

## **BILL ANALYSIS**

Senate Research Center

S.B. 2172  
By: Creighton  
Local Government  
5/27/2021  
Enrolled

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

S.B. 2172 creates Montgomery County Municipal Utility District No. 200 (district). The district will encompass approximately 451 acres of land located within unincorporated Montgomery County, Texas.

S.B. 2172 follows the template in all regards, except that it provides the district with the authority to divide into two or more districts.

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. The bill provides for the creation, administration, powers, duties, operation, and financing of the district.

S.B. 2172 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 200, 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 7930A, as follows:

#### **CHAPTER 7930A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 200**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 200 (district) in Montgomery County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of and public purpose for the district, including composition of the initial district (Sections 7930A.0101-7930A.0106);

Size, composition, appointment, and compensation and reimbursement of expenses for the board of directors (Sections 7930A.0201-7930A.0202);

Powers and duties of the district (Sections 7930A.0301-7930A.0306); and

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Sections 7930A.0401-7930A.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 7930A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7930A.0307, as follows:

Sec. 7930A.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, 2021.