

## **BILL ANALYSIS**

Senate Research Center  
88R27373 SCP-F

H.B. 5404  
By: Wilson (Schwertner)  
Local Government  
5/17/2023  
Engrossed

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

It has been suggested that undeveloped land located within the City of Jarrell would benefit from the creation of a municipal utility district. H.B. 5404 seeks to address the lack of municipal services in this area by providing a means for the developer of the property to create such a district to finance the water, sewer, drainage, and roadway infrastructure to serve the property and to connect the property to city roadway and utility infrastructure.

H.B. 5404 amends current law relating to the creation of the Williamson County Municipal Utility District No. 49, 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 8010A, as follows:

#### CHAPTER 8010A. WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 49

Sets forth language for the creation of the Williamson County Municipal Utility District No. 49 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8010A.0101-8010A.0106);

Size, composition, election, and terms of the board of directors of the district and naming of original directors (Sections 8010A.0201-8010A.0202);

Powers and duties of the district (Sections 8010A.0301-8010A.0305); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8010A.0401-8010A.0503).

SECTION 2. Sets forth the initial boundaries for 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 8010A, 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 8010A.0306, as follows:

Sec. 8010A.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 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.