

BILL ANALYSIS

Senate Research Center

H.B. 4309
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Administration
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4309 creates the Driftwood Municipal Utility District No. 1 (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 wholly in the City of Driftwood. The district will be a municipal utility district operating pursuant to Chapters 49 and 54, 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. In addition, this district will finance and construct infrastructure to harvest, store, and reuse storm water.

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

The owner of all of the land in the district as well as local elected officials support the creation of the district.

H.B. 4309 amends current law relating to the creation of the Driftwood Municipal Utility District No. 1, 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 7983, as follows:

CHAPTER 7983. DRIFTWOOD MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of Driftwood Municipal Utility District No. 1 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7983.001-7983.050);

Size, composition, election, and terms of the board of directors of the district (Sections 7983.051-7983.100);

Powers and duties of the district (Sections 7983.101-7983.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7983.151-7983.203).

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, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7983, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7983.109, as follows:

Sec. 7983.109. 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 a 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.