

BILL ANALYSIS

Senate Research Center
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H.B. 2979
By: Bailes (Nichols)
Intergovernmental Relations
5/2/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2979 creates Liberty Grand Municipal Utility District No. 1 (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 Liberty County. The district will be a municipal utility district operating pursuant to Chapters 49 and 54, Water Code.

A special district is needed to finance and construct the utility infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district.

Special districts are created for specific areas. No special district currently serves the area proposed to be included in the district.

The owners of all of the land in the district support the creation of the district.

There is no known opposition to this legislation.

H.B. 2979 amends current law relating to the creation of the Liberty Grand Municipal Utility District No. 1, 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 8049, as follows:

CHAPTER 8049. LIBERTY GRAND MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Liberty Grand Municipal Utility District No. 1 (district) in the extraterritorial jurisdiction of the City of Houston in Liberty County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of and public purpose for the district (Sections 8049.0101–8049.0106);

Size, composition, and election of the board of directors of the district, including the naming of and provisions related to initial temporary directors (Sections 8049.0201–8049.0202);

Powers and duties of the district, including provisions related to division of the district (Sections 8049.0302–8049.0306);

General financial provisions and authority to impose taxes (Sections 8049.401–8049.0403); and

Authority to issue bonds and other obligations, including taxes for bonds, for the district (Sections 8049.0501–8049.0503).

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 8049, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8049.0307, as follows:

Sec. 8049.0307. 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.