

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 2518
By: Nichols
Intergovernmental Relations
4/22/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Somerset Municipal Utility District No. 3 (district) will encompass an area of land outside the corporate limits and the extraterritorial jurisdiction of any city and within San Jacinto County, Texas. The land to be located within the district will be developed into single-family residential and commercial development; therefore, water, sewer, drainage and road services need to be secured. It is necessary to create the district under Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, and Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), Texas Constitution, in order to purchase, acquire, or construct facilities for such services to serve the future occupants of the land utilizing tax exempt bonds. It is also necessary to empower the district with authority to impose a tax and issue bonds and grant the power of eminent domain.

C.S.S.B. 2518 provides for the creation, administration, powers, duties, operations, and financing of the district, including the authority to impose a tax, issue bonds, and exercise a limited power of eminent domain.

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, by adding Chapter 8362, as follows:

CHAPTER 8362. SOMERSET MUNICIPAL UTILITY DISTRICT NO. 3

Sets forth standard language for the creation of the Somerset Municipal Utility District No. 3 (district) in San Jacinto County, Texas. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8362.001-8362.050);

Size, composition, election, and terms of the board of directors of the district (Sections 8362.051-8362.100);

Powers and duties of the district (Sections 8362.101-8362.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8362.151-8362.200).

Prohibits the district from exercising the power of eminent domain outside the district to acquire a site or easement for a road project authorized by Section 8362.103, or a recreational facility as defined by Section 49.462 (Definitions), Water Code.

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, notification, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2009.