

BILL ANALYSIS

S.B. 1838
By: Zaffirini
Special Purpose Districts
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that certain land in Caldwell County needs to be developed, and that due to the size of the tract, the creation of a municipal utility district is required in order to develop basic infrastructure regarding roads and water and sewer facilities. S.B. 1838 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

S.B. 1838 amends the Special District Local Laws Code to create the Cotton Center Municipal Utility District No. 2 of Caldwell County, subject to voter approval at a confirmation election and municipal consent. The bill grants the district the power to undertake certain road projects, makes the district eligible for inclusion in a tax increment reinvestment zone, and provides for the effect of annexation by the City of Martindale and division of the district. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes and provides for a certain maintenance tax. 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.