

1-1 By: Buckingham S.B. No. 1987
 1-2 (In the Senate - Filed March 16, 2021; April 1, 2021, read
 1-3 first time and referred to Committee on Local Government;
 1-4 April 21, 2021, reported favorably by the following vote: Yeas 9,
 1-5 Nays 0; April 21, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the River Farm Municipal Utility
 1-20 District No. 1 of Bell County; granting a limited power of eminent
 1-21 domain; providing authority to issue bonds; providing authority to
 1-22 impose assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-25 Code, is amended by adding Chapter 8301 to read as follows:

1-26 CHAPTER 8301. RIVER FARM MUNICIPAL UTILITY DISTRICT NO. 1
 1-27 OF BELL COUNTY

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 8301.0101. DEFINITIONS. In this chapter:

1-30 (1) "Board" means the district's board of directors.

1-31 (2) "Commission" means the Texas Commission on
 1-32 Environmental Quality.

1-33 (3) "Director" means a board member.

1-34 (4) "District" means the River Farm Municipal Utility
 1-35 District No. 1 of Bell County.

1-36 Sec. 8301.0102. NATURE OF DISTRICT. The district is a
 1-37 municipal utility district created under Section 59, Article XVI,
 1-38 Texas Constitution.

1-39 Sec. 8301.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-40 REQUIRED. The temporary directors shall hold an election to
 1-41 confirm the creation of the district and to elect five permanent
 1-42 directors as provided by Section 49.102, Water Code.

1-43 Sec. 8301.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-44 temporary directors may not hold an election under Section
 1-45 8301.0103 until each municipality in whose corporate limits or
 1-46 extraterritorial jurisdiction the district is located has
 1-47 consented by ordinance or resolution to the creation of the
 1-48 district and to the inclusion of land in the district.

1-49 Sec. 8301.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-50 (a) The district is created to serve a public purpose and benefit.

1-51 (b) The district is created to accomplish the purposes of:

1-52 (1) a municipal utility district as provided by
 1-53 general law and Section 59, Article XVI, Texas Constitution; and

1-54 (2) Section 52, Article III, Texas Constitution, that
 1-55 relate to the construction, acquisition, improvement, operation,
 1-56 or maintenance of macadamized, graveled, or paved roads, or
 1-57 improvements, including storm drainage, in aid of those roads.

1-58 Sec. 8301.0106. INITIAL DISTRICT TERRITORY. (a) The
 1-59 district is initially composed of the territory described by
 1-60 Section 2 of the Act enacting this chapter.

1-61 (b) The boundaries and field notes contained in Section 2 of

2-1 the Act enacting this chapter form a closure. A mistake made in the
2-2 field notes or in copying the field notes in the legislative process
2-3 does not affect the district's:

- 2-4 (1) organization, existence, or validity;
- 2-5 (2) right to issue any type of bond for the purposes
2-6 for which the district is created or to pay the principal of and
2-7 interest on a bond;
- 2-8 (3) right to impose a tax; or
- 2-9 (4) legality or operation.

2-10 SUBCHAPTER B. BOARD OF DIRECTORS

2-11 Sec. 8301.0201. GOVERNING BODY; TERMS. (a) The district is
2-12 governed by a board of five elected directors.

2-13 (b) Except as provided by Section 8301.0202, directors
2-14 serve staggered four-year terms.

2-15 Sec. 8301.0202. TEMPORARY DIRECTORS. (a) The temporary
2-16 board consists of:

- 2-17 (1) Rick Jones;
- 2-18 (2) Steve Gottsacker;
- 2-19 (3) Mike Nolan;
- 2-20 (4) Louis Casey; and
- 2-21 (5) Rex Baird.

2-22 (b) Temporary directors serve until the earlier of:

- 2-23 (1) the date permanent directors are elected under
2-24 Section 8301.0103; or
- 2-25 (2) the fourth anniversary of the effective date of
2-26 the Act enacting this chapter.

2-27 (c) If permanent directors have not been elected under
2-28 Section 8301.0103 and the terms of the temporary directors have
2-29 expired, successor temporary directors shall be appointed or
2-30 reappointed as provided by Subsection (d) to serve terms that
2-31 expire on the earlier of:

- 2-32 (1) the date permanent directors are elected under
2-33 Section 8301.0103; or
- 2-34 (2) the fourth anniversary of the date of the
2-35 appointment or reappointment.

2-36 (d) If Subsection (c) applies, the owner or owners of a
2-37 majority of the assessed value of the real property in the district
2-38 may submit a petition to the commission requesting that the
2-39 commission appoint as successor temporary directors the five
2-40 persons named in the petition. The commission shall appoint as
2-41 successor temporary directors the five persons named in the
2-42 petition.

2-43 SUBCHAPTER C. POWERS AND DUTIES

2-44 Sec. 8301.0301. GENERAL POWERS AND DUTIES. The district
2-45 has the powers and duties necessary to accomplish the purposes for
2-46 which the district is created.

2-47 Sec. 8301.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
2-48 DUTIES. The district has the powers and duties provided by the
2-49 general law of this state, including Chapters 49 and 54, Water Code,
2-50 applicable to municipal utility districts created under Section 59,
2-51 Article XVI, Texas Constitution.

2-52 Sec. 8301.0303. AUTHORITY FOR ROAD PROJECTS. Under Section
2-53 52, Article III, Texas Constitution, the district may design,
2-54 acquire, construct, finance, issue bonds for, improve, operate,
2-55 maintain, and convey to this state, a county, or a municipality for
2-56 operation and maintenance macadamized, graveled, or paved roads, or
2-57 improvements, including storm drainage, in aid of those roads.

2-58 Sec. 8301.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-59 road project must meet all applicable construction standards,
2-60 zoning and subdivision requirements, and regulations of each
2-61 municipality in whose corporate limits or extraterritorial
2-62 jurisdiction the road project is located.

2-63 (b) If a road project is not located in the corporate limits
2-64 or extraterritorial jurisdiction of a municipality, the road
2-65 project must meet all applicable construction standards,
2-66 subdivision requirements, and regulations of each county in which
2-67 the road project is located.

2-68 (c) If the state will maintain and operate the road, the
2-69 Texas Transportation Commission must approve the plans and

3-1 specifications of the road project.
3-2 Sec. 8301.0305. MAINTENANCE OF ROADS IN TERRITORY OUTSIDE
3-3 CORPORATE LIMITS OF CITY. If district territory, or a portion of
3-4 district territory, is located outside the corporate limits of the
3-5 City of Belton, the district shall maintain any road the district
3-6 constructs located in that territory.
3-7 Sec. 8301.0306. COMPLIANCE WITH MUNICIPAL CONSENT
3-8 ORDINANCE OR RESOLUTION. The district shall comply with all
3-9 applicable requirements of any ordinance or resolution that is
3-10 adopted under Section 54.016 or 54.0165, Water Code, and that
3-11 consents to the creation of the district or to the inclusion of land
3-12 in the district.
3-13 Sec. 8301.0307. DIVISION OF DISTRICT. (a) The district may
3-14 be divided into two or more new districts only if the district:
3-15 (1) has no outstanding bonded debt; and
3-16 (2) is not imposing ad valorem taxes.
3-17 (b) This chapter applies to any new district created by
3-18 division of the district, and a new district has all the powers and
3-19 duties of the district.
3-20 (c) A new district created by the division of the district
3-21 may not, at the time the new district is created, contain any land
3-22 outside the area described by Section 2 of the Act enacting this
3-23 chapter.
3-24 (d) The board, on its own motion or on receipt of a petition
3-25 signed by the owner or owners of a majority of the assessed value of
3-26 the real property in the district, may adopt an order dividing the
3-27 district.
3-28 (e) The board may adopt an order dividing the district
3-29 before or after the date the board holds an election under Section
3-30 8301.0103 to confirm the district's creation.
3-31 (f) An order dividing the district shall:
3-32 (1) name each new district;
3-33 (2) include the metes and bounds description of the
3-34 territory of each new district;
3-35 (3) appoint temporary directors for each new district;
3-36 and
3-37 (4) provide for the division of assets and liabilities
3-38 between the new districts.
3-39 (g) On or before the 30th day after the date of adoption of
3-40 an order dividing the district, the district shall file the order
3-41 with the commission and record the order in the real property
3-42 records of each county in which the district is located.
3-43 (h) Any new district created by the division of the district
3-44 shall hold a confirmation and directors' election as required by
3-45 Section 8301.0103. If the voters of a new district do not confirm
3-46 the creation of the new district, the assets, obligations,
3-47 territory, and governance of the new district revert to the
3-48 original district.
3-49 (i) Municipal consent to the creation of the district and to
3-50 the inclusion of land in the district granted under Section
3-51 8301.0104 acts as municipal consent to the creation of any new
3-52 district created by the division of the district and to the
3-53 inclusion of land in the new district.
3-54 (j) Any new district created by the division of the district
3-55 must hold an election as required by this chapter to obtain voter
3-56 approval before the district may impose a maintenance tax or issue
3-57 bonds payable wholly or partly from ad valorem taxes.
3-58 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
3-59 Sec. 8301.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-60 The district may issue, without an election, bonds and other
3-61 obligations secured by:
3-62 (1) revenue other than ad valorem taxes; or
3-63 (2) contract payments described by Section 8301.0403.
3-64 (b) The district must hold an election in the manner
3-65 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-66 before the district may impose an ad valorem tax or issue bonds
3-67 payable from ad valorem taxes.
3-68 (c) The district may not issue bonds payable from ad valorem
3-69 taxes to finance a road project unless the issuance is approved by a

4-1 vote of a two-thirds majority of the district voters voting at an
4-2 election held for that purpose.

4-3 Sec. 8301.0402. OPERATION AND MAINTENANCE TAX. (a) If
4-4 authorized at an election held under Section 8301.0401, the
4-5 district may impose an operation and maintenance tax on taxable
4-6 property in the district in accordance with Section 49.107, Water
4-7 Code.

4-8 (b) The board shall determine the tax rate. The rate may not
4-9 exceed the rate approved at the election.

4-10 Sec. 8301.0403. CONTRACT TAXES. (a) In accordance with
4-11 Section 49.108, Water Code, the district may impose a tax other than
4-12 an operation and maintenance tax and use the revenue derived from
4-13 the tax to make payments under a contract after the provisions of
4-14 the contract have been approved by a majority of the district voters
4-15 voting at an election held for that purpose.

4-16 (b) A contract approved by the district voters may contain a
4-17 provision stating that the contract may be modified or amended by
4-18 the board without further voter approval.

4-19 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-20 Sec. 8301.0501. AUTHORITY TO ISSUE BONDS AND OTHER
4-21 OBLIGATIONS. The district may issue bonds or other obligations
4-22 payable wholly or partly from ad valorem taxes, impact fees,
4-23 revenue, contract payments, grants, or other district money, or any
4-24 combination of those sources, to pay for any authorized district
4-25 purpose.

4-26 Sec. 8301.0502. TAXES FOR BONDS. At the time the district
4-27 issues bonds payable wholly or partly from ad valorem taxes, the
4-28 board shall provide for the annual imposition of a continuing
4-29 direct ad valorem tax, without limit as to rate or amount, while all
4-30 or part of the bonds are outstanding as required and in the manner
4-31 provided by Sections 54.601 and 54.602, Water Code.

4-32 Sec. 8301.0503. BONDS FOR ROAD PROJECTS. At the time of
4-33 issuance, the total principal amount of bonds or other obligations
4-34 issued or incurred to finance road projects and payable from ad
4-35 valorem taxes may not exceed one-fourth of the assessed value of the
4-36 real property in the district.

4-37 SECTION 2. The River Farm Municipal Utility District No. 1
4-38 of Bell County initially includes all the territory contained in
4-39 the following area:

4-40 BEING a tract of land situated in in the Felipe Madrigal Survey
4-41 Abstract No. 554 and the O.T. Tyler Survey Abstract No. 20, Bell
4-42 County, Texas, and being a portion of a 552 acre tract of land
4-43 conveyed to A.J. Hall and wife Katherine V. Hall according to the
4-44 document filed of record in Volume 928, Page 403, Deed Records of
4-45 Bell County, Texas; said tract also being a portion of that tract of
4-46 land conveyed to Interfirst Bank, Temple, N.A. according to the
4-47 document filed of record in Volume 2157, Page 443, Deed Records of
4-48 Bell County, Texas, and being more particularly described as
4-49 follows:

4-50 BEGINNING at a point in the east line of Old U.S. Highway No. 81;
4-51 being the northwest corner of the said 552 acre tract, same being
4-52 the northwest corner of that certain 5.229 acre tract of land
4-53 described in a deed from Francis M. Hall to A.J. Hall being of
4-54 record in Volume 1958, Page 856, Deed Records of Bell County, Texas;
4-55 THENCE South 73°36'13" East, leaving said east line, a distance of
4-56 844.30 feet to a point for a corner of this tract;

4-57 THENCE South 73°18'39" East, a distance of 778.99 feet to a point for
4-58 a corner of this tract;

4-59 THENCE South 72°19'10" East, a distance of 313.74 feet to a point for
4-60 a corner of this tract;

4-61 THENCE South 72°17'13" East, a distance of 760.68 feet to a point for
4-62 a corner of this tract;

4-63 THENCE South 76°09'43" East, a distance of 559.09 feet to a point for
4-64 a corner of this tract at the approximate center of the Lampasas
4-65 River;

4-66 THENCE along the center of said Lampasas River the following
4-67 sixteen (16) courses and distances;

4-68 South 3°31'42" East, a distance of 270.01 feet to a point for a
4-69 corner of this tract;

5-1 South 22°33'02" West, a distance of 305.01 feet to a point for a
5-2 corner of this tract;
5-3 South 41°46'44" West, a distance of 144.07 feet to a point for a
5-4 corner of this tract;
5-5 South 4°33'41" West, a distance of 748.36 feet to a point for a
5-6 corner of this tract;
5-7 South 23°45'35" East, a distance of 475.45 feet to a point for a
5-8 corner of this tract;
5-9 South 26°13'38" East, a distance of 440.30 feet to a point for a
5-10 corner of this tract;
5-11 South 53°13'35" East, a distance of 353.75 feet to a point for a
5-12 corner of this tract;
5-13 North 59°26'34" East, a distance of 463.02 feet to a point for a
5-14 corner of this tract;
5-15 North 75°29'57" East, a distance of 248.68 feet to a point for a
5-16 corner of this tract;
5-17 South 87°22'58" East, a distance of 548.47 feet to a point for a
5-18 corner of this tract;
5-19 South 64°58'40" East, a distance of 329.60 feet to a point for a
5-20 corner of this tract;
5-21 South 36°48'27" East, a distance of 165.61 feet to a point for a
5-22 corner of this tract;
5-23 South 0°10'19" West, a distance of 289.15 feet to a point for a
5-24 corner of this tract;
5-25 South 27°37'41" East, a distance of 182.45 feet to a point for a
5-26 corner of this tract;
5-27 South 76°03'38" East, a distance of 571.54 feet to a point for a
5-28 corner of this tract;
5-29 South 49°09'40" East, a distance of 407.46 feet to a point for a
5-30 corner of this tract;
5-31 South 24°31'49" East, a distance of 661.88 feet to a point for a
5-32 corner of this tract;;
5-33 THENCE North 75°38'19" West, leaving the above mentioned Lampasas
5-34 River, a distance of 1576.09 feet to a point for a corner of this
5-35 tract;
5-36 THENCE South 51°59'58" West, a distance of 1546.90 feet to a point
5-37 for a corner of this tract;
5-38 THENCE North 36°52'41" West, a distance of 1957.51 feet to a point
5-39 for a corner of this tract;
5-40 THENCE North 53°41'37" West, a distance of 1279.74 feet to a point
5-41 for a corner of this tract;
5-42 THENCE North 58°18'24" West, a distance of 2257.67 feet to a point in
5-43 the east line of the above-mentioned Old U.S. Highway No. 81, for a
5-44 corner of this tract;
5-45 THENCE North 22°24'57" East, with said east line, a distance of
5-46 36.44 feet to a point for a corner of this tract;
5-47 THENCE North 9°59'32" East, continuing with said east line, a
5-48 distance of 503.32 feet to a point for a corner of this tract;
5-49 THENCE North 17°38'30" East, with said east line, a distance of
5-50 1414.35 feet to the POINT OF BEGINNING and containing 304.7641
5-51 acres or 13,275,522 square feet of land, more or less.
5-52 SECTION 3. (a) The legal notice of the intention to
5-53 introduce this Act, setting forth the general substance of this
5-54 Act, has been published as provided by law, and the notice and a
5-55 copy of this Act have been furnished to all persons, agencies,
5-56 officials, or entities to which they are required to be furnished
5-57 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-58 Government Code.
5-59 (b) The governor, one of the required recipients, has
5-60 submitted the notice and Act to the Texas Commission on
5-61 Environmental Quality.
5-62 (c) The Texas Commission on Environmental Quality has filed
5-63 its recommendations relating to this Act with the governor, the
5-64 lieutenant governor, and the speaker of the house of
5-65 representatives within the required time.
5-66 (d) All requirements of the constitution and laws of this
5-67 state and the rules and procedures of the legislature with respect
5-68 to the notice, introduction, and passage of this Act are fulfilled
5-69 and accomplished.

6-1 SECTION 4. (a) If this Act does not receive a two-thirds
6-2 vote of all the members elected to each house, Subchapter C, Chapter
6-3 8301, Special District Local Laws Code, as added by Section 1 of
6-4 this Act, is amended by adding Section 8301.0308 to read as follows:

6-5 Sec. 8301.0308. NO EMINENT DOMAIN POWER. The district may
6-6 not exercise the power of eminent domain.

6-7 (b) This section is not intended to be an expression of a
6-8 legislative interpretation of the requirements of Section 17(c),
6-9 Article I, Texas Constitution.

6-10 SECTION 5. This Act takes effect immediately if it receives
6-11 a vote of two-thirds of all the members elected to each house, as
6-12 provided by Section 39, Article III, Texas Constitution. If this
6-13 Act does not receive the vote necessary for immediate effect, this
6-14 Act takes effect September 1, 2021.

6-15 * * * * *