

BILL ANALYSIS

Senate Research Center
87R10038 SGM-F

S.B. 2197
By: Creighton
Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Continuing development and growth in Montgomery 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, road facilities, and recreational facilities.

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, S.B. 2197 seeks to create a municipal utility district to be known as Montgomery County Municipal Utility District No. 183 over an approximate 394 acre tract of land located within the corporate limits of the City of Conroe, Texas. 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. Once created, Montgomery County Municipal Utility District No. 183 will be authorized to incur indebtedness to provide water, sanitary sewer, storm drainage, and road and recreational improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

As proposed, S.B. 2197 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 183, 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 7910A, as follows:

CHAPTER 7910A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 183

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 183 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7910A.0101-7910A.0106);

Size, composition, election, and terms of the board of directors of the district, including provisions for temporary directors (Sections 7910A.0201 and 7910A.0202);

Powers and duties of the district (Sections 7910A.0301-7910A.0305);

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7910A.0401-7910A.0503).

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 if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7910A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7910A.0306 to read as follows:

Sec. 7910A.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) (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 5. Effective date: upon passage or September 1, 2021.