

## **BILL ANALYSIS**

Senate Research Center  
85R18689 DMS-F

H.B. 4325  
By: King, Phil (Estes)  
Administration  
5/22/2017  
Engrossed

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

H.B. 4325 amends the Special District Local Laws Code to create the Wise County Municipal Utility District No. 4 (district), subject to municipal consent and voter approval at a confirmation election. The district will encompass approximately 97.93 acres of land located in Wise County. Water, sewer, drainage, and road facilities need to be secured because the land to be located within the district will be developed for residential purposes. The district is 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. The district will have standard road powers and must comply with all applicable city standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct facilities. 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.

H.B. 4325 amends current law relating to the creation of the Wise County Municipal Utility District No. 4, 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 8007, as follows:

#### CHAPTER 8007. WISE COUNTY MUNICIPAL UTILITY DISTRICT NO. 4

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

Creation and approval of the district (Sections 8007.001-8007.050);

Size, composition, election, and terms of the board of directors of the district (Sections 8007.051-8007.100);

Powers and duties of the district (Sections 8007.101-8007.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8007.151-8007.203).

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 8007, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8007.106, as follows:

Sec. 8007.106. 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 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.