

By: Creighton
(Toth)

S.B. No. 2174

A BILL TO BE ENTITLED

AN ACT

relating to the division of the Montgomery County Municipal Utility District No. 152.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 7932, Special District Local Laws Code, is amended by adding Section 7932.106 to read as follows:

Sec. 7932.106. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area located within the district as of January 1, 2021.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 7932.003 to confirm the district's creation.

1 (f) An order dividing the district shall:

2 (1) name each new district;

3 (2) include the metes and bounds description of the
4 territory of each new district;

5 (3) appoint temporary directors for each new district;

6 and

7 (4) provide for the division of assets and liabilities
8 between the new districts.

9 (g) On or before the 30th day after the date of adoption of
10 an order dividing the district, the district shall file the order
11 with the commission and record the order in the real property
12 records of each county in which the district is located.

13 (h) Any new district created by the division of the district
14 shall hold a confirmation and directors' election as required by
15 Section 7932.003.

16 (i) If the creation of the new district is confirmed, the
17 new district shall provide the election date and results to the
18 commission.

19 (j) Any new district created by the division of the district
20 must hold an election as required by this chapter to obtain voter
21 approval before the district may impose a maintenance tax or issue
22 bonds payable wholly or partly from ad valorem taxes.

23 (k) Municipal consent to the creation of the district and to
24 the inclusion of land in the district acts as municipal consent to
25 the creation of any new district created by the division of the
26 district and to the inclusion of land in the new district.

27 SECTION 2. This Act takes effect immediately if it receives

1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2021.