

BILL ANALYSIS

S.B. 1481
By: Watson
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

S.B. 1481 is a local bill pertaining to the Bella Vista Municipal Utility District (district). The bill will authorize the district to disannex from Travis County Emergency Services District 14 upon a limited purpose annexation by the City of Cedar Park, wherein the city provides fire protection services to the district pursuant to a strategic partnership agreement.

Currently, territory may be removed from an emergency services district upon a full purpose annexation wherein fire services are provided by the annexing municipality. In this case, financial constraints do not allow for a full purpose annexation of the district. However, the district and the city both wish to pursue a limited purpose annexation wherein the city will provide municipal services including fire protection. Ultimately, the limited purpose annexation will convert into a full purpose annexation, and S.B. 1481 provides the mechanism to begin that process.

As proposed, S.B. 1481 amends current law relating to the provision of emergency services in the Bella Vista Municipal Utility District.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8437, as follows:

CHAPTER 8437. BELLA VISTA MUNICIPAL UTILITY DISTRICT

Sec. 8437.001. DEFINITION. Defines, in this chapter, "district."

Sec. 8437.002. REMOVAL OF AREA FROM EMERGENCY SERVICES DISTRICT.
(a) Provides that this section applies only to a municipality with a population of less than 100,000 and an emergency services district operating under Chapter 775 (Emergency Services Districts), Health and Safety Code, in which the Bella Vista Municipal Utility District (district) is wholly or partly located.

(b) Requires an emergency services district, if the district enters into a strategic partnership agreement with a municipality under Section 43.0751 (Strategic Partnerships for Continuation of Certain Districts), Local Government Code, that includes the provision of fire-fighting services as defined by Section 49.351(k) (defining "fire-fighting services"), Water Code, and the district has completed all other procedures necessary for a limited-purpose annexation by that municipality, to disannex the territory of the district to be served by the municipality under the agreement in accordance with Subsection (c).

(c) Provides that the territory remains part of the emergency services district until the secretary of the emergency services district board receives from the district

notice that the requirements of Subsection (b) have been met. Requires the district's board of directors (board), on receipt of the notice, to immediately change its records to show that the district territory has been disannexed from the emergency services district and to cease to provide further services to the residents of that territory.

(d) Provides that Sections 775.022(b) (relating to providing that the disannexation of territory under this section does not diminish or impair the rights of the holders of certain obligations of the district), (c) (relating to requiring the municipality to compensate the district immediately after disannexation of the territory under Subsection (a) in an amount equal to the annexed territory's pro rata share of the district's bonded and other indebtedness), (d) (relating to requiring a municipality to purchase from the district at a fair market value certain real or personal property), (e) (relating to requiring the amount of compensation under Subsection (c) to be determined in multiplying the district's total indebtedness at the time of the annexation), and (f) (relating to providing that total indebtedness includes loans and lease-purchase agreements but does not include certain obligations), Health and Safety Code, apply to a disannexation under this section, as if the disannexation occurred under the provisions of Section 775.022(a) (relating to requiring the municipality to send written notice of certain facts to the board), Health and Safety Code.

SECTION 2. 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.

EFFECTIVE DATE

Effective date: September 1, 2013.