BILL ANALYSIS

Senate Research Center 84R21529 TSR-F

H.B. 4126 By: Zerwas (Kolkhorst) Administration 5/5/2015 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, certain land located within the extraterritorial jurisdiction of the City of Rosenberg is undeveloped. Interested parties suggest that the area would benefit from the creation of a municipal utility district for residential and commercial purposes. H.B. 4126 seeks to provide for the creation, administration, powers, duties, operation, and financing of the district.

H.B. 4126 amends the Special District Local Laws Code to create the Fort Bend County Municipal Utility District No. 218 (district), subject to voter approval at a confirmation election and municipal consent. The bill grants the district the power to undertake certain road projects and authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill, if it does not receive a two-thirds vote of all the members elected to each house, prohibits the district from exercising the power of eminent domain.

H.B. 4126 amends current law relating to the creation of the Fort Bend County Municipal Utility District No. 218, 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 7927, as follows:

CHAPTER 7927. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 218

Sets forth standard language for the creation of the Fort Bend County Municipal Utility District No. 218 (district) in Fort Bend County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7927.001-7927.006);

Size, composition, election, and terms of the board of directors of the district (Sections 7927.051 and 7927.052);

Powers and duties of the district (Sections 7927.101-7927.105); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7927.151-7927.153 and Sections 7927.201-7927.203).

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

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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 7927, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7927.106, as follows:

Sec. 7927.106. 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) (authorizing the legislature to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article 1, Texas Constitution.

SECTION 5. Effective date: September 1, 2015.

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