

BILL ANALYSIS

Senate Research Center
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S.B. 2576
By: Zaffirini
Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2022, the Caldwell County Commissioners Court created the Open R Fresh Water Supply District (FWSD). At the time, Caldwell County believed an FWSD best suited the area. Now, after additional land was added to the district, the Caldwell County Commissioners Court believes that providing municipal utility district (MUD) powers to the district would improve services and oversight by the county. Accordingly, S.B. 2576 would add MUD powers to the Open R Fresh Water Supply District.

As proposed, S.B. 2576 amends current law relating to the Open R Fresh Water Supply District of Caldwell County, grants a limited power of eminent domain, provides the authority to issue bonds, and provides the 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 7994A, as follows:

CHAPTER 7994A. OPEN R FRESH WATER SUPPLY DISTRICT OF CALDWELL COUNTY

Sets forth standard language regarding the Open R Fresh Water Supply District of Caldwell County (district). Sets forth standards, procedures, requirements and criteria for:

General provisions, including the nature of the district, the public purpose of the district, and the district territory (Sections 7994A.0101-799.0104);

Powers and duties of the district (Sections 7994A.0201-7994A.0204); and

General financial provisions and authority to impose tax and to issue bonds (Sections 7994A.0301-7994A.0403).

SECTION 2. Sets forth the boundaries of the district.

SECTION 3. (a) Provides that all governmental and proprietary actions and proceedings of the district taken before the effective date of this Act are validated, ratified, and confirmed in all respects as of the dates on which they occurred.

(b) Provides that this section does not apply to any matter that on the effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

(2) has been held invalid by a final court judgment.

SECTION 4. 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 5. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter B, Chapter 7994A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7994A.0205 to read as follows:

Sec. 7994A.0205. 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 general, local, or special laws granting the power of eminent domain to an entity with a two-thirds vote of all members of each house), Article I (Bill of Rights), Texas Constitution.

SECTION 6. Effective date: upon passage or September 1, 2023.