

## **BILL ANALYSIS**

S.B. 2028  
By: Nichols  
Special Purpose Districts  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

S.B. 2028 creates Montgomery County Municipal Utility District No. 151 (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 jurisdiction of the City of Conroe and on the banks of Lake Conroe 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. The district will have limited navigational powers which will allow for the district to construct and maintain canals, bulkheads, and docks. All navigational powers are subject to the applicable rules, regulations, and approval of the San Jacinto River Authority.

S.B. 2028 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 151, 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 7918, as follows:

#### **CHAPTER 7918. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 151**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 151 (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 7918.001-7918.006);

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 7918.051 and 7918.052);

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; certain navigation improvements; and compliance with municipal consent ordinance or resolution (7918.101-7918.106);

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district, including provisions related to elections regarding taxes or bonds; operation and maintenance tax; contract taxes; taxes for bonds; and bonds for road projects (7918.151-7918.203).

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

SECTION 3. Provides that all requirements of the 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 7918, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7918.107, as follows:

Sec. 7918.107. 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) (authorizing the legislature, on or after January 1, 2012, to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), 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.