district from exercising the powers and duties of a municipal utility district unless the district enters into a written contract with any municipality in whose extraterritorial jurisdiction the district is wholly or partly located that provides for the continuation of the extraterritorial status of the district or the district's annexation by the municipality; ensures that any development in the district occurs in a manner that furthers the health, safety, and welfare of the residents of the district; and includes other terms and consideration that the municipality determines to be reasonable and appropriate. The substitute adds a provision not in the original providing for the renewal or extension of such a contract for successive periods not to exceed 15 years. The substitute adds a provision not in the original authorizing the board, at the board's sole discretion, to adopt an order dissolving the district if the district has no assets or obligations, if the district does not enter into a contract before the later of September 1, 2009, or the 30th day after the effective date of the substitute. The substitute adds a provision not in the original requiring an original or certified copy of the order to be filed with the commission and in the real property records of any county in which the district is located if an order dissolving the district is adopted.

C.S.H.B. 1841 adds a provision not in the original establishing that its provisions do not abrogate, diminish, or otherwise alter any rights, powers, privileges, or functions of the City of Bastrop provided by the general law of this state, including provisions related to the creation of special districts in its extraterritorial jurisdiction.

C.S.H.B. 1841 adds a provision not in the original prohibiting the district from dividing, if the district is located wholly or partly in the corporate limits or the extraterritorial jurisdiction of a municipality, unless the municipality by resolution or ordinance first consents to the division of the district. The substitute prohibits the district from dividing, if the district is not located wholly or partly in the corporate limits or the extraterritorial jurisdiction of a municipality, unless the commissioners court of each county in which the district is wholly or partly located first adopts a resolution or order in support of the division of the district.

C.S.H.B. 1841 differs from the original by modifying the description of the initial boundaries of the district.

C.S.H.B. 1841 differs from the original in nonsubstantive ways by using language reflective of certain drafting conventions for municipal utility districts.