BILL ANALYSIS

Senate Research Center 88R15842 MP-F

H.B. 5314 By: Kitzman (Kolkhorst) Local Government 5/11/2023 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 5314 creates Waller County Municipal Utility District No. 56 (district) located south of FM 529 and west of FM 2855, being approximately 213 acres in Waller County, Texas, not located within the corporate limits or extraterritorial jurisdiction of any city. The bill would authorize the proposed district, if confirmed at an election, to finance the construction of facilities to provide water, wastewater, drainage and road services to the tract so that a residential and commercial development could be undertaken on the land proposed to be included within the proposed district. The legislation contains the usual "template" provisions regarding the naming of directors for the proposed district, the powers of the proposed district, and general financial provisions.

H.B. 5314 amends current law relating to the creation of the Waller County Municipal Utility District No. 56, 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 7879A, as follows:

CHAPTER 7879A. WALLER COUNTY MUNICIPAL UTILITY DISTRICT NO. 56

Sets forth language for the creation of the Waller County Municipal Utility District No. 56 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7879A.0101-7879A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 7879A.0201-7879A.0202);

Powers and duties of the district (Sections 7879A.0301-7879A.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7879A.0401-7879A.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 7879A, 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 7879A.0307, as follows:

Sec. 7879A.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.