BILL ANALYSIS

Senate Research Center 83R18002 SGA-F

S.B. 1868 By: Campbell Intergovernmental Relations 4/8/2013 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Needmore Ranch Municipal Utility District No. 1 (district) is proposed to be created over approximately 5,000 acres of privately owned land located within Hays County, Texas. None of the land is located within the corporate boundaries or extraterritorial jurisdiction of any municipality. Development of the property is currently regulated by the limited subdivision ordinances adopted by the commissioners court of Hays County.

The bill conforms to the legislative municipal utility district template, limits the power of eminent domain, and provides for taxation only upon voter approval. The proposed district is to encompass a conservation-minded, master-planned low density community, which complies with the subdivision planning ordinances of Hays County, and preserves the natural resources of the property including maintenance of substantial park and green space areas. The district is proposed to facilitate the development, preservation and beneficial use of the property's available natural and ecological resources in an organized and efficient manner. In particular, the powers of the proposed district will facilitate the property owners' ability to responsibly develop the water resources available on the property.

As proposed, S.B. 1868 amends current law relating to the creation of the Needmore Ranch Municipal Utility District No. 1, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, or taxes.

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 8471, as follows:

CHAPTER 8471. NEEDMORE RANCH MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Needmore Ranch Municipal Utility District No. 1 (district) in Hays County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8471.001-8471.006);

Size, composition, election, and terms of the board of directors, including the appointment of temporary directors (Sections 8471.051-8471.052);

Powers and duties of the district (Sections 8471.101-8471.102); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8471.151-8471.202).

SECTION 2. Sets forth the initial boundaries of the district.

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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 if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8471, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8471.106, as follows:

Sec. 8471.103. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to authorizing eminent domain only on a two-thirds vote of all members elected to each house), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2013.

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