## **BILL ANALYSIS**

Senate Research Center 82R5622 SLB-F

H.B. 3813 By: Isaac (Wentworth) Intergovernmental Relations 5/18/2011 Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Continuing development and growth in Central Texas, including Hays County, has created the need for large-scale, permanent improvement such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects, and major thoroughfare improvements. Section 59 (Conservation and Development of Natural Resources and parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), and Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III (Legislative Department), Texas Constitution, provide for the creation of local governmental districts which are authorized to incur indebtedness to provide such permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

Pursuant to Section 59, Article XVI, and Section 52, Article III, Texas Constitution, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, the bill adds the powers of a municipal utility district to an existing fresh water supply district, changes the name of the district from the Hudson Ranch Fresh Water Supply District to the Hudson Ranch Water District (district). The district will retain the powers of a fresh water supply district as well as the powers of a municipal utility district. The district includes approximately 607 acres in Hays County.

H.B. 3813 amends current law relating to the Hudson Ranch Fresh Water Supply District No. 1.

## **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 8360, as follows:

### CHAPTER 8360. HUDSON RANCH WATER DISTRICT

## SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8360.001. NAME CHANGE. Provides that the name of Hudson Ranch Fresh Water Supply District No. 1 is changed to Hudson Ranch Water District (district).

Sec. 8360.002. DEFINITIONS. Defines, in this chapter, "board," "director," and "district."

Sec. 8360.003. NATURE OF DISTRICT. Provides that the district is a fresh water supply district and municipal utility district created under and essential to accomplish the purposes of Section 59 (Conservation and Development of Natural Resources and parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions).

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Sec. 8360.004. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) Provides that all land and other property in the district will benefit from the improvements and services to be provided by the district.

(b) Provides that the district serves a public use and benefit.

Sec. 8360.005. DISTRICT TERRITORY. (a) Provides that the district is composed of the territory described by Section 2 of the Act enacting this chapter.

- (b) Provides that the boundaries and field notes contained in Section 2 of the Act enacting this chapter form closures. Provides that a mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:
  - (1) organization, existence, or validity;
  - (2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;
  - (3) right to impose a tax; or
  - (4) legality or operation.

[Reserves Sections 8360.006-8360.100 for expansion.]

#### SUBCHAPTER B. POWERS AND DUTIES

Sec. 8360.101. MUNICIPAL UTILITY DISTRICT AND FRESH WATER SUPPLY DISTRICT POWERS AND DUTIES. (a) Provides that, except as provided by Subsection (b), the district has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts), 53 (Fresh Water Supply Districts), and 54 (Municipal Utility Districts), Water Code, applicable to fresh water supply districts and municipal utility districts created under Section 59, Article XVI, Texas Constitution.

- (b) Provides that if a provision of Chapter 49 or 53, Water Code, is in conflict or inconsistent with this chapter or Chapter 54, Water Code, this chapter and Chapter 54, Water Code, prevail.
- SECTION 2. Sets forth the initial boundaries of the district.
- SECTION 3. (a) Validates the creation of the Hudson Ranch Fresh Water Supply District No. 1 by the Hays County Commissioners Court on May 1, 2007, and all elections conducted by the district. Provides that no further election is necessary to confirm the district.
  - (b) Provides that this section does not apply to any matter that on the effective date of this Act:
    - (1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or
    - (2) has been held invalid by a final court judgment.

SECTION 4. 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.

SECTION 5. Effective date: upon passage or September 1, 2011.

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