

## **BILL ANALYSIS**

S.B. 2026  
By: Nichols  
Special Purpose Districts  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

S.B. 2026 creates Montgomery County Municipal Utility District No. 150 (district) as a political subdivision of the State of Texas. The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district, which is located in the extraterritorial jurisdictions of the Cities of Conroe and Montgomery in Montgomery County. The district will be a municipal utility district operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code.

S.B. 2026 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 150; grants a limited power of eminent domain; provides authority to issue bonds; and provides authority to impose assessments, fees, and taxes.

### **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**

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 7925, as follows:

#### **CHAPTER 7925. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 150**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 150 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district, including provisions related to definitions, nature of district; confirmation and directors' election required; consent of municipality required; findings of public purpose and benefit; and initial district territory (Sections 7925.001-7925.006);

Size, composition, election, and terms of the board of directors of the district, including provisions related to governing body and terms and temporary directors (Sections 7925.051 and 7925.052);

Powers and duties of the district, including provisions related to general powers and duties; municipal utility district powers and duties; authority for road projects; road standards and requirements; and compliance with municipal consent ordinance or resolution (Sections 7925.101-7925.105); and

General financial provisions and bonds and other obligations, including provisions related to elections regarding taxes or bonds; operation and maintenance tax; contract taxes; authority to issue bonds and other obligations; taxes for bonds; and bonds for road projects (Section 7925.151-7925.153 and Sections 7925.201-7925.203).

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, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7925, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7925.106 to read as follows:

Sec. 7925.106. 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 the legislature enacting general, local, or special law granting the power of eminent domain), Article I, Texas Constitution.

SECTION 5. Provides for the effective date of this Act.

#### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2015.