

BILL ANALYSIS

Senate Research Center
85R32663 SLB-F

C.S.H.B. 4334
By: Bailes (Nichols)
Intergovernmental Relations
5/22/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4334 amends the Special District Local Laws Code to create the Liberty County Municipal Utility District No. 1, subject to municipal consent and voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects and provides for the division of the district and for district zoning authority. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill expressly prohibits the district from exercising the power of eminent domain if the bill does not receive a two-thirds vote of all the members elected to each house.

H.B. 4334 amends current law relating to the creation of the Liberty County Municipal Utility District No. 1, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, or 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 8010, as follows:

CHAPTER 8010. LIBERTY COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Liberty County Municipal Utility District No. 1 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, approval, public purpose, requirements for a confirmation election, temporary directors, and initial territory of the district (Sections 8010.001-8010.050);

Size, composition, election, and terms of the board of directors including provisions for temporary directors (Sections 8010.051-8010.100);

Powers and duties of the district (Sections 8010.101-8010.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8010.151-8010.203).

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 8010, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8010.108, as follows:

Sec. 8010.108. 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 grant the power of eminent domain to an entity under certain conditions), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2017.