

BILL ANALYSIS

Senate Research Center
84R9632 TSR-F

S.B. 2040
By: Creighton
Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of the proposed legislation is to create Harris County Municipal Utility District No. 544 (district) encompassing 138.03 acres of land (tract). The tract is located just east of Lake Houston adjacent to the Indian Shores subdivision. The tract is currently within the boundaries of Harris County Fresh Water Supply District No. 58 (FWSD 58); however, development of the tract within the boundaries of FWSD 58 is not feasible. In order to create the district over the tract, the tract must first be excluded from the boundaries of FWSD 58. The proposed legislation will provide the district with the power to finance the water, sanitary sewer, drainage, and road facilities necessary to serve the tract.

The language in the proposed legislation for the creation of the district is based upon the template creation bill.

As proposed, S.B. 2040 amends current law relating to the creation of the Harris County Municipal Utility District No. 544, 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 7924, as follows:

CHAPTER 7924. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 544

Sets forth standard language for the creation of the Harris County Municipal Utility District No. 544 (district) in Harris County. Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 7924.001-7924.007);

Size, composition, election, and terms of the board of directors of the district (Sections 7924.051 and 7924.052);

Powers and duties of the district (Sections 7924.101-7924.107); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 7924.151 and 7924.152 and 7924.201-7924.203).

Prohibits the district from exercising the power of eminent domain outside the district without the written consent of the City of Houston.

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 7924.107, 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) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7924, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7924.107, as follows:

Sec. 7924.107. 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 the legislature enacting eminent domain power), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2015.