

BILL ANALYSIS

Senate Research Center
84R24390 TSR-F

C.S.S.B. 2024
By: Creighton
Intergovernmental Relations
5/5/2015
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The bill creates the Montgomery-Grimes Counties Municipal Utility District No. 146 (district). The district will encompass approximately 2,357.491 acres of land located primarily in the unincorporated area of Montgomery County, with a small portion in the unincorporated area of Grimes County. Water, sewer, drainage, and road facilities need to be secured because the land to be located within the district will be developed into single-family residential and commercial development. The district is created under Water Code provisions applicable to all water districts and to municipal utility districts and under constitutional provisions relating to conservation and reclamation districts. The district will have standard road powers and must comply with all applicable county 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 district will have the power to divide. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

Difference between the committee substitute and the introduced version:

Grimes was inadvertently left out of the original draft. The MUD is located in both Montgomery and Grimes counties.

C.S.S.B. 2024 amends current law relating to the creation of the Montgomery-Grimes Counties Municipal Utility District No. 146, 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 7906, as follows:

CHAPTER 7906. MONTGOMERY-GRIMES COUNTIES MUNICIPAL UTILITY DISTRICT NO. 146

Sets forth standard language for the creation of the Montgomery-Grimes Counties Municipal Utility District No. 146 (district) in Montgomery County and Grimes County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7906.001-7906.006);

Size, composition, election, and terms of the board of directors of the district (Sections 7906.051 and 7906.052);

Powers and duties of the district (Sections 7906.101-7906.106); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7906.151-7906.153 and 7906.201-7906.203).

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 7906, Special District Local Laws Code, as added by Section 1 of this Act, by adding Section 7906.107, if this Act does not receive a two-thirds vote of all the members elected to each house, as follows:

Sec. 7906.107. NO EMINENT DOMAIN POWER. Provides that the district is not authorized to exercise 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 the granting of the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house by the legislature), Article I, Texas Constitution.

SECTION 5. Effective date: September 1, 2015.