

## **BILL ANALYSIS**

Senate Research Center  
85R19699 SLB-F

S.B. 2268  
By: Creighton  
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As Filed

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

Continuing development and growth in Montgomery County has created the need for permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects and major thoroughfare improvements. Article XVI (General Provisions), Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), and Article III (Legislative Department), Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), of the Texas Constitution provide for the creation of local governmental districts that are authorized to incur indebtedness to provide such permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

Pursuant to Article XVI, Section 59, and Article III, Section 52, of the Constitution of Texas, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, S.B. 2268 creates a municipal utility district, with road powers, to be known as Montgomery County Municipal Utility District No. 159, over a tract of land containing approximately 119.13 acres of land in Montgomery County that is otherwise unserved with permanent, public infrastructure improvements.

As proposed, S.B. 2268 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 159, 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 8003, as follows:

#### **CHAPTER 8003. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 159**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 159 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

General provisions, including the nature of the district, the requirements to confirm the creation of the district by election and to elect five permanent directors, consent to creation of the district by certain municipalities, the public purpose of the district, and the district's initial territory (Sections 8003.001-8003.050);

Size, composition, election, and terms of the board of directors of the district (8003.051-8003.052);

Powers and duties of the district (Sections 8003.101-8003.105);

General financial provisions and authority to impose certain taxes and bonds (Sections 8003.151-8003.153); and

Authority to issue certain bonds and other obligations (Sections 8003.201-8003.203).

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 8003, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8003.106, as follows:

Sec. 8003.106. 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 authorizing the legislature to enact a general, local, or special law granting the power of eminent domain), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2017.