BILL ANALYSIS

Senate Research Center 83R4754 MMC-F S.B. 273 By: Hegar Intergovernmental Relations 2/12/2013 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 273 creates Fort Bend County Municipal Utility District No. 206 (district) as a political subdivision of the State of Texas. The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district, which is located partially within the extraterritorial jurisdiction of the City of Houston, Fort Bend County. The district will be a municipal utility district operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code.

A special district is needed to finance and construct the utility infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district. Special districts are created for specific areas. No special district currently serves the area proposed to be included in the district.

As proposed, S.B. 273 amends current law relating to the creation of the Fort Bend County Municipal Utility District No. 206, provides authority to impose a tax and issue bonds, and grants a limited power of eminent domain.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8416, as follows:

CHAPTER 8416. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 206

Sets forth standard language for the creation of the Fort Bend County Municipal Utility District No. 206 (district) in Fort Bend County. Sets forth standards, procedures, requirements, and criteria for:

Definitions and nature of the district, confirmation and directors' election, consent of municipality, findings of public purpose and benefit, and initial district territory (Sections 8416.001-8416.006);

Governing body, terms, and temporary directors (Sections 8416.051-8416.052);

General powers and duties of the district, authority for road projects, road standards and requirements, and compliance with municipal consent ordinance or resolution (Sections 8416.101-8416.105);

Elections regarding taxes or bonds, operation and maintenance tax, and contract taxes (Sections 8416.151-8416.153); and

Authority to issue bonds and other obligations, taxes for bonds, and bonds for road projects (Sections 8416.201-8416.203).

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and laws of the state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8416, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8416.106, as follows:

Sec. 8416.106. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to the granting of the power of eminent domain by the legislature), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2013.