

## **BILL ANALYSIS**

Senate Research Center

S.B. 321  
By: Nichols  
Intergovernmental Relations  
5/23/2017  
Enrolled

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

S.B. 321 creates both the River Ranch Municipal Utility District and the Riverside Municipal Utility District. These districts will be a political subdivision of the State of Texas and will be located within the extraterritorial jurisdiction of the City of Dayton in Liberty County. They will be a municipal utility district operating pursuant to Chapters 49 and 54, Water Code. The land will be developed for both commercial and residential purposes.

A special district is needed to finance and construct the utility infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district. Currently, this area is undeveloped and no special district serves this area. (Original Author's / Sponsor's Statement of Intent)

S.B. 321 amends current law relating to the creation of the River Ranch Municipal Utility District of Liberty County and the Riverside Municipal Utility District of Liberty County, grants a limited power of eminent domain, provides authority to issue bonds, and provides 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 7991, as follows:

#### **CHAPTER 7991. RIVER RANCH MUNICIPAL UTILITY DISTRICT OF LIBERTY COUNTY**

Sets forth standard language for the creation of the River Ranch Municipal Utility District of Liberty County (River Ranch MUD). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the River Ranch MUD (Sections 7991.001-7991.050);

Size, composition, election, and terms of the board of directors of the River Ranch MUD, including the naming of temporary directors (Sections 7991.051-7991.100);

Powers and duties of the River Ranch MUD (Sections 7991.101-7991.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the River Ranch MUD (Sections 7991.151-7991.203).

SECTION 2. Sets forth the initial boundaries of the River Ranch MUD.

SECTION 3. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8012, as follows:

CHAPTER 8012. RIVERSIDE MUNICIPAL UTILITY DISTRICT OF LIBERTY COUNTY

Sets forth standard language for the creation of the Riverside Municipal Utility District of Liberty County (Riverside MUD). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the Riverside MUD (Sections 8012.001-8012.050);

Size, composition, election, and terms of the board of directors of the Riverside MUD, including the naming of temporary directors (Sections 8012.051-8012.100);

Powers and duties of the Riverside MUD (Sections 8012.101-8012.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the Riverside MUD (Sections 8012.151-8012.250).

SECTION 4. Sets forth the initial boundaries of the Riverside MUD.

SECTION 5. 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 6. (a) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7991, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7991.107, as follows:

Sec. 7991.107. NO EMINENT DOMAIN POWER. Prohibits the River Ranch MUD from exercising the power of eminent domain.

(b) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8012, Special District Local Laws Code, as added by Section 3 of this Act, is amended by adding Section 8012.107, as follows:

Sec. 8012.107. NO EMINENT DOMAIN POWER. Prohibits the Riverside MUD from exercising the power of eminent domain.

(c) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to the legislature enacting 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 7. Effective date: June 1, 2017, or September 1, 2017.