

BILL ANALYSIS

Senate Research Center

H.B. 4275
By: Lozano (Zaffirini)
Administration
5/22/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4275 would provide for the creation of the Ingleside Municipal Utility District No.1 (district). The district would encompass approximately 565 acres of property in the eastern city limits of Ingleside, Texas. The northern portion of the property is zoned residential and the southern portion, commercial. The district would have broad road powers and the ability to divide into two districts (residential and commercial).

In April, ExxonMobil announced it was building one of the largest ethylene plants in the world within 10 minutes from the proposed district. The new plant is expected to create 10,000 jobs in the area. Currently, there is not enough housing to meet the expected demand, and the City of Ingleside lacks the ability to finance the needed infrastructure. The district would help to finance water, sewer, and road infrastructure for the construction of housing and commercial property to accommodate this growth.

H.B. 4275 amends current law relating to the creation of the Ingleside Municipal Utility District No. 1, provides authority to issue bonds, grants a limited power of eminent domain, 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 7998, as follows:

CHAPTER 7998. INGLESIDE MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Ingleside Municipal Utility District No. 1 (district) in Ingleside, Texas. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of district (Sections 7998.001-7998.050);

Size, composition, and terms of the board of directors of the district, including the naming of temporary directors (Sections 7998.051-7998.100);

Powers and duties of the district (Sections 7998.101-7998.151); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7998.151-7998.203).

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 7998, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7998.107, as follows:

Sec. 7998.107. 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 authorization of the legislature to enact general, local, or special law granting the power of eminent domain to an entity), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2017.