

BILL ANALYSIS

Senate Research Center
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S.B. 2517
By: Nichols
Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2517 proposes to convert the existing May Public Utility District to Harris-Liberty Counties Municipal Utilities District No. 1. The May Public Utility District was created by special law by the Texas Legislature in 1971. Development has never occurred within the district. The district is located in the extraterritorial jurisdiction of the City of Houston in Harris and Liberty Counties.

The district will finance and construct the infrastructure (water, sewer, drainage, and roads) necessary to promote the development of the area within the district, pursuant to Chapters 49 and 54, Water Code.

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

There is no known opposition to this legislation.

As proposed, S.B. 2517 amends current law relating to the conversion of the May Public Utility District to the Harris-Liberty Counties Municipal Utility District No. 1, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, or 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. Provides that the May Public Utility District is converted to the Harris-Liberty Counties Municipal Utility District No. 1 (district) and is governed by Chapter 7893, Special District Local Laws Code, as added by this Act.

SECTION 2. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 7893, as follows:

CHAPTER 7893. HARRIS-LIBERTY COUNTIES MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the district. Sets forth standards, requirements, and criteria for:

Creation, approval, purpose, and territory of the district (Sections 7893.0101–7893.0104);

Size, composition, election, and terms of the board of directors of the district, including provisions related to initial temporary directors (Sections 7893.0201–7893.0202);

Powers and duties of the district (Sections 7893.0301– 7893.0306);

General financial provisions (Sections 7893.0401– 7893.0403); and

Authority to issue bonds and other obligations for the district (Sections 7893.0501– 7893.0503).

SECTION 3. Repealer: Chapter 624 (May Public Utility District), Acts of the 62nd Legislature, Regular Session, 1971.

SECTION 4. Provides that the district retains all rights, powers, privileges, authority, duties, and functions that the May Public Utility District had before the effective date of this Act, except as otherwise expressly provided by Chapter 7893, Special District Local Laws Code, as added by this Act.

SECTION 5. (a) Provides that the legislature validates and confirms all governmental acts and proceedings of the May Public Utility District that were taken before the effective date of this Act.

(b) Provides that this section does not apply to any matter that on the effective date of this Act is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment or has been held invalid by a final court judgment.

SECTION 6. 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 7. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7893, Special District Local Laws Code, as added by this Section 2 of this Act, is amended by adding Section 7893.0307 to read as follows:

Sec. 7893.0307. 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) (relating to authorizing the legislature, on or after January 1, 2010, to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article I, Texas Constitution.

SECTION 8. Effective date: upon passage or September 1, 2019.