

By: Nichols

S.B. No. 769

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.