

BILL ANALYSIS

Senate Research Center
89R13120 SCR-F

S.B. 3036
By: Creighton
Local Government
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Continuing development and growth in Montgomery County has created the need for permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage projects, road facilities, and recreational 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 Montgomery County Municipal Utility District No. 258 (district) over an approximate 417-acre tract of land located within Montgomery County, Texas, to provide for the construction and financing of infrastructure improvements.

The district will have standard road powers and must comply with all applicable road standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct facilities. It is also necessary to empower the district with authority to impose a tax and to grant the district a limited power of eminent domain. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

As proposed, S.B. 3036 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 258, 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 8003A, as follows:

CHAPTER 8003A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT
NO. 258

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 258 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

General provisions, creation, and approval of the district (Sections 8003A.0101-8003A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 8003A.0201-8003A.0202);

Powers and duties of the district (Sections 8003A.0301-8003A.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8003A.0401-8003A.0503).

Authorizes the district to exercise limited powers of eminent domain.

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) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C (Powers and Duties), Chapter 8003A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8003A.0307, as follows:

Sec. 8003A.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 certain 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, 2025.