

## **BILL ANALYSIS**

H.B. 1055  
By: Hope  
Natural Resources  
Committee Report (Amended)

### **BACKGROUND AND PURPOSE**

Development and growth in the area of northern Montgomery County has created the need for permanent improvements such as water production and distribution facilities, wastewater collection and treatment facilities, drainage projects, and other conservation and reclamation projects. Article XVI, Section 59, of the Constitution of Texas provides for the creation of conservation and reclamation districts which are authorized to incur indebtedness to provide such permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

Pursuant to Article XVI, Section 59, of the Constitution of Texas, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, the bill creates a conservation and reclamation district to be known as Montgomery County Municipal Utility District No. 101, over a portion of the land to be developed as a residential community with related retail and commercial properties in Montgomery County.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

#### **SECTION 1.**

H.B. 1055 amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8120 to authorize the Montgomery County Municipal Utility District No. 101.

Sec. 8120.002: Establishes the district as a municipal utility district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 8120.003: Provides that if the creation of the district is not confirmed at an election within the District before September 1, 2010, the district will dissolve on that date, provides for payment of all debts incurred in such case, provides for transfer of remaining assets to Montgomery County in such case, provides for maintenance of district organization until debts are paid and assets are transferred, and states that this chapter expires September 1, 2013.

Sec. 8120.004: Determines that the boundaries and field notes of the district form a closure and provides for mistakes in such field notes.

Sec. 8120.005: Provides that the district shall have and exercise all rights and powers conferred by Chapters 49 and 54, Water Code, except as otherwise provided by this chapter.

Sec. 8120.021: Provides for the appointment of temporary directors by the Texas Commission on Environmental Quality, the qualification of temporary directors, the filling of vacancies, and the term of temporary directors.

Sec. 8120.022: Provides for an organizational meeting of the temporary directors to elect officers and conduct any other district business.

Sec. 8120.023: Requires a confirmation and directors' election.

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Sec. 8120.024: Establishes the procedure for determining the terms of the initial elected directors.

Sec. 8120.025: Provides for the postponement of the first regularly scheduled election of directors in certain circumstances.

Sec. 8120.026: Establishes an expiration date of September 1, 2013 for provisions relating to temporary directors.

Sec. 8120.051: Establishes that the board is composed of five directors serving staggered four-year terms.

Sec. 8120.052: Establishes the date for director elections.

Sec. 8120.101: Prohibits the imposition of impact fees or assessments on the property, equipment, rights-of-way, facilities, or improvements of certain utilities.

Sec. 8120.102: Requires, subject to the limitations of Section 54.016, Water Code, that the district comply with all applicable requirements of any ordinance or resolution adopted by any municipality in whose corporate limits or extraterritorial jurisdiction the district is located, including a resolution or ordinance consenting to the creation of or the inclusion of land within the district.

**SECTION 2.** Describes the boundaries of the district.

**SECTION 3.** Provides that all legally required notices have been given.

**SECTION 4.** Establishes the effective date of the Act.

#### **EFFECTIVE DATE**

H.B. 1055 takes effect on September 1, 2005.

#### **EXPLANATION OF AMENDMENTS**

Committee Amendment No. 1 amended the original bill by prohibiting the district from exercising the power of eminent domain outside its boundaries to acquire a site for a water treatment plant, water storage facility, wastewater treatment plant, or wastewater disposal facility.