

BILL ANALYSIS

C.S.H.B. 3906
By: Miller, Doug
Special Purpose Districts
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Cordillera Ranch is an approximately 8,700-acre master planned Hill Country community with estate-sized lots located in Kendall County wholly outside the corporate and extraterritorial boundaries of any municipality. Interested parties note that development in the community began several years ago with the initial developed lots served by individual water wells and septic systems because of the lack of a regional water supply. According to the parties, a few years ago a centralized water system and separate wastewater collection and treatment system were constructed and a water supply contract was negotiated with a certain water authority to provide service. The parties further report that to date a number of lots have been developed with connections to this central water system and wastewater treatment system, and they contend that the creation of a municipal utility district will help facilitate the development of the remaining property with centralized water and wastewater systems and avoid the need to drill and construct individual wells and septic systems. C.S.H.B. 3906 seeks to address this issue.

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

C.S.H.B. 3906 amends the Special District Local Laws Code to create the Kendall County Municipal Utility District No. 1, subject to voter approval at a confirmation election and municipal consent. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill, if it does not receive a two-thirds vote of all the members elected to each house, prohibits the district from exercising the power of eminent domain.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 3906 differs from the original by making a technical correction in the metes and bounds.