

BILL ANALYSIS

Senate Research Center
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S.B. 2274
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2274 amends the Special District Local Laws Code to create Lakewood Municipal Utility District No. 1 (district). The district will encompass approximately 602 acres located east and south of Lake Houston and within the corporate limits of the City of Houston.

S.B. 2274 creates the district and gives it the power to finance the construction of water, sewer and drainage facilities, and roads.

This bill conforms to the agreed template for the creation of municipal utility districts adopted by the Texas Legislature.

As proposed, S.B. 2274 amends current law relating to the creation of the Lakewood Municipal Utility District No. 1; 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 7992, as follows:

CHAPTER 7992. LAKEWOOD MUNICIPAL UTILITY DISTRICT NO. 1

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

Creation, approval, and purpose of the district (Sections 7992.001-7992.050);

Size, composition, election, and terms of the board of directors of the district (Sections 7992.051-7992.100);

Powers and duties of the district, including a limitation on the use of eminent domain (Sections 7992.101-7992.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7992.151-7992.203).

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) Provides that Section 7992.107, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C (Powers and Duties), Chapter 7992, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7992.107, as follows:

Sec. 7992.107. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) 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 enact a certain law granting the power of eminent domain to an entity under certain circumstances on or after January 1, 2010), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: September 1, 2017.