

## **BILL ANALYSIS**

Senate Research Center  
83R12330 SGA-F

S.B. 1903  
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Intergovernmental Relations  
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As Filed

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

Continuing development and growth in Central Texas, including Hays County, has created the need for large-scale, permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects, and major thoroughfare improvements. Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), and Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III (Legislative Department), of the Texas Constitution provide for the creation of local governmental districts which are authorized to incur indebtedness to provide such permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

Pursuant to Section 59, Article XVI, and Section 52, Article III, Texas Constitution, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, the bill creates a municipal utility district in Hays County. The district, in addition to normal municipal utility district powers, will have road powers pursuant to Section 52, Article III, Texas Constitution, and Section 53.029(c) (relating to authorizing the board of a district to hold an election in a certain manner to determine whether the district should assume the rights, authority, privileges, and functions of a road district), Water Code. The district includes approximately 236.03 acres in Hays County. This will create the LaSalle Municipal Utility District No. 5.

As proposed, S.B. 1903 amends current law relating to the creation of the LaSalle Municipal Utility District No. 5, grants a limited power of eminent domain, provides the authority to issue bonds, and provides the authority to impose assessments, fees, or 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 8476, as follows:

#### CHAPTER 8476. LASALLE MUNICIPAL UTILITY DISTRICT NO. 5

Sets forth standard language for the creation of the LaSalle Municipal Utility District No. 5 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8476.001-8476.006);

Size, composition, election, and terms of the board of directors, including the appointment of temporary directors (Sections 8476.051-8476.052);

Powers and duties of the district (Sections 8476.101-8476.105); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8476.151-8476.203).

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 8476, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8476.106, as follows:

Sec. 8476.106. 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.