

BILL ANALYSIS

Senate Research Center
88R13043 ANG-F

S.B. 2577
By: Flores
Local Government
4/25/2023
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2577 creates Atascosa County Municipal Utility District No. 2 (district) located adjacent of FM 1470 and north of Red Barn Road, being approximately 1225 acres in Atascosa County, Texas, and located partially within the extraterritorial jurisdiction of the City of Poteet, Texas. The bill would authorize the proposed district, if confirmed at an election, to finance the construction of facilities to provide water, wastewater, drainage and road services to the tract so that a residential and commercial development could be undertaken on the land proposed to be included within the proposed district. The legislation contains the usual "template" provisions regarding the naming of directors for the proposed district, the powers of the proposed district, and general financial provisions.

As proposed, S.B. 2577 amends current law relating to the creation of the Atascosa County Municipal Utility District No. 2, 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 7957A, as follows:

CHAPTER 7957A. ATASCOSA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

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

Creation and approval of the district (Sections 7957A.0101-7957A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 7957A.0201-7957A.0202);

Powers and duties of the district (Sections 7957A.0301-7957A.0307); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7957A.0401-7957A.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 7957A, 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 7957A.0308, as follows:

Sec. 7957A.0308. 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 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.