

BILL ANALYSIS

Senate Research Center
83R8835 SGA-F

S.B. 1838
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently there are 353 acres of land in Caldwell County that need to be developed. Due to the size of the tract, a municipal utility district must be created in order to develop basic infrastructure such as roads, water, and sewer.

S.B. 1838 creates the Cotton Center Municipal Utility District No. 2 (district). The district will construct and finance water, sewer, drainage, and road facilities to serve property within the district. The district will be located partially in the city limits and extraterritorial jurisdiction of the City of Martindale.

The district will be a municipal utility district operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts) of the Texas Water Code.

As proposed, S.B. 1838 amends current law relating to the creation of the Cotton Center Municipal Utility District No. 2 of Caldwell County, provides authority to impose a tax and issue bonds, and grants a limited power of eminent domain.

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 8434, as follows:

CHAPTER 8434. COTTON CENTER MUNICIPAL UTILITY DISTRICT NO. 2 OF CALDWELL COUNTY

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

Creation, purpose, and approval of the district (Sections 8434.001-8434.007);

Size, composition, election, and terms of the board of directors, including the appointment of temporary directors (Sections 8434.051-8434.052);

Powers and duties of the district (Sections 8434.101-8434.108);

Division of district into multiple districts (Sections 8434.151-8434.156); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8434.201-8434.253).

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 8434, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8434.106, as follows:

Sec. 8434.109. 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 authorizing eminent domain only on a two-thirds vote of all members elected to each house), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2013.