

BILL ANALYSIS

Senate Research Center
88R20015 SCP-F

S.B. 2605
By: Flores
Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2605 creates Knob Creek Municipal Utility District of Bell County (district). The district will encompass approximately 645 acres of land located in the extraterritorial jurisdiction of the City of Temple, Texas, in Bell County. S.B. 2605 is a standard template bill and provides for water, sewer, drainage, and road facilities (facilities), which need to be secured because the land to be located within the district will be developed for residential purposes.

S.B. 2605 follows the template in all regards, except that it provides the district with the authority to divide into two or more districts. The district is created under Water Code provisions applicable to all water districts and to municipal utility districts and under constitutional provisions relating to conservation and reclamation districts. The district will have standard road powers and must comply with all applicable road standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct the facilities. It is also necessary to empower the district with authority to impose a tax and to grant the district a limited power of eminent domain. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

As proposed, S.B. 2605 amends current law relating to the creation of the Knob Creek Municipal Utility District of Bell County, grants a limited power of eminent domain, provides authority to issue bonds, 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 8001A, as follows:

CHAPTER 8001A. KNOB CREEK COUNTY MUNICIPAL UTILITY DISTRICT OF BELL COUNTY

Sets forth language for the creation of the Knob Creek County Municipal Utility District of Bell County (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8001A.0101-8001A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 8001A.0201-8001A.0202);

Powers and duties of the district (Sections 8001A.0301-8001A.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8001A.0401-8001A.0503).

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) Amends Subchapter C, Chapter 8001A, 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 8001A.0307, as follows:

Sec. 8001A.0307. 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 the legislature, on or after January 10, 2020, to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: September 1, 2023.