

BILL ANALYSIS

H.B. 4770
By: Eissler
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Continuing development and growth in Montgomery County has created the need for large-scale, permanent improvements, such as drainage and flood control facilities and recreational facilities. The Texas Constitution provides for the creation of local governmental 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.

H.B. 4770 creates the Montgomery County Water Control and Improvement District No. 2.

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

H.B. 4770 amends the Special District Local Laws Code to set forth standard language for the creation of the Montgomery County Water Control and Improvement District No. 2. The bill sets forth general provisions for the nature of the district, the confirmation of the district and election of the board of directors, municipal consent, the district's public purpose and benefit, and initial district territory; the number of members and terms of the board of directors of the district, including provisions for temporary directors; and the powers and duties of the district, including the authority to dispose of waste and control storm water, required compliance with municipal ordinance and resolutions, and the limited use of eminent domain.

H.B. 4770 sets forth general financial provisions authorizing a district, subject to the approval of district voters with limited exception, to issue bonds and other obligations, impose a property tax for operations and maintenance, and impose contract taxes. The bill requires the board, on bonds payable wholly or partly from property taxes, to provide for the annual imposition of a continuing direct property tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required. The bill authorizes the district to develop recreational facilities and issue bonds for such facilities and specifies that this authority does not limit the authority of any other political subdivision whose territory the territory of the district may overlap, wholly or partially, to develop recreational facilities and issue bonds. The bill sets forth in detail the initial boundaries of the district. The bill defines the terms "board," "director," and "district."

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.