

BILL ANALYSIS

Senate Research Center

S.B. 2504
By: Creighton
Intergovernmental Relations
5/31/2019
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2504 creates Magnolia Woods Municipal Utility District No. 1 (district) as a political subdivision of the State of Texas located primarily in unincorporated Montgomery County. The district will construct and finance water, sewer, drainage, road, and recreational facilities to serve property within the district. The district will be a municipal utility district operating pursuant to Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), 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. (Original Author's/Sponsor's Statement of Intent)

S.B. 2504 amends current law relating to the creation of the Magnolia Woods Municipal Utility District No. 1; 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 8257, as follows:

CHAPTER 8257. MAGNOLIA WOODS MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Magnolia Woods Municipal Utility District No. 1 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation, nature, purpose, and approval of the district (Sections 8257.0101–8257.0106);

Size, composition, election, and terms of the board of directors of the district, including the naming of and provisions related to initial temporary directors (Sections 8257.0201–8257.0202);

Powers and duties of the district, including provisions related to defined areas (Sections 8257.0301–8257.0405); and

General financial provisions and authority to impose taxes and to issue bonds and obligations for the district (Sections 8257.0501–8257.0603).

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 8257, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8257.0307 to read as follows:

Sec. 8257.0307. 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), Article I, Texas Constitution.

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