

BILL ANALYSIS

Senate Research Center

S.B. 22
By: Armbrister
Natural Resources
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As Filed

DIGEST AND PURPOSE

Current Texas law provides for the creation of conservation and reclamation districts which are authorized to incur indebtedness to provide permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness. As proposed, S.B. 22 creates a conservation and reclamation district to be known as the Elgin Municipal Utility District No. 1 (MUD). The MUD is wholly located within the extra-territorial jurisdiction of the City of Elgin and is subject to both approval by the city and a confirmation election.

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. CREATION. (a) Creates a conservation and reclamation district, to be known as Elgin Municipal Utility District No. 1 (district) in Bastrop County, Texas, subject to approval by the City of Elgin as provided in Section 7 of this Act and voter approval at a confirmation election as provided in Section 10 of this Act. Provides that the district is a governmental agency and a body politic and corporate.

(b) Provides that the district is created under and is essential to accomplish the purposes of Article XVI, Section 59, Texas Constitution.

SECTION 2. DEFINITION. Defines "district."

SECTION 3. BOUNDARIES. Provides that the district includes the territory contained within a certain area.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. Provides that the legislature finds that the boundaries and field notes of the district from one or more closures. Provides that a mistake in the field notes or in copying the field notes in the legislative process does not affect the organization, existence, or validity of the district, the right of the district to levy and collect taxes, or the legality or operation of the district or its governing body.

SECTION 5. FINDING OF BENEFIT. Provides that all of the land and other property included within the boundaries of the district will be benefitted by the works and projects that are to be accomplished by the district under the powers conferred by Article XVI, Section 59, Texas Constitution. Provides that the district is created to serve a public use and benefit.

SECTION 6. POWERS. (a) Provides that the district has all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Article XVI, Section 59, Texas Constitution.

(b) Provides that the district created under this Act is wholly located within the area of extra-territorial jurisdiction of the City of Elgin. Provides that the creation of the district

is subject to approval of the City of Elgin, as provided in Section 42.042, Local Government Code, and 54.016, Water Code. Provides that subject to approval by the City of Elgin, the district has the power and authority to divide into two or more districts following the procedure set forth in Sections 51.749 through 51.758, Water Code, without any further approval or consent. Provides that the district is further subject to the requirements of municipal ordinances of the City of Elgin applicable to extra-territorial areas, unless the municipality's governing body waives compliance.

(c) Provides that the rights, powers, privileges, authority, functions, and duties of the district are subject to the continuing right of supervision of the state to be exercised by and through the Texas Commission on Environmental Quality (TCEQ).

(d) Provides that this Act prevails over any provision of general law that is in conflict or inconsistent with this Act.

SECTION 7. DEVELOPMENT AGREEMENT. Authorizes the district, and/or the owners of land within the district, to enter into written contracts with any municipality within whose extraterritorial jurisdiction the district is located to meet certain purposes. Authorizes a municipality to contract with the district, and/or the owners of the land within the district, to accomplish certain purposes.

SECTION 8. BOARD OF DIRECTORS. (a) Provides that the district is governed by a board of five directors.

(b) Provides that temporary directors serve until initial permanent directors are elected under Section 10 of this Act.

(c) Provides that initial permanent directors serve until permanent directors are elected under Section 11 of this Act.

(d) Provides that permanent directors other than initial permanent directors serve staggered four-year terms.

(e) Requires each director to qualify to serve as director in the manner provided by Section 49.055, Water Code.

(f) Provides that a director serves until the director's successor has qualified.

SECTION 9. TEMPORARY DIRECTORS. (a) Provides that the temporary board of directors is composed of certain persons.

(b) Requires the temporary directors who have qualified, if a temporary director fails to qualify for office, to appoint a person to fill the vacancy. Requires TCEQ, if at any time there are fewer than three qualified temporary directors, to appoint the necessary number of persons to fill all vacancies on the board.

SECTION 10. CONFIRMATION AND INITIAL DIRECTORS ELECTION. Requires the temporary board of directors to call and hold an election to confirm establishment of the district and to elect five initial directors as provided by Chapter 49, Water Code.

SECTION 11. ELECTION OF DIRECTORS. Requires an election, on the first Saturday in May of the first even-numbered year occurring at least three years after the year in which the confirmation election is held, to be held in the district for the election of two directors who shall each serve two-year terms and three directors who shall each serve four-year terms. Requires the appropriate number of directors, on the same date in each subsequent even-numbered year, to be elected to the board.

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. (a) Provides that the proper and legal notice of the intention to introduce this Act, setting forth the general

substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and other laws of this state, including the governor, who has submitted the notice and Act to TCEQ.

(b) Provides that TCEQ has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(c) Provides that all requirements of the constitution and 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 13. EFFECTIVE DATE. Effective date: upon passage or September 1, 2003.