

## **BILL ANALYSIS**

Senate Research Center  
87R8797 ANG-F

S.B. 1987  
By: Buckingham  
Local Government  
4/12/2021  
As Filed

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

S.B. 1987 creates River Farm Municipal Utility District No. 1 of Bell County (district). The district will encompass approximately 304.7641 acres of land located within Bell County, Texas. The district is located within the extraterritorial jurisdiction of the City of Belton, Texas.

S.B. 1987 is a standard template bill and provides for water, sewer, drainage, and road facilities (facilities), which need to be secured because the land to be located within the district will be developed for residential purposes. S.B. 1987 follows the template in all regards, except that it provides the district with the authority to divide into two or more districts. The district is created under Water Code provisions applicable to all water districts and to municipal utility districts and under constitutional provisions relating to conservation and reclamation districts.

The district will have standard road powers and must comply with all applicable road standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct the facilities. It is also necessary to empower the district with authority to impose a tax and to grant the district a limited power of eminent domain. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

As proposed, S.B. 1987 amends current law relating to the creation of the River Farm Municipal Utility District No. 1 of Bell County, 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 8301, as follows:

#### **CHAPTER 8301. RIVER FARM MUNICIPAL UTILITY DISTRICT NO. 1 OF BELL COUNTY**

Sets forth standard language for the creation of the River Farm Municipal Utility District No. 1 of Bell County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of and public purpose for the district (Sections 8301.0101-8301.0106);

Size, composition, appointment, and compensation and reimbursement of expenses for the board of directors, including composition of the initial board (Sections 8301.0201-8301.0202);

Powers and duties of the district (Sections 8301.0301-8301.0307); and

General financial provisions and authority to impose a tax and issue bonds and obligations of the district (Sections 8301.0401-8301.0503).

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. 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 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 8301, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8301.0308 to read as follows:

Sec. 8301.0308. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that the 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, 2021.