

## **BILL ANALYSIS**

Senate Research Center

S.B. 2597  
By: Creighton  
Local Government  
6/1/2023  
Enrolled

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

S.B. 2597 creates the Montgomery County Municipal Utility District No. 237 (district) as a political subdivision of the State of Texas. The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district, which is located in the extraterritorial jurisdiction of the City of Houston in Montgomery County. The district will be a municipal utility district operating pursuant to Chapters 49 and 54, Water Code.

A special district is needed to finance and construct the infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district.

Special districts are created for specific areas. No special district currently serves the area proposed to be included in the district.

The owner of all of the land in the district supports the creation of the district.

There is no known opposition to this legislation.

S.B. 2597 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 237, 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 7981A, as follows:

#### **CHAPTER 7981A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 237**

Sets forth language for the creation of the Montgomery County Municipal Utility District No. 237 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7981A.0101-7981A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 7981A.0201-7981A.0202);

Powers and duties of the district (Sections 7981A.0301-7981A.0305); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7981A.0401-7981A.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 7981A, 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 7981A.0306, as follows:

Sec. 7981A.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.