

BILL ANALYSIS

Senate Research Center

H.B. 4674
By: Bailes (Creighton)
Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Continuing development and growth in Chambers 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 road facilities. Article XVI, Section 59, and Article III, Section 52, 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, the bill creates a municipal utility district, with road powers, to be known as Chambers County Municipal Utility District No. 2, over a tract of land containing approximately 363 acres of land located within the extraterritorial jurisdiction of the City of Baytown in Chambers County, Texas.

H.B. 4674 amends current law relating to the creation of the Chambers County Municipal Utility District No. 2; 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 8039, as follows:

CHAPTER 8039. CHAMBERS COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

Sets forth standard language for the creation of the Chamber County Municipality Utility District No. 2 in Chambers County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8039.0101–8039.0106);

Size, composition, election, and terms of the board of directors of the district, including provisions relating to temporary directors (Sections 8039.0201 and 8039.0202);

Powers and duties of the district (Sections 8039.0301–8039.0305);

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8039.0401–8039.0503); and

Requirements to adopt an exemption from ad valorem taxation by the district (Section 8039.0601).

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. Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8039, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8039.0306, as follows:

Sec. 8039.0306. 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. Provides that if S.B. No. 239, Acts of the 86th Legislature, Regular Session, 2019, does not become law, Subchapter F, Chapter 8039, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8039.0602, as follows:

Sec. 8039.0602. BOARD MEETING LOCATION. Requires the board to designate a place inside the district for conducting the meetings of the board. Authorizes the board, if the board is unable to designate a suitable meeting place inside the district, to designate a place outside the district that is located not farther than 10 miles from the district's boundaries.

SECTION 6. Effective date: upon passage or September 1, 2019.