

BILL ANALYSIS

Senate Research Center

S.B. 623
By: Williams
Intergovernmental Relations
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 623 creates the Montgomery County Municipal Utility District No. 138 (district). The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district, which is located within the corporate limits and the extraterritorial jurisdiction of the City of Conroe, in Montgomery 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

S.B. 623 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 138, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, and taxes.

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 8422, as follows:

CHAPTER 8422. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 138

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 138 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8422.001-8422.006);

Size, composition, election, and terms of the board of directors, including the appointment of temporary directors (Sections 8422.051-8422.052);

Powers and duties of the district (Sections 8422.101-8422.105); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8422.151-8422.203).

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) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8422, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8422.106, as follows:

Sec. 8422.106. 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 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.