

## **BILL ANALYSIS**

Senate Research Center  
88R19805 LRM-F

H.B. 5360  
By: Shine (Creighton)  
Local Government  
5/22/2023  
Engrossed

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

It has been suggested that undeveloped land located within McLennan and Bell Counties would benefit from the creation of a municipal utility district. H.B. 5360 seeks to provide for the creation of such a district.

H.B. 5360 amends current law relating to the creation of the Deer Creek Ranch Municipal Utility District No. 1, 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 7960, as follows:

#### **CHAPTER 7960. DEER CREEK RANCH MUNICIPAL UTILITY DISTRICT NO. 1**

Sets forth language for the creation of the Deer Creek Ranch Municipal Utility District No. 1 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 7960.0101-7960.0106);

Size, composition, election, and terms of the board of directors of the district, including designation of initial directors (Sections 7960.0201-7960.0202);

Powers and duties of the district (Sections 7960.0301-7960.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7960.0401-7960.0503).

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) Amends Subchapter C, Chapter 7960, Special District Local Laws Code, as added by Section 1 of this Act, if this Act does not receive a two-thirds vote of all the members elected to each house, by adding Section 7960.0307, as follows:

Sec. 7960.0307. 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 the legislature, on or after January 10, 2020, to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2023.