

BILL ANALYSIS

Senate Research Center
86R20508 BRG-F

C.S.S.B. 871
By: Zaffirini
Intergovernmental Relations
4/17/2019
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This legislation addresses the potential creation of the Caldwell County Municipal Utility District (MUD) No. 2. The proposed district contains two tracts of land containing approximately 472 acres of real property in Caldwell County. One portion of the proposed district is located in the extraterritorial jurisdiction of the City of Lockhart, and the city has expressed its consent to the proposed district. The remaining land is located in the unincorporated territory of Caldwell County, and Caldwell County also passed a consent resolution.

The proposed district is located south of and adjacent to State Highway 142, approximately 1.5 miles west of State Highway 130. The land within the district is anticipated to be developed primarily for single family residential development. A small portion of the land also may be used for commercial purposes. One portion of the district would be developed as "Hartland Ranch" and contain approximately 546 single family residential lots, and the other portion would be developed as "Clear Fork Ranch" and contain approximately 1,100 single family residential lots.

C.S.S.B. 871 makes two minor changes to the original bill. First, it would include the names of the temporary directors in Section 8053.0202, Special District Local Laws Code. It also would change the name of the MUD from Clear Fork Ranch MUD to Caldwell County MUD No. 2.

C.S.S.B. 871 amends current law relating to the creation of the Caldwell 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 8053, as follows:

CHAPTER 8053. CALDWELL COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

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

Creation, purpose, and territory of the district (Sections 8053.0101–8053.0106);

Size, composition, election, and terms of the board of directors of the district, including the naming of and provisions related to temporary directors (Sections 8053.0201–8053.0202);

Powers and duties of the district (Sections 8053.301–8053.0305);

General financial provisions and authority to impose taxes (Sections 8053.0401–8053.0403); and

Authority to issue bonds and obligations for the district (Sections 8053.0501–8053.0503).

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 if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8053, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8053.0306, as follows:

Sec. 8053.0306. 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 I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2019.