BILL ANALYSIS

Senate Research Center 83R5424 AED-F S.B. 564 By: Hegar Intergovernmental Relations 3/4/2013 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 564 proposes the creation of a municipal utility district to be known as Harris County Municipal Utility District No. 536 (district), to provide water, wastewater, drainage, and major thoroughfare improvements for this tract of land.

The district will contain approximately 386 acres in the extraterritorial jurisdiction of the City of Houston, Harris County.

All of the proposed property in the district is owned by Camcorp Interests, L.P., formerly known as Academy Development, which has developed a number of successful developments in Harris and Fort Bend Counties.

The land is situated in an area of rapid growth and development in Harris County upon which a single-family mixed use development is planned.

The bill conforms to the agreed template for the creation of municipal utility districts by the Texas Legislature.

As proposed, S.B. 564 amends current law relating to the creation of the Harris County Municipal Utility District No. 536, 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 8436, as follows:

CHAPTER 8436. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 536

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 536 (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8436.001-8436.006);

Size, composition, election, and terms of the board of directors, including the appointment of temporary directors (Sections 8436.051-8436.052);

Powers and duties of the district (Sections 8436.101-8436.105); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8436.151-8436.203).

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

SECTION 3. Provides that all requirements of the constitution and the laws of this 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) Amends Subchapter C, Chapter 8436, Special District Local Laws Code, as added by Section 1 of this Act, if this Act does not receive a two-thirds vote of all the members elected to each house, by adding Section 8436.106, as follows:

Sec. 8436.106. 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 authorizing limited eminent domain only on a two-thirds vote of all members elected to each house), Article I, Texas Constitution.

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