

## **BILL ANALYSIS**

Senate Research Center  
85R5397 DMS-F

S.B. 993  
By: Creighton  
Intergovernmental Relations  
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As Filed

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

Montgomery Municipal Utility District No. 131 (district) encompasses an area within the extraterritorial jurisdiction of the City of Magnolia. The land located within the district that is proposed to be predominately developed for single-family use is in need of new and expanded road facilities.

S.B. 993 authorizes the district to impose taxes and issue bonds and obligations to provide road facilities to the district.

As proposed, S.B. 993 amends current law relating to providing road district powers to the Montgomery County Municipal Utility District No. 131, 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 7967, as follows:

#### CHAPTER 7967. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 131

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7967.001. DEFINITION. Defines "district."

Sec. 7967.002. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) Provides that the district is created to serve a public purpose and benefit.

(b) Provides that the district is created to accomplish the purposes of a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution, and the purposes of Section 52, 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. 7967.101. AUTHORITY FOR ROAD PROJECTS. Authorizes the district to, under Section 52, Article III, Texas Constitution, 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. 7967.102. 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 the road project to, 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 to, if the state will maintain and operate the road, approve the plans and specifications of the road project.

#### SUBCHAPTER C. BONDS

Sec. 7967.201. 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 from, at the time of issuance, 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, 2017.