

BILL ANALYSIS

Senate Research Center

S.B. 1887
By: Ogden
Intergovernmental Relations
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 1887 creates Williamson County Municipal Utility District No. 22 (district) to provide the infrastructure for future development near the City of Hutto (city), which is growing rapidly. The district will encompass an area of land partially within and partially outside the corporate limits of the city and partially within the extraterritorial jurisdiction of the city. The district will have the powers commonly granted to a municipal utility district and will also include the powers of a municipal management district and a county development district.

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 8135, as follows:

CHAPTER 8135. WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 22

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8135.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 8235.002. NATURE OF DISTRICT. Provides that the Williamson County Municipal Utility District No. 22 (district) is created as a special district under Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III, and Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution.

Sec. 8135.003. CONFIRMATION ELECTION REQUIRED. Sets forth certain requirements for the district if the creation of the district is not confirmed at a confirmation election held under Section 8135.022 before September 1, 2007. Provides that this chapter expires September 1, 2010 if the district is not confirmed at said election.

Sec. 8135.004. INITIAL DISTRICT TERRITORY. (a) Provides that the district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) Provides that the boundaries and field notes contained in Section 2 of the Act creating this chapter form a closure. Provides that a mistake made in the field notes or in copying the field notes in the legislative process does not affect certain aspects of the district.

[Reserves Sections 8135.005-8135.020 for expansion.]

SUBCHAPTER A-1. TEMPORARY PROVISIONS

Sec. 8135.021. TEMPORARY DIRECTORS. (a) Sets forth the composition of the temporary board.

(b) Provides that temporary directors of the district are not required to own land in or be residents of the district.

(c) Requires the temporary directors who have qualified to appoint a person to fill a vacancy if a temporary director fails to qualify for office. Requires the Texas Commission on Environmental Quality to appoint the necessary number of persons to fill all vacancies on the board if at any time there are fewer than three qualified temporary directors,.

(d) Requires the temporary directors to serve until the earlier of certain dates.

Sec. 8135.022. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. (a) Requires the temporary directors to hold an election to confirm the creation of the district and to elect five initial directors as provided by Section 49.102 (Confirmation and Director Election), Water Code.

(b) Authorizes the board to submit to the voters a proposition to authorize certain taxes and bonds at the confirmation and initial directors' election.

(c) Provides that Section 41.001(a) (pertaining to uniform election dates), Election Code, does not apply to a confirmation and initial directors' election held under this section.

Sec. 8135.023. INITIAL ELECTED DIRECTORS; TERMS. Requires the directors elected under Section 8135.022 to draw lots to determine which two are required to serve until the first regularly scheduled election of directors under Section 8135.052 and which three are required to serve until the second regularly scheduled election of directors.

Sec. 8135.024. EXPIRATION OF SUBCHAPTER. Provides that this subchapter expires September 1, 2010.

[Reserves Sections 8135.025-8135.050 for expansion.]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8135.051. DIRECTORS; TERMS. Provides that the district is governed by a board of five directors (board) who serve staggered four-year terms.

Sec. 8135.052. ELECTION OF DIRECTORS. Requires the appropriate number of directors to be elected on the uniform election date in May of each even-numbered year.

[Reserves Sections 8135.053-8135.100 for expansion.]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8135.101. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the district has certain powers and duties applicable to municipal utility districts.

Sec. 8135.102. MUNICIPAL MANAGEMENT DISTRICT POWERS. Provides that the district has certain powers and duties applicable to municipal management districts.

Sec. 8135.103. COUNTY DEVELOPMENT DISTRICT POWERS. Provides that the district has certain powers and duties applicable to county development districts.

Sec. 8135.104. COMPLIANCE WITH MUNICIPAL ORDINANCES. Provides that the district is subject to the requirements of municipal ordinances of the City of Hutto (city) that apply to areas within the extraterritorial jurisdiction of the city, unless the municipality's governing body waives compliance.

[Reserves Sections 8135.105-8135.150 expansion.]

SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

Sec. 8135.151. DIVISION OF DISTRICT; REQUIREMENTS. (a) Provides that, subject to the approval of the city, at any time before the district issues indebtedness secured by taxes or net revenues, the district, including any annexed territory, may be divided into two or more new districts.

(b) Requires a new district created by division of the district to be at least 100 acres.

(c) Authorizes the board by resolution to declare an intent to divide the district. Sets forth certain requirements for the resolution.

Sec. 8135.152. DISTRICT DIVISION BY ELECTION. (a) Requires the board to hold an election in the district to determine whether the district should be divided as proposed under Section 8135.151.

(b) Requires the board to give notice of the election not later than the 20th day before the date of the election. Sets forth certain requirements for the notice.

(c) Provides that if a majority of the votes are cast in favor of the division, the district is divided.

(d) Prohibits the district from being divided if less than a majority of the votes are cast in favor of the division.

(e) Provides that the resulting new districts are separate districts and are required to be governed as separate districts.

Sec. 8135.153. NOTICE OF DIVISION. Requires the district to provide written notice of the plan for division to certain entities not later than the 30th day after the date of a division under this subchapter.

Sec. 8135.154. DISTRICT NAMES FOLLOWING DIVISION. Provides that the resulting new districts are assigned consecutive letters to be appended to the name of the original district.

Sec. 8135.155. ELECTION OF DIRECTORS OF NEW DISTRICTS. (a) Requires the district to take certain steps not later than the 90th day after the date of an election in favor of the division of the district.

(b) Provides that a director appointed under Subsection (a)(1) serves the term to which that director was elected in the original district. Provides that a director appointed under Subsection (a)(2) serves until the election for directors under Subsection (c) and is not required to own land in or reside in the district for which the director is appointed.

(c) Requires an election to be held to elect five directors in each district for which directors were appointed under Subsection (a)(2) on the uniform election date in May of the first even-numbered year after the year in which the directors are appointed. Requires, of the five directors elected in each district, the three directors receiving the greatest number of votes to serve until the second regularly scheduled election of directors under Subsection (d), and the remaining two directors to serve until the first regularly scheduled election of directors.

(d) Provides that except as provided by Subsection (c), directors serve staggered four-year terms. Requires the appropriate number of directors to be elected on the uniform election date in May of each even-numbered year.

Sec. 8135.156. CONTINUING POWERS AND OBLIGATIONS OF NEW DISTRICTS. (a) Authorizes each new district to incur and pay debts and provides that it has all powers of the original district created by this chapter.

(b) Provides that if the district is divided as provided by this subchapter, the current obligations and any bond authorizations of the district are not impaired. Requires debts to be paid by revenues or by taxes or assessments imposed on real property in the district as if the district had not been divided or by contributions from each new district as stated in the terms set by the board in the plan for division.

(c) Requires any other district obligation to be divided pro rata among the new districts on an acreage basis or on other terms that are satisfactory to the new districts.

Sec. 8135.157. CONTRACT AUTHORITY OF NEW DISTRICTS. Authorizes the new districts to contract with each other for certain services.

Sec. 8135.158. BOND ISSUANCE BY NEW DISTRICT. Authorizes a new district to issue bonds payable wholly or partially from ad valorem taxes on the approval of a majority of the residents voting in an election called and held for that purpose.

Sec. 8135.159. MAINTENANCE TAX APPROVAL FOR NEW DISTRICT. Authorizes a new district to impose a maintenance tax on the approval of a majority of the residents voting in an election called and held for that purpose.

SECTION 2. Sets forth the territory initially contained in 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. Effective date: September 1, 2005.