

## **BILL ANALYSIS**

Senate Research Center  
85R11979 DMS-F

H.B. 2687  
By: Dutton (Whitmire)  
Administration  
5/17/2017  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 2687 creates the Lago Bello Municipal Utility District No. 1 of Harris County (district). The district will encompass approximately 1,308.845 acres of land located in Harris County. 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 divide; any new district created by division may not, at the time of creation, contain any land outside the initial boundaries of the district. 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. H.B. 2687 provides for the creation, administration, powers, duties, operation, and financing of the district.

H.B. 2687 amends current law relating to the creation of the Lago Bello Municipal Utility District No. 1 of Harris County; 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 7990, as follows:

#### **CHAPTER 7990. LAGO BELLO MUNICIPAL UTILITY DISTRICT NO. 1 OF HARRIS COUNTY**

Sets forth standard language for the creation of the Lago Bello Municipal Utility District No. 1 (district) of Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7990.001-7990.050);

Size, composition, election, and terms of the board of directors of the district, including provisions related to initial temporary directors (Sections 7990.051-7990.100);

Powers and duties of the district (Sections 7990.101-7990.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7990.151-7990.203).

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 7990, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7990.107, as follows:

Sec. 7990.107. 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 the authority of the legislature to enact a certain law granting the power of eminent domain to an entity only a certain vote), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: September 1, 2017.