

BILL ANALYSIS

Senate Research Center
86R6954 BRG-F

H.B. 3442
By: Oliverson (Kolkhorst)
Intergovernmental Relations
5/4/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3442 creates the Harris County Municipal Utility District No. 566 (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 Harris 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 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 owner of all of the land in the district supports the creation of the district.

There is no known opposition to this legislation.

H.B. 3442 amends current law relating to the creation of the Harris County Municipal Utility District No. 566; 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 8037, as follows:

CHAPTER 8037. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 566

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 566 (district) in Harris County. Sets forth standards, requirements, procedures, and criteria for:

Creation, approval, purpose, and territory of the district (Sections 8037.0101–8037.0106);

Size, composition, appointment and terms of the board of directors of the district and provisions relating to temporary directors (Sections 8037.0201–8037.0202);

Powers and duties of the district (Sections 8037.0301–8037.0306);

General financial provisions (Sections 8037.0401–8037.0403); and

Authority to issue bonds and other obligations for the district (Sections 8037.0501–8037.0503).

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 8085, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8085.0307, as follows:

Sec. 8085.0307. 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: September 1, 2019.