

## **BILL ANALYSIS**

Senate Research Center  
88R12164 LRM-F

H.B. 5329  
By: Gates (Kolkhorst)  
Local Government  
5/5/2023  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Continuing development and growth in Fort Bend 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, and road 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, the bill seeks to create a municipal utility district to be known as Fort Bend County Municipal Utility District No. 262 over an approximate 796.5 acre tract of land located within the extraterritorial jurisdiction of the City of Rosenberg in Fort Bend County, 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. This legislation grants the district the power to undertake water, sanitary sewer, drainage, recreational, and road projects and provides for division of the district. The legislation authorizes the district, subject to certain requirements, to issue bonds and other obligations and impose property taxes.

H.B. 5329 amends current law relating to the creation of the Fort Bend County Municipal Utility District No. 262, 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 7973A, as follows:

#### **CHAPTER 7973A. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 262**

Sets forth standard language for the creation of the Fort Bend County Municipal District No. 262 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 7973A.0101-7973A.0106);

Size, composition, appointment, eligibility, compensation and terms of the board of directors of the district (Sections 7973A.0201-7973A.0202);

Powers and duties of the district (Sections 7973A.0301-7973A.0305);

Procedures for the division of the district (Section 7973A.0306); and

General financial provisions, authority to impose a tax, and authority to issue bonds and other obligations for the district (Sections Section 7973A.0401-7973A.0503).

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

SECTION 3. Provides that all requirements of the constitution and the 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 7973A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7973A.0307 to read as follows:

Sec. 7973A.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 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.