

BILL ANALYSIS

Senate Research Center
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S.B. 1038
By: Taylor
Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1038 creates the Brazoria-Fort Bend Counties Municipal Utility District No. 3 (district). The district will encompass approximately 362.666 acres of land located within the extraterritorial jurisdiction of the City of Alvin. S.B. 1038 is a standard template bill and provides for water, sewer, drainage, and road facilities (facilities), which need to be secured because the land to be located within the district will be developed for residential purposes. 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 road standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct the 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 bill provides for the creation, administration, powers, duties, operation, and financing of the district.

As proposed, S.B. 1038 amends current law relating to the creation of the Brazoria-Fort Bend Counties Municipal Utility District No. 3; 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 8075, as follows:

CHAPTER 8075. BRAZORIA-FORT BEND COUNTIES MUNICIPAL UTILITY DISTRICT NO. 3

Sets forth standard language for the creation of the Brazoria-Fort Bend Counties Municipal District No. 3 (district) in the extraterritorial jurisdiction of the City of Alvin. Sets forth standards, procedures, requirements, and criteria for: creation and approval of and public purpose for the district (Sections 8075.0101–8075.0106).

Size, composition, and election of the board of directors of the district, including provisions related to temporary directors (Sections 8075.0201–8075.0202).

Powers and duties of the district (Sections 8075.0301–8075.0305).

General financial provisions and authority to impose a tax (Sections 8075.0401–8075.0403).

Authority to issue bonds and other obligations, taxes for bonds, and bonds for road projects (Sections 8075.0502–8075.0503).

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

SECTION 3. Provides that all requirements of the Texas 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 8075, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8075.0306, as follows:

Sec. 8075.0306. NO EMINENT DOMAIN POWER. Prohibits the district from authorizing 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), Article I, Texas Constitution.

SECTION 5. Effective date: September 1, 2019.