

## **BILL ANALYSIS**

C.S.H.B. 4153  
By: Bell  
Special Purpose Districts  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently, certain land located primarily in the unincorporated area of Montgomery County, with a small portion in the unincorporated area of Grimes County, is underdeveloped. Interested parties contend that the area would benefit from the creation of a municipal utility district to provide for single-family residential and commercial development. C.S.H.B. 4153 seeks to address this issue.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 4153 amends the Special District Local Laws Code to create the Montgomery-Grimes Counties Municipal Utility District No. 146 subject to voter approval at a confirmation election and municipal consent. The bill grants the district the power to undertake certain road projects and provides for division of the district. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill, if it does not receive a two-thirds vote of all the members elected to each house, prohibits the district from exercising the power of eminent domain.

### **EFFECTIVE DATE**

September 1, 2015.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 4153 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

#### **INTRODUCED**

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7906 to read as follows:

#### **HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7906 to read as follows:

84R 26845

15.120.982

Substitute Document Number: 84R 24390

CHAPTER 7906. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 146  
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7906.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "Director" means a board member.
- (4) "District" means the Montgomery County Municipal Utility District No. 146.

Sec. 7906.002. NATURE OF DISTRICT.

Sec. 7906.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED.

Sec. 7906.004. CONSENT OF MUNICIPALITY REQUIRED.

Sec. 7906.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

Sec. 7906.006. INITIAL DISTRICT TERRITORY.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7906.051. GOVERNING BODY; TERMS.

Sec. 7906.052. TEMPORARY DIRECTORS.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7906.101. GENERAL POWERS AND DUTIES.

Sec. 7906.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES.

Sec. 7906.103. AUTHORITY FOR ROAD PROJECTS.

Sec. 7906.104. ROAD STANDARDS AND REQUIREMENTS.

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Sec. 7906.051. GOVERNING BODY; TERMS.

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SUBCHAPTER C. POWERS AND DUTIES

Sec. 7906.101. GENERAL POWERS AND DUTIES.

Sec. 7906.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES.

Sec. 7906.103. AUTHORITY FOR ROAD PROJECTS.

Sec. 7906.104. ROAD STANDARDS AND REQUIREMENTS.

Sec. 7906.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION.

Sec. 7906.106. DIVISION OF DISTRICT.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7906.151. ELECTIONS REGARDING TAXES OR BONDS.

Sec. 7906.152. OPERATION AND MAINTENANCE TAX.

Sec. 7906.153. CONTRACT TAXES.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7906.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS.

Sec. 7906.202. TAXES FOR BONDS.

Sec. 7906.203. BONDS FOR ROAD PROJECTS.

SECTION 2. Establishes boundaries for the Montgomery **County** Municipal Utility District No. 146.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

Sec. 7906.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION.

Sec. 7906.106. DIVISION OF DISTRICT.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7906.151. ELECTIONS REGARDING TAXES OR BONDS.

Sec. 7906.152. OPERATION AND MAINTENANCE TAX.

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Sec. 7906.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS.

Sec. 7906.202. TAXES FOR BONDS.

Sec. 7906.203. BONDS FOR ROAD PROJECTS.

SECTION 2. Establishes boundaries for the Montgomery-**Grimes Counties** Municipal Utility District No. 146.

SECTION 3. Same as introduced version.

(d) 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) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7906, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7906.107 to read as follows:

Sec. 7906.107. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b) 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. This Act takes effect September 1, 2015.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.