BILL ANALYSIS

Senate Research Center 89R25135 JTZ-F S.B. 3056 By: Hagenbuch Local Government 4/29/2025 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been suggested that an area within the corporate limits of the City of Sherman would benefit from the creation of an improvement district, due to high demand for homes in growing Grayson County. S.B. 3056 seeks to provide for the creation of such a district.

S.B. 3056 amends the Special District Local Laws Code to create the Alluvium Ranch Municipal Management District No. 1 to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, the following:

- providing authority to issue bonds;
- providing authority to impose assessments and fees; and
- granting limited power of eminent domain.

As proposed, S.B. 3056 amends current law relating to the creation of the Alluvium Ranch Municipal Management District No. 1; provides authority to issue bonds; provides authority to impose assessments, fees, and taxes; and grants a limited power of eminent domain.

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 C, Title 4, Special District Local Laws Code, by adding Chapter 4014, as follows:

CHAPTER 4014. ALLUVIUM RANCH MUNICIPAL MANAGEMENT DISTRICT NO. 1

Sets forth standard language for the creation of the Alluvium Ranch Municipal Management District No. 1 (district) in the City of Sherman (city). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district Sections (Sections 4014.0101-4014.0108);

Size, composition, appointment, compensation, and terms of the board of directors of the district (board), including the naming of the initial directors (Sections 4014.0201-4014.0203);

Powers and duties of the district (Sections 4014.0301-4014.0312);

General financial provisions to impose a tax and issue bonds and obligations for the district (Sections 4014.0401-4014.0505); and

Dissolution of the district by the board (Sections 4014.0901).

Authorizes the district to exercise the power of eminent domain in the manner provided by Section 59.222 (Eminent Domain), Water Code.

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) Provides that Section 4014.0312, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives 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 4014, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 4014.0312 to read as follows:

Sec. 4014.0312. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

SECTION 5. Effective date: upon passage or September 1, 2025.