

BILL ANALYSIS

Senate Research Center
85R10835 SLB-F

S.B. 1261
By: Creighton
Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1261 creates the Montgomery County Municipal Utility District No. 157 (district). The district will encompass approximately 18.52 acres of land located within the corporate limits of the City of Conroe (city). 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 Section 59, Article XVI, Texas Constitution, and under Chapters 49 and 54, Water Code, as applicable to all municipal utility districts. The district will have the authority to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to Texas, a county, or a municipality for operation and maintenance roads or improvements in aid of those roads; 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. It is also necessary to empower the district with authority to impose a tax and to grant the district a limited power of eminent domain.

The city has adopted a resolution supporting the legislation creating the district.

As proposed, S.B. 1261 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 157; 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 7985, as follows:

CHAPTER 7985. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT No. 157

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 157 (district) in the City of Conroe (city). Sets forth definitions, standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 7985.001-7985.050);

Size, composition, election, and terms of the board of directors of the district, including provisions related to initial temporary directors (Section 7985.051-7985.100);

Powers and duties of the district (Sections 7985.101-7985.150); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7985.151-7985.250).

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 7985, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7985.106, as follows:

Sec. 7985.106. 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 authority of the legislature to enact a certain law granting the power of eminent domain to an entity only with a certain vote), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: September 1, 2017.