

## **BILL ANALYSIS**

Senate Research Center

S.B. 2245  
By: Campbell  
Intergovernmental Relations  
5/24/2017  
Enrolled

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

S.B. 2245 creates North Hays County Municipal Utility District No. 2 (district) as a political subdivision of the State of Texas. The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district, which is located wholly in the City of Kyle. The district will be a municipal utility district operating pursuant to Chapters 49 and 54, Water Code.

A special district is needed to finance and construct the utility infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district.

Special districts are created for specific areas. No special district currently serves the area proposed to be included in the district.

The owner of all of the land in the district as well as local elected officials support the creation of the district. (Original Author's / Sponsor's Statement of Intent)

S.B. 2245 amends current law relating to the creation of the North Hays County Municipal Utility District No. 2, 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 7988, as follows:

#### CHAPTER 7988. NORTH HAYS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

Sets forth standard language for the creation of the North Hays County Municipal Utility District No. 2 (district) in Hays County. Sets forth standards, procedures, requirements, and criteria for:

General provisions, including the nature of the district, the requirement to confirm the creation of the district by election and to elect five permanent directors, consent to creation of the district by certain municipalities, the public purpose of the district, and the district's initial territory (Sections 7988.001-7988.050);

Size, composition, election, and terms of the board of directors of the district, including provisions related to initial temporary directors (Sections 7988.051-7988.100);

Powers and duties of the district (Sections 7988.101-7988.150);

General financial provisions and authority to impose a tax (Sections 7988.151-7988.200); and

Authority to issue certain bonds and other obligations (Sections 7988.201-7988.203).

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) Amends Subchapter C, Chapter 7988, Special District Local Laws Code, as added by Section 1 of this Act, by adding Section 7988.107, if this Act does not receive a two-thirds vote of all the members elected to each house, as follows:

Sec. 7988.107. 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 enacting certain law granting power of eminent domain), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2017.