

## **BILL ANALYSIS**

Senate Research Center  
86R9071 SLB-F

S.B. 2524  
By: Bettencourt  
Intergovernmental Relations  
4/13/2019  
As Filed

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

Harris County Municipal Utility District No. 375 (district) encompasses an area within the extraterritorial jurisdiction of the City of Houston. The land located within the district is in need of new and expanded road facilities to accommodate development. S.B. 2524 authorizes the district to impose taxes and issue bonds and obligations to provide road facilities to the district.

As proposed, S.B. 2524 amends current law relating to the powers and duties of the Harris County Municipal Utility District No. 375 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 8043, as follows:

#### CHAPTER 8043. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 375

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8043.0101. DEFINITION. Defines "district" as the Harris County Municipal Utility District No. 375 (district).

Sec. 8043.0102. 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:

(1) a municipal utility district as provided by general law and Section 59 (Conservation and Development of Natural Resources; Development of Parks and Recreational Facilities; Conservation and Reclamation Districts; Indebtedness and Taxation Authorized), Article XVI, Texas Constitution; and

(2) Section 52 (Restrictions on Lending Credit or Making Grants by Political Corporations or Political Subdivisions; Authorized Bonds; Investment of Funds), 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. 8043.0201. 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. 8043.0202. ROAD STANDARDS AND REQUIREMENTS. (a) Requires a road project to 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, if a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, to 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. 8043.0301. 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, 2019.