

BILL ANALYSIS

Senate Research Center
86R19476 GRM-F

H.B. 4636
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Continuing development and growth in Fort Bend County has created the need for permanent improvements such as water supply and distribution facilities, wastewater collection and treatment facilities, drainage and flood control projects and road facilities. Article XVI, Section 59, and Article III, Section 52, of the Constitution, provide for the creation of local governmental districts that 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, of the Constitution of Texas, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, the bill creates a municipal utility district, with road powers and division powers, to be known as Orchard Municipal Utility District No. 1, over a tract of land containing approximately 1,443 acres of land located within the extraterritorial jurisdiction of the City of Orchard in Fort Bend County, Texas.

H.B. 4636 amends current law relating to the creation of the Orchard Municipal Utility District No. 1; 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 8079, as follows:

CHAPTER 8079. ORCHARD MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth standard language for the creation of the Orchard Municipal Utility District No. 1 (district) in Fort Bend County. Sets forth standards, requirements, and criteria for:

Creation, approval, purpose, and initial territory of the district (Sections 8079.0101–8079.0106);

Size, composition, election, and terms of the board of directors of the district, including provisions related to initial temporary directors (Sections 8079.0201–8079.0202);

Powers and duties of the district, including division of the district (Sections 8079.0301–8079.0306);

General financial provisions and authority to impose taxes (Sections 8079.0401–8079.0403); and

Authority to issue bonds and obligations for the district (Sections 8079.0501–8079.0503)

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. (a) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8079, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8079.0307, as follows:

Sec. 8079.0307. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2019.