BILL ANALYSIS

Senate Research Center 80R6200 HLT-F

H.B. 3989 By: Murphy (Patrick) Intergovernmental Relations 5/15/2007 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 3989 creates the Harris County Municipal Utility District No. 437 (district) in the extraterritorial jurisdiction of the City of Houston and Harris County. As a municipal utility district (MUD), the district would have all the powers granted by Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article 16, and Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grant; Bonds), Article 3, Texas Constitution, and governed by Chapter 49 (Provisions Applicable to All Districts) and Chapter 54 (Municipal Utility District), Water Code. The district would serve as a financing vehicle to purchase, acquire, and construct public infrastructure, such as water, sewer, drainage, and roadway facilities.

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 8235, as follows:

CHAPTER 8235. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 437

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 437 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8235.001 - 8235.050);

Size, composition, election, and terms of the board of directors of the district (Sections 8235.051 - 8235.100);

Powers and duties of the district (Section 8235.101 - 8235.150); and

General financial provisions and authority to impose taxes and to issue bonds and obligations for the district (Sections 8235.151 - 8235.203).

Authorizes the use of eminent domain by the district.

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. Effective date: upon passage or September 1, 2007.