

## **BILL ANALYSIS**

Senate Research Center

S.B. 905  
By: Birdwell  
Intergovernmental Relations  
6/21/2017  
Enrolled

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

S.B. 905 amends the Special District Local Laws Code to create the Cresson Crossroads Municipal Utility District No. 2, subject to municipal consent and voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects and provides for compliance with municipal regulations and the division of the district. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill expressly prohibits the district from exercising the power of eminent domain if the bill does not receive a two-thirds vote of all the members elected to each house. (Original Author's / Sponsor's Statement)

S.B. 905 amends current law relating to the creation of the Cresson Crossroads 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 7968, as follows:

#### CHAPTER 7968. CRESSON CROSSROADS MUNICIPAL UTILITY DISTRICT NO. 2

Sets forth standard language for the creation of the Cresson Crossroads Municipal Utility District No. 2 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7968.001-7968.050);

Size, composition, election, and terms of the board of directors of the district (Sections 7968.051-7968.100);

Powers, duties, and division of the district (Sections 7968.101-7968.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7968.151-7968.203).

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

SECTION 3. 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 4. (a) Provides that if this Act does not receive a two-thirds vote of all members elected to each house, Subchapter C, Chapter 7968, Special District Laws Code, as added by Section 1 of this Act, is amended by adding Section 7968.108, as follows:

Sec. 7968.108. 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 the legislature enacting a general, local, or special law granting the power of eminent domain), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2017.