BILL ANALYSIS

Senate Research Center 88R11515 SCP-F

H.B. 5310 By: Cook (King) Local Government 5/12/2023 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been suggested that undeveloped land located within an unincorporated part of southern Tarrant County would benefit from the creation of a municipal utility district. H.B. 5310 seeks to provide for the creation of such a district.

H.B. 5310 amends current law relating to the creation of the Tarrant County Municipal Utility District No. 2, 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 8092, as follows:

CHAPTER 8092. TARRANT COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

Sets forth language for the creation of the Tarrant County Municipal Utility District No. 2 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8092.0101-8092.0106);

Size, composition, election, and terms of the board of directors of the district, including designation of initial directors (Sections 8092.0201-8092.0202);

Powers and duties of the district (Sections 8092.0301-8092.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8092.0401-8092.0503).

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) Amends Subchapter C, Chapter 8092, Special District Local Laws Code, as added by Section 1 of this Act, if this Act does not receive a two-thirds vote of all the members elected to each house, by adding Section 8092.0307, as follows:

Sec. 8092.0307. 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 10, 2020, 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 (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2023.