

BILL ANALYSIS

Senate Research Center
87R28457 SGM-F

C.S.H.B. 4623
By: Leman (Kolkhorst)
Local Government
5/21/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4623 creates a municipal utility district (MUD) with broad road powers and division powers over a tract of land containing approximately 156 acres. It provides water, wastewater, drainage, park, and road improvements for this tract of land. The proposed district is located in Austin County. This MUD creation is supported by the landowner. H.B. 4623 conforms to the agreed template for the creation of municipal utility districts adopted by the Texas Legislature.

(Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 4623 amends current law relating to the creation of the Austin 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, 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 7913A, as follows:

CHAPTER 7913A. AUSTIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

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

Creation and approval of and public purpose for the district (Sections 7913A.0101-7913A.0106);

Size, composition, appointment, and compensation and reimbursement of expenses for the board of directors, including composition of the initial district (Sections 7913A.0201-7913A.0202);

Powers and duties of the district (Sections 7913A.0301-7913A.0305); and

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Sections 7913A.0401-7913A.0503).

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, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7913A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7913A.0306, as follows:

Sec. 7913A.0306. 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), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or January 1, 2022.