

## **BILL ANALYSIS**

Senate Research Center  
88R11393 SCP-F

H.B. 5316  
By: Metcalf (Creighton)  
Local Government  
5/15/2023  
Engrossed

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

H.B. 5316 amends the Special District Local Laws Code to create Montgomery County Municipal Utility District No. 235 (district). The bill creates a temporary board of five directors until an election can be held. The bill grants the district authority to construct public water, sewer, drainage, road and park infrastructure that meet all applicable regulations. The district has the authority to issue bonds and impose assessments, fees and taxes. No current public water, sewer, drainage, road or park infrastructure exists to serve the area proposed to be included in the MUD. The creation of Montgomery County MUD No. 235 will allow the land within the MUD to be served by public water, sewer, drainage, road and park infrastructure.

This MUD conforms to the standard template language.

H.B. 5316 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 235, 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 8016, as follows:

#### **CHAPTER 8016. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 235**

Sets forth standard language for the creation of the Montgomery County Municipal Utility District No. 235 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district and the initial district territory (Sections 8016.0101-8016.0106);

Size, composition, and terms of the board of directors of the district and appointment of temporary directors (Sections 8016.0201-8016.0202);

Powers and duties of the district (Sections 8016.0301-8016.0305); and

General financial provisions, authority to impose a tax, and authority to issue bonds and other obligations for the district (Sections 8016.0401-8016.0503).

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 members elected to each house, Subchapter C, Chapter 8016, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8016.0306, as follows:

Sec. 8016.0306. 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) (relating to authorizing the legislature 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 on or after January 1, 2010), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: Upon passage or September 1, 2023.