

BILL ANALYSIS

Senate Research Center
82R3758 SGA-F

H.B. 709
By: Fletcher (Patrick)
Intergovernmental Relations
5/17/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Continuing development and growth in Harris County has created the need for large-scale, permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects, recreational facilities, and major thoroughfare improvements. Article XVI (General Provisions), Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), and Article III (Legislature Department), Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), of the Texas Constitution provide for the creation of local governmental districts which 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.

Pursuant to Article XVI, Section 59, and Article III, Section 52, Texas Constitution, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, the bill creates a municipal utility district, with limited road powers and additional district division powers, to be known as Harris County Municipal Utility District No. 524, over a tract of land containing 990.804 acres of land in Harris County.

H.B. 709 amends current law relating to the creation of the Harris County Municipal Utility District No. 524, provides authority to impose a tax and issue bonds, and grants a limited power of eminent domain.

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 8354, as follows:

CHAPTER 8354. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 524

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 524 (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8354.001-8354.050);

Size, composition, election, and terms of the board of directors of the district (Sections 8354.051-8354.100);

Powers and duties of the district (Sections 8354.101-8354.150);

Division of district into multiple districts (Sections 8354.151-8354.200); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8354.201-8354.253).

Prohibits the district from exercising the power of eminent domain outside the district to acquire a site or easement for a road project under Section 8354.103 (Authority for Road Projects) or a recreational facility as defined by Section 49.462 (Definitions), Water Code.

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 8354.106, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if the Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8354, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8354.106 to read as follows:

Sec. 8354.106. NO EMINENT DOMAIN POWER. The district may not exercise 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 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 after January 1, 2010), Article I, Texas Constitution.

SECTION 5. Effective date, except as provided by Section 4 of this Act: upon passage or September 1, 2011.