

BILL ANALYSIS

Senate Research Center
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H.B. 4640
By: Metcalf (Nichols)
Intergovernmental Relations
5/11/2019
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 4640 creates Montgomery County Municipal Utility District No. 176 (district). The district will encompass approximately 294.27 acres of land located within Montgomery County, Texas. The proposed district is located within the corporate boundaries and extraterritorial jurisdiction of the City of Willis. H.B. 4640 is a standard template bill and provides for water, sewer, drainage, and road facilities (facilities), which need to be secured because the land to be located within the district will be developed for residential purposes. H.B. 4640 follows the template in all regards. The district is created under the 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 road standards. The district will have the authority to issue tax-exempt bonds to purchase, acquire, or construct the 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 bill provides for the creation, administration, powers, duties, operation, and financing of the district.

H.B. 4640 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 176 of Montgomery County; 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 8084, as follows:

CHAPTER 8084. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 176 OF MONTGOMERY COUNTY

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 176 (district) in Montgomery County. Sets for standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8084.0101–8084.0107);

Size, composition, election, and terms of the board of directors of the district, including provisions relating to initial temporary directors (Sections 8084.0201–8084.0202);

Powers and duties of the district (Sections 8084.0301–8084.0305);

General financial provisions and authority to impose a tax (Sections 8084.0401–8084.0403); and

Authority to issue bonds and obligations for the district (Sections 8084.0501–8084.0503).

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 8084, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8084.0306, as follows:

Sec. 8084.0306. 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), Article I, Texas Constitution.

SECTION 5. Effective date: September 1, 2019.