### **BILL ANALYSIS**

S.B. 2506 By: Duncan Natural Resources Committee Report (Unamended)

#### **BACKGROUND AND PURPOSE**

Currently, the land located within the boundaries of the proposed Gray County Municipal District No. 1 (district) is undeveloped. The territory of the district would lie within the extraterritorial jurisdiction of the City of Pampa and the unincorporated area of Gray County.

S.B. 2506 amends current law relating to the creation of the district. The district will have all of the powers granted to municipal utility districts operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III (Legislative Department), Texas Constitution; the authority to impose a tax and issue bonds; and the authority to exercise a limited power of eminent domain.

## **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**

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8319, as follows:

#### CHAPTER 8319. GRAY COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

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

Creation and approval of the district (Sections 8319.001-8319.050);

Size, composition, election, and terms of the board of directors of the district (Sections 8319.051-8319.100);

Powers and duties of the district (Sections 8319.101-8319.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8319.151-8319.203).

Prohibits the exercise of the power of eminent domain outside the district by the district to acquire a site or easement for a road project under Section 8319.103 or a recreational facility as defined by Section 49.462 (Definitions), Water Code. Prohibits the district from exercising the power of eminent domain to acquire land, en easement, or other property that is located more than five miles outside the district's boundaries.

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

SECTION 3. Provides that all requirements of the constitution and 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.

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SECTION 4. Provides the effective date of this Act.

# **EFFECTIVE DATE**

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

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