

## **BILL ANALYSIS**

Senate Research Center  
86R12382 AAF-F

H.B. 4641  
By: Metcalf (Nichols)  
Intergovernmental Relations  
5/3/2019  
Engrossed

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

H.B. 4641 creates Montgomery County Municipal Utility District No. 177 (district). The district will encompass approximately 208.41 acres of land located within Montgomery County, Texas. The proposed district is located within the extraterritorial jurisdiction of the City of Conroe. H.B. 4641 is a standard template bill and provides for water, sewer, drainage, and road facilities (the facilities), which need to be secured because the land to be located within the district will be developed for residential purposes. H.B. 4641 follows the template in all regards. 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 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. H.B. 4641 provides for the creation, administration, powers, duties, operation, and financing of the district.

H.B. 4641 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 177 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 8085, as follows:

#### **CHAPTER 8085. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 177 OF MONTGOMERY COUNTY**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 177 of Montgomery County (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation, approval, purpose, and territory of the district, and provisions relating to annexation (Sections 8085.0101–8085.0107);

Size, composition, election, and terms of the board of directors of the district and provisions relating to initial temporary directors (Sections 8085.0201–8085.0202);

Powers and duties of the district (Sections 8085.0301–8085.0305);

General financial provisions and authority to impose taxes (Sections 8085.0401–8085.0403); and

Authority to issue bonds and other obligations for the district (Sections 8085.0501–8085.0503).

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 8085, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8085.0306, as follows:

Sec. 8085.0306. 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.