

## **BILL ANALYSIS**

S.B. 2037  
By: Kolkhorst  
Special Purpose Districts  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

S.B. 2037 creates Harris County Municipal Utility District No. 543 (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 in the extraterritorial jurisdiction of the City of Houston in Harris County. The district will be a municipal utility district operating pursuant to Chapters 49 and 54, Water Code.

S.B. 2037 amends current law relating to the creation of the Harris County Municipal Utility District No. 543, 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 7933, as follows:

#### CHAPTER 7933. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 543

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 543 (district) in Harris 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; and initial district territory (Sections 7933.001-7933.006);

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 7933.051 and 7933.052);

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; and compliance with municipal consent ordinance or resolution (Sections 7933.101-7933.105); and

General financial provisions and bonds and obligations for the district, including provisions related to elections regarding taxes or bonds; operation and maintenance tax; contract taxes; authority to issue bonds and other obligations; taxes for bonds; and bonds for road projects (Sections 7933.151-7933.153 and Sections 7933.201-7933.203).

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 7933, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7933.106, as follows:

Sec. 7933.106. 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, 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.