BILL ANALYSIS

Senate Research Center 86R10237 AAF-F

S.B. 2474 By: Kolkhorst Intergovernmental Relations 5/2/2019 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Continuing development and growth in Harris County has created the need for permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects and road facilities. Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution provide for the creation of local governmental districts which are authorized to incur indebtedness to provide such permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

Pursuant to Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, the bill creates a municipal utility district, with road powers, to be known as Harris County Municipal Utility District No. 569, over a tract of land containing approximately 569 acres of land located within the extraterritorial jurisdiction of the City of Houston in Harris County, Texas.

As proposed, S.B. 2474 amends current law relating to the creation of the Harris County Municipal Utility District No. 569; 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 8057, as follows:

CHAPTER 8057. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 569

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 569 (district) in Harris County. Sets forth standards, requirements, and criteria for:

Creation, approval, purpose, and territory of the district (Sections 8057.0101–8057.0106);

Size, composition, election, and terms of the board of directors of the district, including provisions related to initial temporary directors (Sections 8057.0201–8057.0202);

Powers and duties of the district (Sections 8057.0301–8057.0305);

General financial provisions and authority to impose taxes (Sections 8057.0401–8057.0403); and

Authority to issue bonds and obligations for the district (8057.0501–8057.0503).

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 8057, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8057.0306, as follows:

Sec. 8057.0306. 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.