

## **BILL ANALYSIS**

Senate Research Center  
86R21246 AAF-F

H.B. 1379  
By: Oliverson (Bettencourt)  
Intergovernmental Relations  
5/8/2019  
Engrossed

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

H.B. 1379 amends the Special District Local Laws Code to create the Harris County Municipal Utility District No. 565 (district), subject to municipal consent and voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes.

The district is located in Harris County and is within the extraterritorial jurisdiction of the City of Houston.

The district will encompass approximately 107 acres of currently undeveloped land that will be developed primarily for single-family residential purposes.

The City of Houston has adopted a resolution supporting the legislation.

The bill follows the template and provides for broad road powers, except for the following:

- H.B. 1379 provides for the appointment of five temporary directors; and
- H.B. 1379 establishes the effective date of the bill as the date of passage.

The developer supports the bill.

H.B. 1379 amends current law relating to the creation of the Harris County Municipal Utility District No. 565; 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 8036, as follows:

#### **CHAPTER 8036. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 565**

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 565 (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8036.0101–8036.0106);

Size, composition, election, and terms of the board of directors of the district, including the naming of and provisions related to initial temporary directors (Sections 8036.0201–8036.0202);

Powers and duties of the district (Sections 8036.0301–8036.0305);

General financial provisions and authority to impose a tax (Section 8036.0401–8036.0403); and

Authority to impose a tax and to issue bonds and obligations for the district (Sections 8036.0501–8036.0503).

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and 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 8036, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8036.0306, as follows:

Sec. 8036.0306. 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), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2019.