

BILL ANALYSIS

Senate Research Center

S.B. 887
By: Zaffirini
Local Government
5/23/2023
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Recently, a freshwater supply district (FSD) was created for land in the unincorporated City of Maxwell. At the time, the property was not wholly owned, so an FSD was the best fit for the smaller space that needed fewer services. Now that the property is wholly owned, it is best to dissolve the FSD and upgrade it to a municipal utility district (MUD) to improve services and oversight by the county. Accordingly, S.B. 887 would create a municipal utility district within the City of Maxwell.

S.B. 887 amends current law relating to the creation of the Maxwell Municipal Utility District No. 1, 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 7961, as follows:

CHAPTER 7961. MAXWELL MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Maxwell Municipal Utility District No. 1 (district). Sets forth standards, procedures, requirements, and criteria for:

- Creation and approval of the district (Sections 7961.0101-7961.0106);
- Size, composition, election, and terms of the board of directors of the district (Sections 7961.0201-7961.0202);
- Powers and duties of the district (Sections 7961.0301-7961.0305); and
- General financial provision and authority to impose a tax and to issue bonds and obligations for the district (Sections 7961.0401-7961.0503).

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) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7961, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7961.0306, as follows:

Sec. 7961.0306. 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.