

BILL ANALYSIS

C.S.H.B. 4631
By: Smith
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been suggested that undeveloped land located within Grayson County would benefit from the creation of a municipal utility district. C.S.H.B. 4631 seeks to provide for the creation of such a district.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4631 amends the Special District Local Laws Code to create the Grayson County Municipal Utility District No. 2, subject to municipal consent and voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects and provides for the division of the district. The bill prohibits the district from acting as a retail provider of water or wastewater service and requires the district to make the district's water and wastewater facilities available to an entity holding the applicable certificate of public convenience and necessity. The bill requires the district, if district territory or a portion of district territory is located outside the corporate limits of the City of Gunter, Texas, to maintain any road the district constructs located in that territory. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill expressly prohibits the district from exercising the power of eminent domain if the bill does not receive a two-thirds vote of all the members elected to each house.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 4631 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes the following:

- a provision that defines "city" as the City of Gunter, Texas;

- a prohibition against the district acting as a retail provider of water or wastewater service;
- a requirement for the district to make the district's water and wastewater facilities available to an entity holding the applicable certificate of public convenience and necessity; and
- a requirement for the district, if district territory or a portion of district territory is located outside the corporate limits of the city, to maintain any road the district constructs located in that territory.