By:  Smith (Senate Sponsor - Springer) H.B. No. 5340

(In the Senate - Received from the House May 15, 2023; May 15, 2023, read first time and referred to Committee on Local Government; May 22, 2023, reported favorably by the following vote: Yeas 8, Nays 0; May 22, 2023, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Springer          X

Eckhardt          X

Gutierrez                   X

Hall              X

Nichols           X

Parker            X

Paxton            X

West              X

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the North Grayson County Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8006 to read as follows:

CHAPTER 8006. NORTH GRAYSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8006.0101.  DEFINITIONS. In this chapter:

(1)  "Board" means the district's board of directors.

(2)  "Commission" means the Texas Commission on Environmental Quality.

(3)  "Director" means a board member.

(4)  "District" means the North Grayson County Municipal Utility District No. 1.

Sec. 8006.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8006.0103.  CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 8006.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8006.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district as required by applicable law.

Sec. 8006.0105.  FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b)  The district is created to accomplish the purposes of:

(1)  a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2)  Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8006.0106.  INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b)  The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1)  organization, existence, or validity;

(2)  right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3)  right to impose a tax; or

(4)  legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8006.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 8006.0202, directors serve staggered four-year terms.

Sec. 8006.0202.  TEMPORARY DIRECTORS. (a) On or after September 1, 2023, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 8006.0103; or

(2)  September 1, 2027.

(c)  If permanent directors have not been elected under Section 8006.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1)  the date permanent directors are elected under Section 8006.0103; or

(2)  the fourth anniversary of the date of the appointment or reappointment.

(d)  If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8006.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8006.0302.  MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8006.0303.  AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8006.0304.  ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b)  If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c)  If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 8006.0305.  DIVISION OF DISTRICT. (a) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(b)  An order dividing a district may create one or more new districts and may provide for the continuation of the district.

(c)  An order dividing the district shall:

(1)  name any new district;

(2)  include the metes and bounds description of the territory of each of the districts;

(3)  appoint temporary directors for any new district; and

(4)  provide for the division of assets and liabilities between the districts.

(d)  The board may adopt an order dividing the district before or after the date the board holds an election to confirm the district's creation.

(e)  The district may be divided only if the district:

(1)  has no outstanding bonded debt; and

(2)  is not imposing ad valorem taxes.

(f)   A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

(g)  On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h)  This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(i)  A new district created by the division of the district shall hold a confirmation and directors' election.

(j)  If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

(k)  A new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(l)  The district may continue to rely on confirmation, directors', bond, or tax elections held prior to the division.

(m)  Municipal consent to the creation of the district and to the inclusion of land in the district acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8006.0401.  ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1)  revenue other than ad valorem taxes; or

(2)  contract payments described by Section 8006.0403.

(b)  The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c)  The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 8006.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8006.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b)  The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 8006.0403.  CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b)  A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8006.0501.  AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 8006.0502.  TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 8006.0503.  BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2.  The North Grayson County Municipal Utility District No. 1 initially includes all the territory contained in the following area:

TRACT 1:

BEING a tract of land located in the Otis Clapp Jr. Survey, Abstract No. 269, the John Reeves Survey, Abstract No. 1021, the Manuel Manchaca Survey, Abstract No. 783, and the D. S. Southmayd Survey, Abstract No. 1077, Grayson County, Texas, part of a called 160 acre Parcel One Fourth Tract and all of a called 100 acre Parcel Four described in the deed to Pickens Resource Corp. recorded in Volume 2195, Page 70 of the Official Records of Grayson County, Texas (O.R.G.C.T.), and being more particularly described by metes and bounds as follows:

BEGINNING at a point for the southeast corner of a called 25.00 acre tract described in the Contract of Sale between the Veterans Land Board of Texas and Bobby Darrell Reed recorded in Volume 1549, Page 668 O.R.G.C.T., same being on the northerly right-of-way line of State Highway 56;

THENCE North 01°26'36" East, departing the northerly right-of-way line of State Highway 56, along the west line of said 100 acre Parcel Four, the east line of said 25.00 acre tract and the east line of a called 30.00 acre tract described in the deed to David Vogel and wife, Linda Vogel, recorded in Volume 2538, Page 171 O.R.G.C.T., a distance of 2,387.18 feet to the northwest corner of said 100 acre Parcel Four, same being in the southwest line of a called 46.94 acre Tract One described in the deed to Allejen Ranch, LLC, recorded in Document No. 2020-11770 O.R.G.C.T., for the northeast corner of said 30.00 acre tract;

THENCE South 76°32'32" East, along the southwest line of said 46.94 acre tract and the northeast line of said Parcel Four, a distance of 1,918.80 feet to a point for the southwest corner of a called 150 acre tract described in the deed to TX56 Sherman Venture LLC, recorded in Document No. 2022-11995 O.R.G.C.T., the southeast corner of said 46.94 acre tract, the northwest corner of said Parcel One Fourth Tract and the northeast corner of said Parcel Four;

THENCE South 63°11'32" East, along the southwest line of said 150 acre tract and the northeast line of said Parcel One Fourth Tract, a distance of 1,632.15 feet to a point for corner;

THENCE South 00°48'35" West, the southwest line of said 150 acre tract and the northeast line of said Parcel One Fourth Tract, crossing said Parcel One Fourth Tract, a distance of 1,879.82 feet to a point for corner on the southerly line of said Parcel One Fourth Tract, same being on the northerly right-of-way line of said State Highway 56;

THENCE North 78°36'53" West, along the northerly right-of-way line of State Highway 56, a distance of 3,423.78 feet to the POINT OF BEGINNING and containing 172.76 acres (7,525,326 square feet) of land, more or less.

TRACT 2:

BEING a tract of land located in the D. S. Southmayd Survey, Abstract No. 1077, and the C. H. Harwood Survey, Abstract No. 492, Grayson County, Texas, part of a called 297 acre Parcel One First Tract, all of a called 205.70 acre Parcel One Second Tract, part of a called 159.8 acre Parcel One Third Tract, part of a called 160 acre Parcel One Fourth Tract, all of a called 100.17 acre Parcel One Fifth Tract, all of a called 130 acre Parcel One Sixth Tract, part of a called 151.9 acre Parcel Three First Tract, part of a called 150.27 acre Parcel Three Second Tract, and all of a called 155.494 acre Parcel Five, described in the deed to Pickens Resource Corp. recorded in Volume 2195, Page 70 of the Official Records of Grayson County, Texas (O.R.G.C.T.), and being more particularly described by metes and bounds as follows:

BEGINNING at a point in the southerly right-of-way line of State Highway 56 and the northeast corner of a called 106.4295 acre tract described in the deed to DeLay Investments, LLC, recorded in Volume 4223, Page 621 O.R.G.C.T., same being on the west line of said Parcel One Fourth Tract;

THENCE South 78°36'53" East, along the southerly right-of-way line of State Highway 56, a distance of 1,511.09 feet to a point for corner;

THENCE South 00°48'35" West, departing the southerly right-of-way line of State Highway 56, crossing said Parcel One Fourth Tract, a distance of 1,199.57 feet to a point for corner on the south line of said Parcel One Fourth Tract and the northerly line of said Parcel One Third Tract;

THENCE South 29°35'08" East, crossing said Parcel One Third Tract, a distance of 730.50 feet to a point for corner;

THENCE South 24°42'52" East, continuing across said Parcel One Third Tract, passing the south line of said Parcel One Third Tract and the north line of said Parcel One First Tract, continuing across said Parcel One First Tract, a distance of 2,621.47 feet to a point for corner;

THENCE South 88°40'26" East, continuing across said Parcel One First Tract, a distance of 400.00 feet to a point for corner on the east line of said Parcel One First Tract and the west line of a called 206.189 acre tract described in the deed to Lawrence Wayne Schroeder, Trustee, recorded in Volume 5329, Page 801 O.R.G.C.T.;

THENCE South 01°19'34" West, along the east line of said Parcel One First Tract and the west line of said 206.189 acre tract, a distance of 300.00 feet to a point for the southwest corner of said 206.189 acre tract and an interior corner of said Parcel One First Tract

THENCE South 88°56'34" East, along the south line of said 206.189 acre tract and the southerly north line of said Parcel One First Tract, a distance of 390.29 feet to a point for the northwest corner of a called 101.219 acre tract described in the deed to Michael D. Allen, Trustee, and Richard Mercer Abernathy, Trustee, recorded in Volume 4936, Page 863 O.R.G.C.T., and the southerly northeast corner of said Parcel One First Tract;

THENCE South 01°33'14" West, departing the south line of said 206.189 acre tract, along the southerly east line of said Parcel One First Tract, the west line of said 101.219 acre tract and the west line of a called 102 acre Tract Two described in the deed to Michael D. Allen, Trustee, and Marcy Allen Brown, Trustee, recorded in Volume 4882, Page 516 O.R.G.C.T., a distance of 2,651.15 feet to a point in the north line of said Parcel One Second Tract, for the southwest corner of said 102 acre tract and the southeast corner of said Parcel One First Tract;

THENCE South 88°32'38" East, along the south line of said 102 acre tract, the north line of said Parcel One Second Tract and the north line of said Parcel One Fifth Tract, a distance of 3,328.02 feet to a point within the margins of Collin Road, in the west line of a called 372.75 acre Parcel Two, described in the said deed to Pickens Resource Corp. recorded in Volume 2195, Page 70 O.R.G.C.T., for the southeast corner of said 102 acre tract and the northeast corner of said Parcel One Fifth Tract;

THENCE South 01°15'46" West, along the east line of said Parcel One Fifth Tract and the west line of said 372.75 acre Parcel Two, a distance of 1,841.31 feet to a point for corner in the margins of Swindle Road for the southwest corner of said 372.75 acre Parcel Two and the easterly, southeast corner of said Parcel One Fifth Tract, same also being on the north line of called 195,778 acre tract described in the deed to KRE3 LLC recorded in Document No. 2021-33451 O.R.G.C.T.;

THENCE North 89°05'42" West, within the margins of Swindle Road and Collins Road, along the north line of said 195.778 acre tract and the easterly south line of said Parcel One Fifth Tract, a distance of 630.20 feet to the northwest corner of said 195.778 acre tract and an interior corner of said Parcel One Fifth Tract;

THENCE South 00°47'11" East, continuing within the margins of Collins Road, along the west line of said 195.778 acre tract, the west line of a called 194.19 acre tract described in the deed to Alvin J. Schroeder and Helen Lorene Schroeder, Trustees, recorded in Volume 5178, Page 46 O.R.G.C.T., the southerly east line of said Parcel One Fifth Tract, the east line of said Parcel Three Second Tract, the east line of said Parcel Three First Tract and the east line of said Parcel Five, a distance of 6,041.54 feet to a point at the intersection Davis Road and Collins Road, for the northwest corner of a called 5.46 acre tract described in the deed to Audie C. Hall and wife, Janis Dee Hall, recorded in Volume 2727, Page 501 O.R.G.C.T., the northeast corner of a called 3.000 acre tract described in the deed to GF3 Partnership, LLC, recorded in Document No. 2019-17471 O.R.G.C.T., the southwest corner of said 194.19 acre tract, and the southeast corner of said Parcel Five;

THENCE North 88°45'13" West, within the margins of Davis Road, along the south line of said Parcel Five, the north line of said 3.000 acre tract, the north line of a called 98.652 acre tract described in the deed to GF3 Partnership, LLC, recorded in Document No. 2019-17476 O.R.G.C.T., the north line of a called 9.992 acre tract described in the deed to Cote Sutton and wife, Ashley Sutton, recorded in Volume 5353, Page 685 O.R.G.C.T., the north line of a called 24.112 acre tract described in the deed to Cote Sutton and wife, Ashley Sutton, recorded in Volume 5353, Page 481 O.R.G.C.T., the north line of a called 2.000 acre Tract 1 described in the deed to Value Property Group LLC recorded in Document No. 2022-6411 O.R.G.C.T., the north line of a called 16.008 acre tract described in the deed to TLS Investments, L.P., recorded in Document No. 2019-22263 O.R.G.C.T., the north line of a called 10.000 acre tract described in the deed to Tony Ezell and wife, Brenda Ezell, recorded in Volume 2831, Page 315 O.R.G.C.T., the north line of a called 20.991 acre tract described in the deed to Nelva Dorothy Brown recorded in Document No. 2018-4747 O.R.G.C.T., the north line of a called 29.761 acre tract described in the deed to Michael D. Oxford and wife, Hazel D. Oxford, recorded in Volume 2817, Page 651 O.R.G.C.T., and the northerly north line of a called 121.885 acre Tract 1 described in the deed to Houillion Family Limited Partnership recorded in Document No. 2018-9791 O.R.G.C.T., a distance of 3,696.83 feet to a point for the southeast corner of a called 150 acre tract described in the deed to Sammy W. Dolezalek and wife, Donna Dolezalek, recorded in Voume 2958, Page 115 O.R.G.C.T., and the southwest corner of said Parcel Five;

THENCE North 00°00'02" West, departing the northerly north line of said 121.885 acre tract, along the east line of said 150 acre Dolezalek tract and the west line of said Parcel Five, a distance of 1,798.22 feet to a point for the southwest corner of a called 132.078 acre tract described in the deed to Pickens Financial Group, LLC, recorded in Document No. 2021-23130 O.R.G.C.T. and the northwest corner of said Parcel Five;

THENCE North 00°29'22" West, along the east line of said 150 acre tract and the west line of said 132.078 acre tract, a distance of 324.53 feet to a point for the southeast corner of a called 97.812 acre tract described in the deed to SSMC Properties LLC recorded in Document No. 2021-23790 O.R.G.C.T. and the northeast corner of said 150 acre tract;

THENCE North 00°07'27" East, along the east line of said 97.812 acre tract and the west line of said 132.078 acre tract, a distance of 1,436.61 feet to a point for the southeast corner of a called 16.673 acre tract described in the deed to Adam Butler Irvin and Lindsey Morgan Irvin recorded in Document No. 2021-5982 O.R.G.C.T. and the northeast corner of said 97.812 acre tract;

THENCE North 00°03'38" West, along the east line of said 16.673 acre tract, the east line of a called 41.680 acre tract described in the deed to Adam Butler Irvin and Lindsey Morgan Irvin recorded in Document No. 2021-6228 O.R.G.C.T., the east line of a called 25.00 acre tract described in the deed to Zlatan Dzebic recorded in Volume 5533, Page 317 O.R.G.C.T., the east line of said 24.967 acre North Shook Road LLC tract and the west line of said 132.078 acre tract, a distance of 1,810.64 feet to a point for corner;

THENCE South 89°26'34" West, continuing within the margins of Shook Road, along the south line of said Parcel One Second Tract, the south line of said Parcel One Sixth Tract, the north line of said 24.967 acre tract, the easterly north line of a called 9.894 acre tract described in the deed to Larry D. Bolz recorded in Volume 2531, Page 161 O.R.G.C.T., and the north line of a called 2.99 acre tract described in the deed to Jeffery Allen Johnson recorded in Volume 5898, Page 105 O.R.G.C.T., a distance of 2,913.36 feet to a point at the intersection of O'Hanlon Road and Shook Road, for the northeast corner of a called 63.510 acre tract described in the deed to Jose Gregorio Molina recorded in Volume 5178, Page 689 O.R.G.C.T., the southeast corner of a called 171.889 acre tract of land described a deed to Plaza at Sherman Ranch 171 LLC, recorded in Document No. 2022-18898 O.R.G.C.T., and being the southwest corner of said Parcel One Sixth Tract;

THENCE North 01°19'05" East, within the margins of O'Hanlon Road, along the east line of said 171.889 acre tract, the east line of a called 50.000 acre tract described in the deed to Good Halsey Land LLC recorded in Document No. 2020-33486 O.R.G.C.T., the east line of a called 50.610 acre tract described in the deed to Phewa Investment Group LLC recorded in Document No. 2020-26676 O.R.G.C.T., the east line of a called 21.013 acre tract described in the deed to Mary C. Davies recorded in Volume 2670, Page 617 O.R.G.C.T., the west line of said Parcel One Sixth Tract and the northerly west line of said Parcel One First Tract, a distance of 6,490.90 feet to a point for the southeast corner of a called 24.720 acre tract described in the deed to Kenneth Nunn and Angela Howard recorded in Volume 3258, Page 566 O.R.G.C.T, the northeast corner of said 21.013 acre tract, the southwest corner of said Parcel One Third Tract and the northwest corner of said Parcel One First Tract;

THENCE North 01°27'37" East, continuing within the margins of O'Hanlon Road, along the east line of said 24.720 acre tract, the east line of a called 30.0 acre tract described in the deed to Lanny C. Jaresh and wife, Cleta J. Jaresh, recorded in Volume 1281, Page 381 O.R.G.C.T., the east line of a called 1.000 acre tract described in the deed to Donald and Judy Wooten recorded in Volume 5406, Page 670 O.R.G.C.T., the east line of a called 12.000 acre tract described in the deed to George Adrian. O'Hanlon recorded in Document No. 2022-9967 O.R.G.C.T., the east line of a called 19.088 acre tract described in the deed to Anthony O'Hanlon, Independent Executor for the Estate of Betty J. O'Hanlon, recorded in Document No. 2022-29020 O.R.G.C.T., the east line of a called 106.4295 acre tract described in the deed to DeLay Investments, LLC, recorded in Volume 4223, Page 621 O.R.G.C.T., the west line of said Parcel One Third Tract and the west line of said Parcel One Fourth Tract, a distance of 3,527.27 feet to the POINT OF BEGINNING and containing 1,317.33 acres (57,382,840 square feet) of land, more or less.

SECTION 3.  (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b)  The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c)  The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d)  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) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8006, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8006.0306 to read as follows:

Sec. 8006.0306.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b)  This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5.  This Act takes effect September 1, 2023.

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