BILL ANALYSIS

Senate Research Center

S.B. 1877 By: Hegar Intergovernmental Relations 9/6/2011 Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1877 provides for the creation of Oatman Hill Municipal Utility District (MUD). The MUD is located in northeast Caldwell County and southeast Travis County and partially within the city limits or extra territorial jurisdiction of Mustang Ridge.

The 1,380-acre MUD will provide essential water, sewer, drainage, and road infrastructure to the property in the MUD.

S.B. 1877 amends current law relating to the creation of the Oatman Hill Municipal Utility District, provides authority to impose a tax and issue bonds, and grants 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 Code, by adding Chapter 8327, as follows:

CHAPTER 8327. OATMAN HILL MUNICIPAL UTILITY DISTRICT

Sets forth standard language for the creation of the Oatman Hill Municipal Utility District (district). Sets forth standards, procedures, requirements, and criteria for:

General provisions of the district (Sections 8327.001-8327.050);

Size, composition, election and terms of the board of directors of the district (Sections 8327.051-8327.100);

Powers and duties of the district (Sections 8327.101-8327.150);

General financial provisions of the district (Sections 8327.151-8327.200); and

Bonds and other obligations (Sections 8327.201-8327.203).

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 8327.103 (Authority for Road Projects), 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 the 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 4. (a) Provides that Section 8327.106, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8327, Special District Local Laws Code, as added by Section 1 of this Act is amended by adding Section 8327.106, as follows:

Sec. 8327.106. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. Effective date, except as provided by Section 4 of this Act: September 1, 2011.