

BILL ANALYSIS

Senate Research Center
87R10037 ANG-F

S.B. 2159
By: Creighton
Local Government
5/9/2021
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This Act proposes to create a municipal utility district to be known as the Montgomery County Municipal Utility District No. 206 (district), located on the northeast side of Conroe near the airport, being approximately 93 acres in Montgomery County, Texas, and within the corporate limits of the City of Conroe. The City of Conroe has consented to the legislation creating the district. Academy Development/Cliffstone Hills is the owner and developer for the land proposed to be included in the district.

It is necessary to create a district under Sections 49 and 54, Texas Water Code, and Section 59, Article 16, and Section 52, Article 3, Texas Constitution, in order to construct public infrastructure, including water, sewer, drainage, and roads, to serve the currently undeveloped land.

As proposed, S.B. 2159 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 206, grants a limited power of eminent domain, and provides authority to issue bonds.

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 7928A, as follows:

CHAPTER 7928A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 206

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 206 in Montgomery County (county). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of and public purpose for the district (Sections 7928A.0101-7928A.0106);

Size, composition, and appointment of the board of directors, including the initial temporary directors (Sections 7928A.0201-7928A.0202);

Powers and duties of the district (Sections 7928A.0301-7928A.0307); and

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Sections 7928A.0401-7928A.0503).

Prohibits the district from exercising the power of eminent domain outside the district without the written consent of the City of Conroe.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and 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 Section 7928A.0307, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7928A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7928A.0307, as follows:

Sec. 7928A.0307. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) 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, 2021.