

1-1 By: Creighton S.B. No. 2174  
 1-2 (In the Senate - Filed March 30, 2021; April 1, 2021, read  
 1-3 first time and referred to Committee on Local Government;  
 1-4 April 27, 2021, reported favorably by the following vote: Yeas 8,  
 1-5 Nays 0; April 27, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Menéndez			X	
1-9 Eckhardt	X			
1-10 Gutierrez	X			
1-11 Hall	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 Springer	X			
1-15 Zaffirini	X			

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

1-19 relating to the division of the Montgomery County Municipal Utility  
 1-20 District No. 152.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subchapter C, Chapter 7932, Special District  
 1-23 Local Laws Code, is amended by adding Section 7932.106 to read as  
 1-24 follows:

1-25 Sec. 7932.106. DIVISION OF DISTRICT. (a) The district may  
 1-26 be divided into two or more new districts only if the district:

1-27 (1) has no outstanding bonded debt; and

1-28 (2) is not imposing ad valorem taxes.

1-29 (b) This chapter applies to any new district created by the  
 1-30 division of the district, and a new district has all the powers and  
 1-31 duties of the district.

1-32 (c) A new district created by the division of the district  
 1-33 may not, at the time the new district is created, contain any land  
 1-34 outside the area located within the district as of January 1, 2021.

1-35 (d) The board, on its own motion or on receipt of a petition  
 1-36 signed by the owner or owners of a majority of the assessed value of  
 1-37 the real property in the district, may adopt an order dividing the  
 1-38 district.

1-39 (e) The board may adopt an order dividing the district  
 1-40 before or after the date the board holds an election under Section  
 1-41 7932.003 to confirm the district's creation.

1-42 (f) An order dividing the district shall:

1-43 (1) name each new district;

1-44 (2) include the metes and bounds description of the  
 1-45 territory of each new district;

1-46 (3) appoint temporary directors for each new district;

1-47 and

1-48 (4) provide for the division of assets and liabilities  
 1-49 between the new districts.

1-50 (g) On or before the 30th day after the date of adoption of  
 1-51 an order dividing the district, the district shall file the order  
 1-52 with the commission and record the order in the real property  
 1-53 records of each county in which the district is located.

1-54 (h) Any new district created by the division of the district  
 1-55 shall hold a confirmation and directors' election as required by  
 1-56 Section 7932.003.

1-57 (i) If the creation of the new district is confirmed, the  
 1-58 new district shall provide the election date and results to the  
 1-59 commission.

1-60 (j) Any new district created by the division of the district  
 1-61 must hold an election as required by this chapter to obtain voter

2-1 approval before the district may impose a maintenance tax or issue  
2-2 bonds payable wholly or partly from ad valorem taxes.

2-3 (k) Municipal consent to the creation of the district and to  
2-4 the inclusion of land in the district acts as municipal consent to  
2-5 the creation of any new district created by the division of the  
2-6 district and to the inclusion of land in the new district.

2-7 SECTION 2. This Act takes effect immediately if it receives  
2-8 a vote of two-thirds of all the members elected to each house, as  
2-9 provided by Section 39, Article III, Texas Constitution. If this  
2-10 Act does not receive the vote necessary for immediate effect, this  
2-11 Act takes effect September 1, 2021.

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