

BILL ANALYSIS

Senate Research Center
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H.B. 3943
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note that continuing development and growth in Harris County has created the need for large-scale, permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects, and major thoroughfare improvements. H.B. 3943 seeks to help address this need by providing for the creation of a municipal utility district in Harris County.

H.B. 3943 amends the Special District Local Laws Code to create the Harris County Municipal Utility District No. 537 (district), subject to voter approval at a confirmation election and municipal consent. The bill grants the district the power to undertake certain road projects. 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 vote of two-thirds of all the members elected to each house, prohibits the district from exercising the power of eminent domain.

H.B. 3943 amends current law relating to the creation of the Harris County Municipal Utility District No. 537, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, or taxes.

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. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8488, as follows:

CHAPTER 8488. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 537

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 537 (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8488.001-8488.006);

Size, composition, election, and terms of the board of directors, including the appointment of temporary directors (Sections 8488.051-8488.052);

Powers and duties of the district (Sections 8488.101-8488.106); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8488.151-8488.203).

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 Section 8488.106, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8488, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8488.106, as follows:

Sec. 8488.106. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to authorizing eminent domain only on a two-thirds vote of all members elected to each house), Article I, Texas Constitution.

SECTION 5. Effective date: September 1, 2013.