BILL ANALYSIS

Senate Research Center 83R6184 SLB-F

S.B. 757 By: Patrick Intergovernmental Relations 3/25/2013 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Harris County Municipal Utility District No. 257 (district) encompasses an area outside of the corporate limits of any city and within the extraterritorial jurisdiction of the City of Houston. The land located within the district is commercial development and is in need of new and expanded road facilities.

S.B. 757 authorizes the district to impose taxes and issue bonds and obligations to provide road facilities to the district.

As proposed, S.B. 757 amends current law relating to the powers and duties of the Harris County Municipal Utility District No. 257 and provides authority to issue bonds.

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 8435, as follows:

CHAPTER 8435. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 257

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8435.001. DEFINITIONS. Defines "district" in this chapter.

Sec. 8435.002. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) Provides that the Harris County Municipal Utility District No. 257 (district) is created to serve a public purpose and benefit.

- (b) Provides that the district is created to accomplish the purposes of:
 - (1) a municipal utility district as provided by general law and Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities), Article XVI, Texas Constitution; and
 - (2) 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. 8435.051. AUTHORITY FOR ROAD PROJECTS. Authorizes the district, under Section 52, Article III, Texas Constitution, to design, acquire, construct, finance, issue

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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. 8435.052. 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 a road project, if the 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, if the state will maintain and operate the road, to approve the plans and specifications of the road project.

SUBCHAPTER C. BONDS

Sec. 8435.101. BONDS FOR ROAD PROJECTS. 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.

SECTION 2. 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 3. Effective date: upon passage or September 1, 2013.

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