

## **BILL ANALYSIS**

Senate Research Center  
87R17122 ANG-F

S.B. 2250  
By: Springer  
Local Government  
5/9/2021  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

This Act proposes to create a municipal utility district to be known as the East Collin County Municipal Utility District No. 1 (district), located east of State Highway 78, west of County Road 597, and north of FM 1778, being approximately 229.54 acres in Collin County, Texas, not within the extraterritorial jurisdiction or corporate limits of any city, subject to approval at a confirmation election. LGI Homes of Texas is the owner and developer for the land proposed to be included in the district.

It is necessary to create a district under Sections 49 and 54, Texas Water Code, and Section 59, Article 16, and Section 52, Article 3, Texas Constitution, in order to construct public infrastructure, including water, sewer, drainage, and roads, to serve the currently undeveloped land.

The developer, LGI Homes, has been working with Collin County (specifically county administrator Bill Billyeu) to draft a bill that provides that the Collin County Commissioners Court must consent to the district prior to the district holding a confirmation election. The county specifically wants the developer to address the provision of emergency services and road maintenance to land within the boundaries of the district. Accordingly, additional provisions have been added to the template language to address county requirements.

As proposed, S.B. 2250 amends current law relating to the creation of the East Collin 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 7938A, as follows:

#### **CHAPTER 7938A. EAST COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1**

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

Creation and approval of the district (Sections 7938A.0101- 7938A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 7938A.0201- 7938A.0202);

Powers and duties of the district (Sections 7938A.0301- 7938A.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7938A.0401- 7938A.0503).

Prohibits the district from exercising the power of eminent domain outside the district to acquire a site or easement for a road project under Section 7938A.0303 or a recreational facility as defined by Section 49.462 (Definitions), Water Code.

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

SECTION 3. Provides that all requirements of the constitution and 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 Section 7938A.0306, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7938A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7938A.0306 to read as follows:

Sec. 7938A.0306. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) 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, 2021.