BILL ANALYSIS

Senate Research Center 84R9733 SGA-F H.B. 4160 By: Farney (Fraser) Intergovernmental Relations 5/20/2015 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to interested parties, continuing development and growth in central Texas, including Burnet County, has created the need for large-scale, permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects, and roadway improvements. H.B. 4160 seeks to create the Burnet County Municipal Utility District No. 1 (district) to address that need.

H.B. 4160 amends the Special District Local Laws Code to create the district, subject to voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects and provides for a strategic partnership agreement, division of the district, and establishment of defined areas or designated property. The bill authorizes the district, subject to certain requirements and exemptions, to issue obligations and to impose assessments and 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.

H.B. 4160 amends current law relating to the creation of the Burnet County Municipal Utility District No. 1, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, and 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 7913, as follows:

CHAPTER 7913. BURNET COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Burnet County Municipal Utility District (district) in Burnet County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7913.001-7913.005);

Size, composition, terms, and temporary directors for the board of directors (Sections 7913.051 and 7913.052);

Powers and duties of the district (Sections 7913.101-7913.106);

General financial provisions, applicability of impact fees and assessments, and authority to impose a tax and to issue bonds and obligations for the district (Sections 7913.151-7913.153, Sections 7913.201-7913.204, and Sections 7913.251-7913.253); and

Defining areas of the district (Section 7913.301-7913.305).

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

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) Amends Subchapter C, Chapter 7913, Special District Local Laws Code, as added by Section 1 of this Act, if this Act does not receive a two-thirds vote of all the members elected to each house, by adding Section 7913.107, as follows:

Sec. 7913.107. 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), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2015.