

## **BILL ANALYSIS**

Senate Research Center  
85R25018 JCG-F

H.B. 4268  
By: Sanford (Estes)  
Administration  
5/22/2017  
Engrossed

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

Interested parties contend that an area located within the City of Celina would benefit from the creation of a municipal management district. H.B. 4268 provides for the creation of such a district.

H.B. 4268 amends the Special District Local Laws Code to create the Celina Municipal Management District No. 2 to provide certain improvements, projects, and services for public use and benefit. H.B. 4268 provides for, among other provisions, the location and ownership of district improvement projects, the division of the district into multiple districts, the addition of land to or removal of land from the district, and the dissolution of the district by ordinance of the City of Celina. H.B. 4268 sets out the district's powers and duties, which include, subject to certain requirements, the authority to issue obligations and impose and collect assessments. H.B. 4268 prohibits the district from providing retail water or sewer services. H.B. 4268 grants the district limited eminent domain power, contingent on the bill receiving a two-thirds vote of all members elected to each house.

H.B. 4268 amends current law relating to the creation of the Celina Municipal Management District No. 2, provides a limited authority of eminent domain, and provides authority to issue bonds and 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 C, Title 4, Special District Local Laws Code, by adding Chapter 3798, as follows:

#### CHAPTER 3798. CELINA MUNICIPAL MANAGEMENT DISTRICT NO. 2

Sets forth standard language for the creation of the Celina Municipal Management District No. 2 (district) in the City of Celina (city). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 3798.001-3798.050);

Size, composition, appointment, compensation, and terms of the board of directors of the district (Sections 3798.051-3798.100);

Powers and duties of the district (Sections 3798.101-3798.150);

Division of the district into multiple districts (3798.151-3798.200);

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Sections 3798.201-3798.300);

Dissolution of the district by the city (Sections 3798.301-3798.350); and

Special bond provisions of the district (Sections 3798.901-3798.950).

Prohibits the district from exercising the power of eminent domain unless the governing body of the city by ordinance or resolution consents to the exercise.

SECTION 2. Sets forth 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 3798.107, 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 3798, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 3798.107, as follows:

Sec. 3798.107. 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 the legislature enacting general, local, or special law granting power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: September 1, 2017.