

## **BILL ANALYSIS**

S.B. 1877  
By: Hegar  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

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, grants 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 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. (a) Provides that the legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59 (Conservation and Development of Natural

Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution, and Chapter 313 (Notice for Local and Special Laws), Government Code.

(b) Provides that the governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality (TCEQ).

(c) Provides that TCEQ has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) 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 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. Provides for the effective date of this Act.

#### **EFFECTIVE DATE**

Effective date, except as provided by Section 4 of this Act, this Act takes effect September 1, 2011.