

**BILL ANALYSIS**

Senate Research Center  
79R14086 HLT-F

S.B. 1889  
By: Lindsay  
Intergovernmental Relations  
5/3/2005  
As Filed

**AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

As proposed, S.B. 1889 creates Municipal Utility District #464 in 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. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8158, as follows:

CHAPTER 8158. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT  
NO. 464

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8158.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 8158.002. NATURE OF DISTRICT. Provides that the Harris County Municipal Utility District #464 (district) is a municipal utility district in Harris County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 8158.003. CONFIRMATION ELECTION REQUIRED. Provides that certain actions will occur if the creation of the district is not confirmed at a confirmation election held under Section 8158.023 before September 1, 2007.

Sec. 8158.004. INITIAL DISTRICT TERRITORY. (a) Provides that the district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) Provides that the boundaries and field notes contained in Section 2 of the Act creating this chapter form a closure. Provides that a mistake made in the field notes or in copying the field notes in the legislative process does not affect certain aspects of the district.

[Reserves Sections 8158.005-8158.020 for expansion.]

SUBCHAPTER A1. TEMPORARY PROVISIONS

Sec. 8158.021. TEMPORARY DIRECTORS. (a) Authorizes, on or after September 1, 2005, a person who owns land in the district to submit a petition to the Texas Commission on Environmental Quality (TCEQ) to appoint as temporary directors the five persons named in the petition.

(b) Requires TCEQ to appoint as temporary directors the five persons named in the first petition received by the commission under Subsection (a).

(c) Requires TCEQ to appoint a person to fill the vacancy if a temporary director fails to qualify for office.

(d) Provides that the temporary directors serve until certain dates.

Sec. 8158.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. Requires, as soon as practicable after all the temporary directors have qualified under Section 49.055 (Sworn Statement, Bond, and Oath of Office), Water Code, the temporary directors to meet at a location in the district agreeable to a majority of the directors. Requires the meeting to be at the Harris County Courthouse if a location cannot be agreed upon. Requires the temporary directors to elect officers from among the temporary directors and conduct any other district business at the meeting.

Sec. 8158.023. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. Requires the temporary directors to hold an election to confirm the creation of the district and to elect five directors as provided by Section 49.102 (Confirmation and Director Election), Water Code.

Sec. 8158.024. INITIAL ELECTED DIRECTORS; TERMS. Requires the directors elected under Section 8158.023 to draw lots to determine which two shall serve until the first regularly scheduled election of directors under Section 8158.052 and which three shall serve until the second regularly scheduled election of directors.

Sec. 8158.025. EXPIRATION OF SUBCHAPTER. Provides that this subchapter expires September 1, 2010.

[Reserves Sections 8158.026-8158.050 for expansion.]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8158.051. DIRECTORS; TERMS. Provides that the district is governed by a board of five directors (board) who serve staggered four-year terms.

Sec. 8158.052. ELECTION OF DIRECTORS. Requires the appropriate number of directors to be elected on the uniform election date in May of each even-numbered year.

[Reserves Sections 8158.053-8158.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8158.101. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the district has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8158.102. ROAD PROJECTS. Authorizes the district to construct, acquire, improve, maintain, or operate macadamized, graveled, or paved roads or turnpikes, or improvements in aid of those roads or turnpikes, inside or outside the district.

Sec. 8158.103. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCES OR RESOLUTIONS. Requires the district, subject to the limitations of Section 54.016 (Consent of City), Water Code, to comply with all applicable requirements of any ordinance or resolution adopted by the city council of the City of Houston, including an ordinance or resolution adopted before September 1, 2005, that consents to the creation of the district or to the inclusion of lands within the district.

[Reserves Sections 8158.104-8158.150 for expansion.]

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8158.151. TAX TO REPAY BONDS. Authorizes the district to impose a tax to pay the principal of or interest on bonds issued under Section 8158.201.

[Reserves Sections 8158.152-8158.200 for expansion.]

#### SUBCHAPTER E. BONDS

Sec. 8158.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) Authorizes the district to issue bonds or other obligations as provided by Chapters 49 and 54, Water Code, to finance the construction, maintenance, or operation of projects under Sections 8158.101 and 8158.102.

(b) Prohibits the district from issuing bonds to finance projects authorized by Section 8158.102 unless the issuance is approved by a vote of a two-thirds majority of the voters of the district voting at an election called for that purpose.

(c) Prohibits bonds or other obligations issued or incurred to finance projects authorized by Section 8158.102 from exceeding one-fourth of the assessed value of the real property in the district.

(d) Provides that Sections 49.181 (Authority of Commission Over Issuance of District Bonds) and 49.182 (Commission Supervision of Projects and Improvements), Water Code, do not apply to a project undertaken by the district under Section 8158.102 or to bonds issued by the district to finance the project.

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. Effective date: September 1, 2005.