

BILL ANALYSIS

Senate Research Center
77R7461 SGA-F

S.B. 1784
By: Bernsen
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DIGEST AND PURPOSE

Development and growth in eastern Montgomery County has created the need for permanent improvements such as water production and distribution facilities, wastewater collection and treatment facilities, drainage projects, and other conservation and reclamation projects. As proposed, S.B. 1784 creates a conservation and reclamation district and authorizes it to incur indebtedness to provide improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

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. CREATION. Creates a conservation and reclamation district, to be known as the East Montgomery County Municipal Utility District No. 3 (district), in Montgomery County, subject to approval at a confirmation election under Section 9 of this Act. Provides that the district is a governmental agency and a body politic and corporate. Provides that the district is created under and is essential to accomplish the purposes of Section 59, Article XVI (Conservation and Development of Natural Resources; Conservation and Reclamation Districts), Texas Constitution.

SECTION 2. DEFINITION. Defines “district.”

SECTION 3. BOUNDARIES. Sets forth the geographical boundaries of the district.

SECTION 4. FINDINGS RELATED TO BOUNDARIES. Sets forth legislative findings. Provides that a mistake in the field notes or in copying the field notes in the legislative process does not affect the organization, existence, or validity of the district, the validity of its bonds, notes, or other indebtedness, the right of the district to levy and collect taxes, or the legality or operation of the district or its governing body.

SECTION 5. FINDING OF BENEFIT. Provides that all of the land and other property included within the boundaries of the district will benefit by the works and projects that are to be accomplished under powers conferred by Section 59, Article XVI, Texas Constitution. Provides that the district is created to serve a public use and benefit.

SECTION 6. POWERS. (a) Provides that the district has all of the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts), 50 (Provisions Generally Applicable to Districts), and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution. Provides that this Act prevails over any provision of general law that is in conflict or inconsistent with this Act.

(b) Provides that the rights, powers, privileges, authority, functions, and duties of the district are subject to the continuing right of supervision of the state to be exercised by and through the Texas Natural Resource Conservation Commission (TNRCC).

SECTION 7. BOARD OF DIRECTORS. (a) Provides that the district is governed by a board of five directors.

(b) Provides that temporary directors serve until initial directors are elected under Section 9 of this Act.

(c) Provides that initial directors serve until permanent directors are elected under Section 10 of this Act.

(d) Provides that permanent directors serve staggered four-year terms.

(e) Requires each director to qualify to serve as director in the manner provided by Section 49.055 (Sworn Statement, Bond, and Oath of Office), Water Code.

(f) Provides that a director serves until the director's successor has qualified.

SECTION 8. APPOINTMENT OF TEMPORARY DIRECTORS. (a) Provides that on or after the effective date of this Act, a person who owns land included in the district is authorized to petition TNRCC to appoint the five temporary directors listed in the petition. Requires TNRCC to appoint the directors listed in the petition. Requires TNRCC, if it receives more than one petition under this subsection, to appoint the directors listed in the first petition it receives.

(b) Requires a person appointed to be a temporary director to take the oath of office as soon as practicable.

(c) Requires TNRCC, if an appointee fails to qualify or if a vacancy occurs in the office of temporary director, to appoint an individual to fill the vacancy.

(d) Requires the directors to meet and elect officers from among the board membership as soon as all temporary directors have qualified.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. (a) Requires the temporary board of directors to call and hold an election to confirm establishment of the district and to elect five initial directors as provided by Chapter 49, Water Code.

(b) Provides that Section 41.001(a) (Uniform Election Dates), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

SECTION 10. ELECTION OF DIRECTORS. (a) Requires an election to be held in the district for the election of two directors to serve two-year terms and three directors to serve four-year terms on the first Saturday in May of the first even-numbered year after the year in which the district is authorized to be created at a confirmation election.

(b) Authorizes the board of directors by order to postpone the election date for two years if: the election will occur within 60 days after the date on which the confirmation election is held, or the board determines that there is not sufficient time to comply with the requirements of law and to order the election.

(c) Requires the appropriate number of directors to be elected on the first Saturday in May of each even-numbered year following the first election held under this section.

SECTION 11. COMPLIANCE WITH MUNICIPAL ORDINANCE OR RESOLUTION.

Requires the district, subject to the limitations of Section 54.016 (Consent of City), Water Code, to comply with all valid and applicable requirements of any ordinance or resolution adopted by any municipality in whose corporate limits or extraterritorial jurisdiction the district is located, including an ordinance or resolution adopted before the effective date of this Act, that consents to the creation of the district or to the inclusion of lands within the district.

SECTION 12. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. Sets forth findings related to the completion of procedural requirements.

SECTION 13. EFFECTIVE DATE; EXPIRATION DATE. Effective date: September 1, 2001.

Provides that if the creation of the district is not confirmed at a confirmation election held under Section 9 of this Act before September 1, 2004, this Act expires on that date.