

## **BILL ANALYSIS**

Senate Research Center  
88R15042 LRM-F

S.B. 2580  
By: Nichols  
Local Government  
4/17/2023  
As Filed

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

Continuing development and growth in Liberty 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. Pursuant to Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, S.B. 2580 seeks to create a municipal utility district to be known as Liberty County Municipal Utility District No. 12 (district) over an approximate 764-acre tract of land located within the unincorporated area of Liberty County. 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. The legislation grants the district the power to undertake water, sanitary sewer, drainage, recreational, and road projects and provides for division of the district. The legislation authorizes the district, subject to certain requirements, to issue bonds and other obligations and impose property taxes.

As proposed, S.B. 2580 amends current law relating to the creation of the Liberty County Municipal Utility District No. 12, 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 7977A, as follows:

#### **CHAPTER 7977A. LIBERTY COUNTY MUNICIPAL UTILITY DISTRICT NO. 12**

Sets forth standard language for the creation of the Liberty County Municipal Utility District No. 12 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7977A.0101-7977A.0102 and 7977A.0104-7977A.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 7977A.0103 and 7977A.0201-7977A.0202);

Powers and duties of the district (Sections 7977A.0301-7977A.0306); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7977A.0401-7977A.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) Amends Subchapter C, Chapter 7977A, Special District Local Laws Code, as added by Section 1 of this Act, if this Act does not receive a two-thirds vote of all the members elected to each house, by adding Section 7977A.0307, as follows:

Sec. 7977A.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 in certain circumstances), Article I (Bill of Rights), Texas Constitution.

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