

BILL ANALYSIS

Senate Research Center
84R7297 TSR-F

S.B. 1002
By: Kolkhorst
Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1002 creates Harris County Municipal Utility District No. 540 (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 Harris 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 utility 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.

As proposed, S.B. 1002 amends current law relating to the creation of the Harris County Municipal Utility District No. 540, 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, is amended by adding Chapter 7910, as follows:

CHAPTER 7910. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 540

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 540 (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7910.001-7910.006);

Size, composition, appointment procedure, and terms of the board of directors of the district (Sections 7910.051 and 7910.052);

Powers and duties of the district (Sections 7910.101- 7910.105); and

General financial provisions and authority to impose taxes and to issue bonds and obligations for the district (Sections 7910.151-7910.153 and Sections 7910.201-7910.203).

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the 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, Chapter 7910, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7910.106 to read as follows:

Sec. 7910.106. 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) (authorizing the legislature 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, on or after January 1, 2010), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2015.