

BILL ANALYSIS

C.S.H.B. 4761
By: Rose
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The land located within the boundaries of the proposed Parklands Municipal Utility District No. 1 is undeveloped. The current municipal utility district covers approximately 542 acres in Hays County. A master planned community is in development and is primarily residential with commercial nodes. Hike and bike trails and open space will be available to residents of the development and citizens of Neiderwald.

C.S.H.B. 4761 expands the Parklands Municipal Utility District No. 1 and grants it the customary water, sewer, road, and division powers of a district created using the committee template. The bill expands the current district in Hays County to include approximately 265 acres inside the City of Neiderwald and 928 acres located within Neiderwald's corporate limits in Hays 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

C.S.H.B. 4761 amends the Special District Local Laws Code to set forth standard language for the creation of the Parklands Municipal Utility District No. 1 in Hays 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, and the addition of territory to the district; 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 approval necessary and the standards and requirements for such projects; the procedures for the division of the district; and the district's limited power of eminent domain.

C.S.H.B. 4761 sets forth general financial provisions authorizing the district to impose a tax to repay bonds. The bill prohibits the district from issuing bonds payable from property taxes to finance a road project unless approved by a vote of a two-thirds majority of district voters. 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 in detail the initial boundaries of the district. The bill defines the terms "board," "director," and "district."

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. 4761 removes a provision in the original relating to municipal consent to the creation of the Parklands Municipal Utility District No. 1 that prohibits the temporary directors from holding an election to confirm the creation of a district until each applicable municipality has consented by ordinance or resolution to the creation of the district. The substitute adds a provision not in the original granting the district a limited power of eminent domain.