

BILL ANALYSIS

Senate Research Center
88R23940 MP-F

C.S.S.B. 2595
By: Creighton
Local Government
4/28/2023
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 2595 creates Montgomery County Municipal Utility District No. 204, located northeast of the City of Willis, being approximately 2506 acres in Montgomery County, Texas.

It is not within the corporate limits or extra territorial jurisdiction of any municipality. The bill would authorize the proposed district, if confirmed at an election, to finance the construction of facilities to provide water, wastewater, drainage, and road services to the tract so that a residential and commercial development could be undertaken on the land proposed to be included within the proposed district.

The legislation contains the usual "template" provisions regarding the naming of directors for the proposed district, the powers of the proposed district, and general financial provisions.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 2595 amends current law relating to the creation of the Montgomery County Municipal Utility District No. 204, 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 8061, as follows:

CHAPTER 8061. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 204

Sets forth language for the creation of the Montgomery County Municipal Utility District No. 204 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8061.0101-8061-0102 and 8061.0104-8061.0106);

Size, composition, election, and terms of the board of directors of the district (Sections 8061.0103 and 8061.0201-8061.0202);

Powers and duties of the district, including a limited power of eminent domain (Sections 8061.0301-8061.0307); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8061.0401-8061.0503).

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 Section 8061.0307, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Amends Subchapter C, Chapter 8061, 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 8061.0307, as follows:

Sec. 8061.0307. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(c) 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 10, 2020, 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 (Bill of Rights), Texas Constitution.

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