

BILL ANALYSIS

Senate Research Center

H.B. 3589
By: Keel (Wentworth)
Natural Resources
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Engrossed

DIGEST

Currently, Lakeway Municipal Utility District's boundaries include more than 3,357 acres. A tract of 1,300 undeveloped acres that lies within the district has recently been purchased by a new owner interested in developing the tract immediately. The district does not have bonding capacity sufficient to construct the facilities to serve the tract. H.B. 3589 would grant the district the authority to exclude land from its boundaries, provided that the landowner pays its pro rata share of the previously issued tax-supported bonds and debt service payments.

PURPOSE

As proposed, H.B. 3589 authorizes Lakeway Municipal Utility District to exclude land from its boundaries, provides notice of the exclusion, and adds related provisions.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. DEFINITIONS. defines "district" and "board."

SECTION 2. EXCLUSION OF LAND. Authorizes the board of directors of the Lakeway Municipal Utility District (board) to call a hearing to consider excluding land from the Lakeway Municipal Utility District (district), or to prohibit the board from calling a hearing to exclude land from the district. Sets forth instances in which the board may, by order, exclude from the district land within the district boundaries on any of the grounds for exclusion in Section 49.306, Water Code.

SECTION 3. NOTICE OF HEARING. Sets forth requirements regarding notice of an exclusion hearing.

SECTION 4. EXCLUSION AND BOND REFUNDING. Authorizes the exclusion authorized by this Act to be done contemporaneously with a refunding of the district's bonds. Provides that if the exclusion is done in that manner, the only notice required is the notice specified by Section 49.304, Water Code.

SECTION 5. OTHER APPLICABLE LAW. Provides that Sections 49.307 and 49.308, Water Code, apply to all exclusions of land under this Act.

SECTION 6. Emergency clause.
Effective date: upon passage.