

## **BILL ANALYSIS**

Senate Research Center

S.B. 2028  
By: Nichols  
Intergovernmental Relations  
6/10/2015  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 2028 creates Montgomery County Municipal Utility District No. 151 (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 Conroe and on the banks of Lake Conroe in Montgomery County. The district will be a municipal utility district operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code. The district will have limited navigational powers which will allow for the district to construct and maintain canals, bulkheads, and docks. All navigational powers are subject to the applicable rules, regulations, and approval of the San Jacinto River Authority.

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.

S.B. 2028 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 151, 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 7918, as follows:

#### **CHAPTER 7918. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 151**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 151 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7918.001-7918.006);

Size, composition, and appointment of temporary directors and election of permanent directors (Sections 7918.051 and 7918.052);

Powers and duties of the district (Sections 7918.101-7918.106);

General financial provisions and elections to impose taxes and to issue bonds and other obligations for the district (Sections 7918.151-7918.153 and Sections 7918.201-7918.203).

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 7918, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7918.107, as follows:

Sec. 7918.107. 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, on or after January 1, 2010, 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), Article I, Texas Constitution.

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