

BILL ANALYSIS

Senate Research Center
84R26679 TSR-F

C.S.S.B. 2066
By: Eltife
Intergovernmental Relations
5/7/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 2066 creates the Rose City Municipal Utility District. The district is made up of approximately 4,000 acres located in the corporate limits of the City of Tyler, Smith County, Texas.

The district will be a municipal utility district operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code. The district is given the powers and duties provided by those chapters, including the authority to issue bonds, but only to the extent secured by revenue other than ad valorem taxes. The district is further prohibited from imposing any form of tax on its residents and is prohibited from exercising the power of eminent domain.

Provisions are included in the bill to permit officers or employees of Tyler to serve as a director of the district but only if they do not receive compensation for their service other than reimbursement for their actual expenses incurred while engaging in activities on behalf of the district, as permitted by Texas law.

The City of Tyler has passed a resolution consenting to the creation of the district and supporting the passage of the bill.

C.S.S.B. 2066 amends current law relating to the creation of the Rose City Municipal Utility District, provides authority to issue bonds, and provides authority to impose assessments and fees.

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 7958, as follows:

CHAPTER 7958. ROSE CITY MUNICIPAL UTILITY DISTRICT

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

Creation, approval, purpose, and territory of the district (Sections 7958.001-7958.006);

Size, composition, appointment procedure, compensation, and terms of the board of directors of the district, including naming of temporary directors (Sections 7958.051-7958.054);

Powers and duties of the district (Sections 7958.101-7958.104);

General financial provisions (Sections 7958.151 and 7958.152);

Authority to impose taxes and to issue bonds and obligations for the district (Section 7958.201);

Prohibits the district from exercising the power of eminent domain.

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

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. Effective date: September 1, 2015.