

By: Metcalf

H.B. No. 4629

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of Montgomery County Municipal
Utility District No. 101.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 8120, Special District
Local Laws Code, is amended by adding Section 8120.106 to read as
follows:

Sec. 8120.106. DIVISION OF DISTRICT. (a) The district may
be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the
division of the district, and a new district has all the powers and
duties of the district.

(c) Any new district created by the division of the district
may not, at the time the new district is created, contain any land
outside the area described by Section 2 of the Act enacting this
chapter.

(d) The board, on its own motion or on receipt of a petition
signed by the owner or owners of a majority of the assessed value of
the real property in the district, may adopt an order dividing the
district.

(e) The board may adopt an order dividing the district
before or after the date the board holds an election under Section

1 8120.023 to confirm the district's creation.

2 (f) An order dividing the district must:

3 (1) name each new district;

4 (2) include the metes and bounds description of the
5 territory of each new district;

6 (3) appoint temporary directors for each new district;

7 and

8 (4) provide for the division of assets and liabilities
9 between or among the new districts.

10 (g) On or before the 30th day after the date of adoption of
11 an order dividing the district, the district shall file the order
12 with the commission and record the order in the real property
13 records of each county in which the district is located.

14 (h) Any new district created by the division of the district
15 shall hold a confirmation and directors' election as required by
16 Section 8120.023.

17 (i) Municipal consent to the creation of the district and to
18 the inclusion of land in the district acts as municipal consent to
19 the creation of any new district created by the division of the
20 district and to the inclusion of land in the new district.

21 (j) Any new district created by the division of the district
22 must hold an election as required by law to obtain voter approval
23 before the district may impose a maintenance tax or issue bonds
24 payable wholly or partly from ad valorem taxes.

25 (k) If the creation of the new district is confirmed, the
26 new district shall provide the election date and results to the
27 commission.

1 SECTION 2. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2019.