

## **BILL ANALYSIS**

Senate Research Center  
84R5582 GRM-F

H.B. 2091  
By: Zerwas (Kolkhorst)  
Intergovernmental Relations  
5/20/2015  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 2091 creates the Fulshear Municipal Utility District Nos. 4, 5, and 6 (the districts), located within the extraterritorial jurisdiction of the City of Fulshear. Fulshear Municipal Utility District No. 4 will encompass approximately 225.304 acres of land, Fulshear Municipal Utility District No. 5 will encompass approximately 636.76 acres of land, and Fulshear Municipal Utility District No. 6 will encompass approximately 631.62 acres of land. Water, sewer, drainage, and road facilities need to be secured because the land to be located within the districts will be developed into single family residential and commercial development. The districts are created under Water Code provisions applicable to all water districts and to municipal utility districts and under constitutional provisions relating to conservation and reclamation districts. Fulshear Municipal Utility District Nos. 5 and 6 will also have the powers of a levee improvement district, allowing them to construct levees and reclaim floodplain. The districts will have the authority to issue tax-exempt bonds to purchase, acquire, or construct facilities. It is also necessary to empower the districts with authority to impose a tax and to grant the districts a limited power of eminent domain. H.B. 2091 provides for the creation, administration, powers, duties, operation, and financing of the districts.

H.B. 2091 amends current law relating to the creation of the Fulshear Municipal Utility Districts Nos. 4, 5, and 6, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, and taxes.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

#### ARTICLE 1. CREATION OF MUNICIPAL UTILITY DISTRICTS

SECTION 1.01. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8494, as follows:

##### CHAPTER 8494. FULSHEAR MUNICIPAL UTILITY DISTRICT NO. 4

Sets forth the standard language for the creation of the Fulshear Municipal Utility District No. 4 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8494.001-8494.006);

Size and composition of the board of directors, election of temporary directors, and size and qualifications of the board of directors (Sections 8494.051 and 8494.052);

Powers and duties of the district and authority for road projects (Sections 8494.101-8494.105);

Authority to issue certain bonds and other obligations (Sections 8494.151-8494.153 and Sections 8494.201-8494.203).

SECTION 1.02. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8495, as follows:

#### CHAPTER 8495. FULSHEAR MUNICIPAL UTILITY DISTRICT NO. 5

Sets forth the standard language for the creation of the Fulshear Municipal Utility District No. 5 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8495.001-8495.007);

Size and composition of the board of directors, election of temporary directors, and size and qualifications of the board of directors (Sections 8495.051 and 8495.052);

Powers and duties of the district and authority for road projects (Sections 8495.101-8495.106);

Authority to issue certain bonds and other obligations (Sections 8495.151-8495.153 and Sections 8495.201-8495.203).

SECTION. 1.03. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8496, as follows:

#### CHAPTER 8496. FULSHEAR MUNICIPAL UTILITY DISTRICT NO. 6

Sets forth the standard language for the creation of the Fulshear Municipal Utility District No. 6 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8496.001-8496.007);

Size and composition of the board of directors, election of temporary directors, and size and qualifications of the board of directors (Sections 8496.051 and 8496.052);

Powers and duties of the district and authority for road projects (Sections 8496.101-8496.106);

Authority to issue certain bonds and other obligations (Sections 8496.151-8496.153 and Sections 8496.201-8496.203).

#### ARTICLE 2. METES AND BONDS

SECTION 2.01. Sets forth the initial boundaries of the Fulshear Municipal Utility District No. 4.

SECTION 2.02. Sets forth the initial boundaries of the Fulshear Municipal Utility District No. 5.

SECTION 2.03. Sets forth the initial boundaries of the Fulshear Municipal Utility District No. 6.

#### ARTICLE 3. LEGAL NOTICE, EMINENT DOMAIN, AND EFFECTIVE DATE.

SECTION 3.01. 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 3.02. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8494, Special District Local Laws Code, as added by Section 1.01 of this Act, is amended by adding Section 8494.106, as follows:

Sec. 8494.106. 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) (authorizing the legislature 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 member elected to each house, on or after January 1, 2010), Article I, Texas Constitution.

SECTION 3.03. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8495, Special District Local Laws Code, as added by Section 1.02 of this Act, is amended by adding Section 8495.107 to read as follows:

Sec. 8495.107. 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), Article I, Texas Constitution.

SECTION 3.04. (a) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8496, Special District Local Laws Code, as added by Section 1.03 of this Act, is amended by adding Section 8496.107 to read as follows:

Sec. 8496.107. 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), Article I, Texas Constitution.

SECTION 3.05. Effective date: September 1, 2015.