

## **BILL ANALYSIS**

Senate Research Center  
84R11297 GRM-F

S.B. 2026  
By: Nichols  
Intergovernmental Relations  
4/21/2015  
As Filed

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

S.B. 2026 creates Montgomery County Municipal Utility District No. 150 (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 jurisdictions of the Cities of Conroe and Montgomery 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.

A special district is needed to finance and construct the utility infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district.

Special districts are created for specific areas. No special district currently serves the area proposed to be included in the district.

As proposed, S.B. 2026 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 150; 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**

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 7925, as follows:

#### CHAPTER 7925. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 150

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 150 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7925.001-7925.006);

Size, composition, election, and terms of the board of directors of the district (Sections 7925.051 and 7925.052);

Powers and duties of the district (Sections 7925.101-7925.105); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Section 7925.151-7925.153 and Sections 7925.201-7925.203).

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

SECTION 3. Provides that all requirements of the constitution and 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 7925, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7925.106 to read as follows:

Sec. 7925.106. 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) (relating to the legislature enacting general, local, or special law granting the power of eminent domain), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2015.