

BILL ANALYSIS

C.S.H.B. 2912
By: King, Phil
Special Purpose Districts
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties contend that undeveloped land located within the city of New Fairview in Wise County would benefit from the creation of a municipal utility district. C.S.H.B. 2912 seeks to provide for the creation of such a district.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2912 amends the Special District Local Laws Code to create the New Fairview Municipal Utility District No. 1, subject to municipal consent, a certain development agreement, and voter approval at a confirmation election. The bill grants the district the power to undertake certain road projects. The bill authorizes the district, subject to certain requirements, to issue obligations and impose property, operation and maintenance, and contract taxes. The bill expressly prohibits the district from exercising the power of eminent domain if the bill does not receive a two-thirds vote of all the members elected to each house.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2912 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7987 to read as follows:
CHAPTER 7987. NEW FAIRVIEW MUNICIPAL UTILITY DISTRICT NO. 1

HOUSE COMMITTEE SUBSTITUTE

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CHAPTER 7987. NEW FAIRVIEW MUNICIPAL UTILITY DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7987.001. DEFINITIONS.

Sec. 7987.002. NATURE OF DISTRICT.

Sec. 7987.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED.

Sec. 7987.004. CONSENT OF MUNICIPALITY REQUIRED.

The temporary directors may not hold an election under Section 7987.003 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7987.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

Sec. 7987.006. INITIAL DISTRICT TERRITORY.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7987.051. GOVERNING BODY; TERMS.

Sec. 7987.052. TEMPORARY DIRECTORS.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7987.101. GENERAL POWERS AND DUTIES.

Sec. 7987.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES.

Sec. 7987.103. AUTHORITY FOR ROAD PROJECTS.

Sec. 7987.104. ROAD STANDARDS AND

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7987.001. DEFINITIONS.

Sec. 7987.002. NATURE OF DISTRICT.

Sec. 7987.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED.

Sec. 7987.004. CONSENT OF MUNICIPALITY AND DEVELOPMENT AGREEMENT REQUIRED.

The temporary directors may not hold an election under Section 7987.003 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has:

(1) consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district; and

(2) entered into a development agreement under Section 212.172, Local Government Code, with an owner of the land described by Section 2 of the Act enacting this chapter.

Sec. 7987.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

Sec. 7987.006. INITIAL DISTRICT TERRITORY.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7987.051. GOVERNING BODY; TERMS.

Sec. 7987.052. TEMPORARY DIRECTORS.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7987.101. GENERAL POWERS AND DUTIES.

Sec. 7987.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES.

Sec. 7987.103. AUTHORITY FOR ROAD PROJECTS.

Sec. 7987.104. ROAD STANDARDS AND

REQUIREMENTS.

Sec. 7987.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7987.151. ELECTIONS REGARDING TAXES OR BONDS.

Sec. 7987.152. OPERATION AND MAINTENANCE TAX.

Sec. 7987.153. CONTRACT TAXES.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7987.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS.

Sec. 7987.202. TAXES FOR BONDS.

Sec. 7987.203. BONDS FOR ROAD PROJECTS.

SECTION 2. Sets out the metes and bounds of the district.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) 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

REQUIREMENTS.

Sec. 7987.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION.

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Sec. 7987.151. ELECTIONS REGARDING TAXES OR BONDS.

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Sec. 7987.202. TAXES FOR BONDS.

Sec. 7987.203. BONDS FOR ROAD PROJECTS.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.

Act are fulfilled and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7987, Special District Local Laws Code, as added by Section 1 of this Act, is amended.

SECTION 5. This Act takes effect September 1, 2017.

SECTION 4. Same as introduced version.

SECTION 5. Same as introduced version.