

## **BILL ANALYSIS**

C.S.H.B. 4749  
By: Schaefer  
Land & Resource Management  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been suggested that certain undeveloped land near the City of Tyler would benefit from the creation of a municipal utility district. C.S.H.B. 4749 seeks to provide for the creation of the Rose City Municipal Utility District.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 4749 amends the Special District Local Laws Code to create the Rose City Municipal Utility District, subject to municipal consent and voter approval at a confirmation election. The bill provides for the election of district directors and authorizes the district, subject to certain requirements, to issue obligations. The bill prohibits the district from imposing a property tax for any purpose and provides that Water Code provisions authorizing a district to levy and collect an operation and maintenance tax do not apply to the district. The district's power of eminent domain is contingent on the bill receiving a two-thirds vote of all the members elected to each house.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 4749 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes the right to impose tax among the items which are not affected by a mistake made in the field notes or in copying the field notes in the legislative process.

The substitute changes the manner of selecting district directors from appointment to direct election. The substitute sets out temporary board members and provides for such an election.

The substitute does not include provisions relating to the following:

- the compensation and reimbursement of district directors;
- limiting the district's authority to only the provision of sewer and wastewater services;
- limiting the district's power of eminent domain;
- authorizing the district to contract with the City of Tyler for the operation of sewer and wastewater services;
- authorizing the district to provide sewer and wastewater service without a certificate of convenience;
- authorizing the district to contract with a political subdivision to provide legal services for the district; and
- requiring a supermajority vote for certain district actions.

The substitute changes the bill's effective date provision to provide for possible immediate effect.