

BILL ANALYSIS

S.B. 1005
By: Creighton
Special Purpose Districts
Committee Report (Unamended)

BACKGROUND AND PURPOSE

S.B. 1005 proposes to create Montgomery County Municipal Utility District No. 144, an approximately 186 acre district located in the extra-territorial jurisdiction of the City of Conroe. The proposed legislation follows template language with the exception of Section 7953.106 (b) which provides that if the City of Conroe annexes all or part of the proposed district, then the district is not dissolved and would continue to exist. This language is a result of Conroe's possible desire to annex the land within the proposed district into its' corporate boundaries.

S.B. 1005 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 144, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, and taxes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 7953, as follows:

CHAPTER 7953. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 144

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 144 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district, including provisions related to definitions, nature of district; confirmation and directors' election required; consent of municipality required; findings of public purpose and benefit; initial district territory and eligibility for inclusion in tax increment reinvestment zone (Sections 7953.001-7953.007);

Size, composition, election, and terms of the board of directors of the district, including provisions related to governing body and terms and temporary directors (Sections 7953.051 and 7953.052);

Powers and duties of the district, including provisions related to general powers and duties; municipal utility district powers and duties; authority for road projects; road standards and requirements; compliance with municipal consent

ordinance or resolution and effect of annexation by city of Conroe; and limitation on use of eminent domain (Sections 7953.101-7953.107); and

General financial provisions and bonds other obligations, including provisions related to elections regarding taxes or bonds; operation and maintenance tax; authority to issue bonds and other obligations; taxes for bonds; and bonds for road projects (Sections 7953.151-7953.152 and 7953.201-7953.203).

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 Section 7953.107, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7953, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7953.107, as follows:

Sec.7953.107. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) 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, on or after January 1, 2010), Article I, Texas Constitution.

SECTION 5. Provides for the effective date of this Act.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2015.