

## **BILL ANALYSIS**

Senate Research Center  
86R15960 SLB-F

S.B. 2464  
By: Creighton  
Intergovernmental Relations  
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As Filed

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

S.B. 2464 creates Montgomery County Municipal Utility District No. 163 (district) as a political subdivision of the State of Texas. The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district, which is located in the extraterritorial jurisdiction of the City of Conroe in Montgomery County. The district will be a municipal utility district operating pursuant to Chapters 49 and 54, Water Code.

A special district is needed to finance and construct the infrastructure (water, sewer, drainage, roads, and recreational facilities) necessary to promote the development of the area within the district.

Special districts are created for specific areas. No special district currently serves the area proposed to be included in the district.

The owner of all of the land in the district supports the creation of the district.

There is no known opposition to this legislation.

As proposed, S.B. 2464 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 163; 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 8091, as follows:

#### **CHAPTER 8091. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 163**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 163 (district) in Montgomery County. Sets forth standards, requirements, and criteria for:

Creation, approval, purpose, and territory of the district (Sections 8091.0101–8091.0106);

Size, composition, election, compensation, and terms of the board of directors of the district, including provisions relating to initial temporary directors (Sections 8091.0201–8091.0202);

Powers and duties of the district (Sections 8091.0301–8091.0306);

General financial provisions (Sections 8091.0401–8091.0403); and

Authority to issue bonds and other obligations for the district (Sections 8091.0501–8091.0503).

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 8091, Special District Local Laws Code, as added by this Section 1 of this Act, is amended by adding Section 8091.0307 to read as follows:

Sec. 8091.0307. 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, on or after January 1, 2010, to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2019.