### **BILL ANALYSIS**

Senate Research Center 77R11968 SGA-F

C.S.S.B. 1776
By: Lindsay
Intergovernmental Relations
4/11/2001
Committee Report (Substituted)

## **DIGEST AND PURPOSE**

The Texas Constitution provides for the creation of conservation and reclamation districts which are authorized to incur indebtedness to provide for permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of indebtedness. Continuing development and growth in The Woodlands area of southern Montgomery County and northern Harris County has created the need for large-scale, permanent improvements such as water distribution facilities, wastewater collection and transportation lines, drainage projects, and other conservation and reclamation projects. C.S.S.B. 1776 creates a conservation and reclamation district to be known as the Harris County Municipal Utility District No. 387 over a portion of the land to be developed as a continuation of The Woodlands in the northern portion of Harris County.

### **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. CREATION. Creates the Harris County Municipal Utility District No. 387 (district), subject to approval at a confirmation election under Section 10 of this Act. Provides that the district is a governmental agency and a body politic and corporate and is created under and is essential to accomplish the purposes of Article XVI, Section 59, of the Texas Constitution.

SECTION 2. DEFINITION. Defines "district."

SECTION 3. BOUNDARIES. Sets forth the boundaries of the district.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. Presents legislative findings relating to the boundaries of the district.

SECTION 5. FINDING OF BENEFIT. Provides findings of benefit.

SECTION 6. POWERS. Sets forth guidelines regarding the district's rights, powers, privileges, authority, functions, and duties.

SECTION 7. RELOCATION OF FACILITIES. Sets forth guidelines regarding relocation of facilities as considered necessary by the board of directors.

SECTION 8. BOARD OF DIRECTORS. Sets forth guidelines regarding the district's board of directors.

SECTION 9. APPOINTMENT OF TEMPORARY DIRECTORS. Sets forth guidelines regarding the appointment of temporary directors.

SECTION 10. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. (a) Requires the temporary board of directors to call and hold an election to confirm establishment of the district and to elect five initial directors as provided by Chapter 49 (Provisions Applicable to all Districts), Water Code.

(b) Provides that Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

SECTION 11. ELECTION OF DIRECTORS. Sets forth guidelines and requirements for an election held in the district for the election of directors.

SECTION 12. COMPLIANCE WITH CITY ORDINANCE OR RESOLUTION. Requires the district, subject to the limitations of Section 54.016 (Consent of City), Water Code, to comply with all valid and applicable requirements of any ordinance or resolution adopted by the city council of the City of Houston, including an ordinance or resolution adopted before the effective date of this Act, that consents to the creation of the district or to the inclusion of lands within the district.

SECTION 13. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. Presents findings related to procedural requirements.

SECTION 14. EFFECTIVE DATE; EXPIRATION DATE. (a) Effective date: September 1, 2001.

(b) Provides that if the creation of the district is not confirmed at a confirmation election held under SECTION 10 of this Act before September 1, 2003, this Act expires on that date.

### **SUMMARY OF COMMITTEE CHANGES**

Differs from original as follows:

SECTION 2. Removes the phrase "of Harris County, Texas" from the definition of "district."

SECTION 6. Adds a new Subsection (c) prohibiting the district from imposing an impact fee or assessment on the property, equipment, rights of way, facilities, or improvements of an electric utility or a power generation company as defined by Section 31.002, Utilities Code, or a gas utility as defined by Section 101.003 or 121.001, Utilities Code.

SECTION 7. Adds a new SECTION 7 regarding relocation of facilities as considered necessary by the board of directors.

SECTION 8. Redesignated from original SECTION 7 and makes conforming changes.

SECTION 9. Redesignated from original SECTION 8 and adds language in Subsection (c) to specify the Texas Natural Resource Conservation Commission as the commission required to appoint an individual to fill a vacancy in the office of temporary director.

SECTION 10. Redesignated from original SECTION 9 and adds a new Subsection (b) that provides that Section 41.001(a), Election Code, does not apply to a confirmation and initial directors' election held as provided by this section.

SECTION 11. Redesignated from original SECTION 10 and changes language regarding when an election for directors is to be held.

SECTION 12. Redesignated from original SECTION 11.

SECTION 13. Redesignated from original SECTION 12.

Deletes original SECTION 13 which was the emergency clause.

SECTION 14. Adds a new SECTION 14 regarding the effective and expiration dates of this Act.