

BILL ANALYSIS

Senate Research Center
83R19485 SGA-D

C.S.S.B. 1824
By: Hegar
Intergovernmental Relations
4/4/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.S.B. 1824 grants existing Fort Bend County Municipal Utility District No. 188 the authority to design, acquire, construct, finance, improve, operate, and maintain roads. The proposed legislation uses the template language applicable to road powers.

C.S.S.B. 1824 amends current law relating to the powers of the Fort Bend County Municipal Utility District No. 188, including powers related to the construction, operation, and financing of roads and providing authority to issue bonds and impose a tax.

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 8470, as follows:

CHAPTER 8470. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 188

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8470.001. DEFINITION. Defines "district" for this chapter.

Sec. 8470.002. NATURE AND PURPOSES OF DISTRICT. (a) Provides that the Fort Bend County Municipal District No. 188 (district) is a municipal utility district in Fort Bend County created under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution.

(b) Provides that the district is created to accomplish the purpose of a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution and Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8470.051. GENERAL POWERS AND DUTIES. Provides that the district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8470.052. 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. 8470.053. **AUTHORITY FOR ROAD PROJECTS.** Authorizes the district, under Section 52, Article III, Texas Constitution, to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8470.054. **ROAD STANDARDS AND REQUIREMENTS.** (a) Requires that a road project meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) Requires that the road project, if a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) Requires the Texas Transportation Commission (TTC), if the state will maintain and operate the road, to approve the plans and specifications of the road project.

Sec. 8470.053. **COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION.** Requires the district to comply with all applicable requirements of any ordinance or resolution adopted by the governing body of the municipality that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

Sec. 8470.101. **AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS.** (a) Authorizes the district to issue bonds or other obligations wholly or partly from ad valorem taxes, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project authorized by Section 8470.053.

(b) Prohibits the district from issuing bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

(c) Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes, at the time of issuance, from exceeding one-fourth of the assessed value of the real property in the district.

Sec. 8470.102. **TAXES FOR BONDS.** Requires board of directors of a district, at the time the district issues bonds payable wholly or partly from ad valorem taxes, to provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding.

SECTION 2. Provides that the district retains all rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

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: September 1, 2013.