

BILL ANALYSIS

C.S.H.B. 2235
By: Wilson
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been suggested that undeveloped land located within Williamson County would benefit from the creation of a municipal utility district. C.S.H.B. 2235 seeks to provide for the creation of such a district.

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. 2235 amends the Special District Local Laws Code to create the 7S Ranch Municipal Utility District, subject to municipal consent and voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects and provides for the district's division. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill expressly prohibits the district from exercising the power of eminent domain if the bill does not receive a two-thirds vote of all the members elected to each house.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2235 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute specifies a chapter number for the chapter being added by the bill whereas the original does not specify a chapter number.

The substitute does not include provisions that the original includes that authorize the following:

- the district's board of directors, after the district's confirmation, to elect to hold an election to elect the appropriate number of directors on the uniform election date in either May or November of each even-numbered year; and

- the district to exercise road project powers without submitting a petition to or obtaining approval from the Texas Commission on Environmental Quality.

The substitute makes certain changes to the district division provisions of the original.

The substitute includes provisions that the original does not include that prohibit the following:

- the district from issuing bonds payable from property taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose;
- at the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from property taxes from exceeding one-fourth of the assessed value of the real property in the district; and
- the district from exercising the power of eminent domain if the bill does not receive a two-thirds vote of all the members elected to each house.