

BILL ANALYSIS

S.B. 2056
By: Bettencourt
Special Purpose Districts
Committee Report (Unamended)

BACKGROUND AND PURPOSE

S.B. 2056 creates the Montgomery County Municipal Utility District No. 148 (district). The district will encompass approximately 82.91 acres of land located within the corporate limits of the City of Conroe. Water, sewer, drainage, and road facilities need to be secured because the land to be located within the district will be developed for residential purposes. The district is created under Water Code provisions applicable to all water districts and to municipal utility districts and under constitutional provisions relating to conservation and reclamation districts. The district will have standard road powers and must comply with all applicable city standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct facilities. It is also necessary to empower the district with authority to impose a tax and to grant the district a limited power of eminent domain. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

As proposed, S.B. 2056 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 148; 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 7921, as follows:

CHAPTER 7921. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 148

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 148 (district). 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 7921.001-7921.006);

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 7921.051 and 7921.052);

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 7921.101-7921.105);

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district, including provisions related to elections regarding taxes or bonds; operation and maintenance tax; contract taxes; taxes for bonds; and bonds for road projects (Sections 7921.151-7921.153 and Sections 7921.201-7921.7921.203);

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 7921, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7921.106 to read as follows:

Sec. 7921.106. 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 under certain circumstances), Article I (Bill of Rights), 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.