

## BILL ANALYSIS

Senate Research Center  
81R5278 HLT-F

S.B. 2488  
By: Estes  
Intergovernmental Relations  
5/5/2009  
As Filed

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

Lake Weatherford Municipal Utility District Nos. 1 and 2 (districts) will encompass an area of land partially within the corporate limits of the City of Weatherford and partially within the extraterritorial jurisdiction of the City of Weatherford. The land located within the districts will be developed into single family residential and commercial development; therefore, water, sewer, drainage, and road services need to be secured. It is necessary to create the districts under Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, and Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), Texas Constitution, in order to purchase, acquire, or construct facilities for such services to serve the future occupants of the land utilizing tax exempt bonds. It is also necessary to empower the districts with authority to impose a tax and issue bonds and grant the power of eminent domain. This bill provides regulations regarding the creation, administration, powers, duties, operation, and financing of the districts.

As proposed, S.B. 2488 amends current law relating to the creation of the districts, provides authority to impose a tax and issue bonds, 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 F, Title 6, Special District Local Laws Code, by adding Chapters 8324 and 8325, as follows:

#### CHAPTER 8324. LAKE WEATHERFORD MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Lake Weatherford Municipal Utility District No. 1 (MUD No. 1). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of MUD No. 1 (Sections 8324.001-8324.050);

Size, composition, election, and terms of the board of directors of MUD No. 1 (Sections 8324.051-8324.100);

Powers and duties of MUD No. 1 (Sections 8324.101-8324.150); and

General financial provisions and authority to impose a tax and issue bonds and obligations for MUD No. 1 (Sections 8324.151-8324.203).

Prohibits the exercise of the power of eminent domain outside the district by MUD No. 1 to acquire a site or easement for a road project under Section 8324.103 (Authority for Road Projects) or a recreational facility as defined by Section 49.462 (Definitions), Water Code.

#### CHAPTER 8325. LAKE WEATHERFORD MUNICIPAL UTILITY DISTRICT NO. 2

Sets forth standard language for the creation of the Lake Weatherford Municipal Utility District No. 2 (MUD No. 2). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of MUD No. 2 (Sections 8325.001-8325.050);

Size, composition, election, and terms of the board of directors of MUD No. 2 (Sections 8325.051-8325.100);

Powers and duties of MUD No. 2 (Sections 8325.101-8325.150); and

General financial provisions and authority to impose a tax and issue bonds and obligations for MUD No. 2 (Sections 8325.151-8325.203).

Prohibits the exercise of the power of eminent domain outside the district by MUD No. 2 to acquire a site or easement for a road project under Section 8325.103 (Authority for Road Projects) or a recreational facility as defined by Section 49.462, Water Code.

SECTION 2. Sets forth the initial boundaries of MUD No. 1 and MUD No. 2.

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: upon passage or September 1, 2009.