

## **BILL ANALYSIS**

Senate Research Center

H.B. 4638  
By: Parker (Fallon)  
Intergovernmental Relations  
5/3/2019  
Engrossed

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

H.B. 4638 creates Bear Creek Ranch Municipal Utility District No. 1 of Parker County (district). The district will encompass approximately 2,055.70 acres of land located within Parker County, Texas. No portion of the district is located within the corporate boundaries or extraterritorial jurisdiction of any incorporated city, town or village. H.B. 4638 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. H.B. 4638 follows the template in all regards, except it gives the district the authority to divide and requires that any new district created by division must hold a confirmation election. 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 full 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.

H.B. 4638 amends current law relating to the creation of the Bear Creek Ranch Municipal Utility District No. 1 of Parker County; 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 8078, as follows:

#### **CHAPTER 8078. BEAR CREEK RANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF PARKER COUNTY**

Sets forth language for the creation of the Bear Creek Ranch Municipal Utility District No. 1 (district) in Parker County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8078.0101–8078.0106);

Size, composition, election, and terms of the board of directors of the district, including provisions relating to temporary directors (Sections 8078.0201–8078.0202);

Powers and duties of the district (Sections 8078.0301–8078.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8078.0401–8078.0503).

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 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 if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8078, Special District Local laws Code, as added by Section 1 of this Act, is amended as follows:

Sec. 8078.0307. 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), Article 1, Texas Constitution.

SECTION 5. Effective date: September 1, 2019.