

1-1 By: Wilson (Senate Sponsor - Schwertner) H.B. No. 5379
 1-2 (In the Senate - Received from the House May 10, 2023;
 1-3 May 10, 2023, read first time and referred to Committee on Local
 1-4 Government; May 17, 2023, reported favorably by the following
 1-5 vote: Yeas 9, Nays 0; May 17, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Springer	X			
1-9 Eckhardt	X			
1-10 Gutierrez	X			
1-11 Hall	X			
1-12 Nichols	X			
1-13 Parker	X			
1-14 Paxton	X			
1-15 West	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the Williamson and Bell Counties
 1-20 Municipal Utility District No. 1; granting a limited power of
 1-21 eminent domain; providing authority to issue bonds; providing
 1-22 authority to impose assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-25 Code, is amended by adding Chapter 7972A to read as follows:

1-26 CHAPTER 7972A. WILLIAMSON AND BELL COUNTIES MUNICIPAL UTILITY
 1-27 DISTRICT NO. 1

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 7972A.0101. DEFINITIONS. In this chapter:

1-30 (1) "Board" means the district's board of directors.

1-31 (2) "Commission" means the Texas Commission on
 1-32 Environmental Quality.

1-33 (3) "Director" means a board member.

1-34 (4) "District" means Williamson and Bell Counties
 1-35 Municipal Utility District No. 1.

1-36 Sec. 7972A.0102. NATURE OF DISTRICT. The district is a
 1-37 municipal utility district created under Section 59, Article XVI,
 1-38 Texas Constitution.

1-39 Sec. 7972A.0103. CONFIRMATION AND DIRECTORS' ELECTION
 1-40 REQUIRED. The temporary directors shall hold an election to
 1-41 confirm the creation of the district and to elect five permanent
 1-42 directors as provided by Section 49.102, Water Code.

1-43 Sec. 7972A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-44 temporary directors may not hold an election under Section
 1-45 7972A.0103 until each municipality in whose corporate limits or
 1-46 extraterritorial jurisdiction the district is located has
 1-47 consented by ordinance or resolution to the creation of the
 1-48 district and to the inclusion of land in the district.

1-49 Sec. 7972A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-50 (a) The district is created to serve a public purpose and benefit.

1-51 (b) The district is created to accomplish the purposes of:

1-52 (1) a municipal utility district as provided by
 1-53 general law and Section 59, Article XVI, Texas Constitution; and

1-54 (2) Section 52, Article III, Texas Constitution, that
 1-55 relate to the construction, acquisition, improvement, operation,
 1-56 or maintenance of macadamized, graveled, or paved roads, or
 1-57 improvements, including storm drainage, in aid of those roads.

1-58 Sec. 7972A.0106. INITIAL DISTRICT TERRITORY. (a) The
 1-59 district is initially composed of the territory described by
 1-60 Section 2 of the Act enacting this chapter.

1-61 (b) The boundaries and field notes contained in Section 2 of

2-1 the Act enacting this chapter form a closure. A mistake made in the
 2-2 field notes or in copying the field notes in the legislative process
 2-3 does not affect the district's:

- 2-4 (1) organization, existence, or validity;
- 2-5 (2) right to issue any type of bond for the purposes
 2-6 for which the district is created or to pay the principal of and
 2-7 interest on a bond;
- 2-8 (3) right to impose a tax; or
- 2-9 (4) legality or operation.

2-10 SUBCHAPTER B. BOARD OF DIRECTORS

2-11 Sec. 7972A.0201. GOVERNING BODY; TERMS. (a) The district
 2-12 is governed by a board of five elected directors.

2-13 (b) Except as provided by Section 7972A.0202, directors
 2-14 serve staggered four-year terms.

2-15 Sec. 7972A.0202. TEMPORARY DIRECTORS. (a) The temporary
 2-16 board consists of:

- 2-17 (1) Jamison Stewart;
- 2-18 (2) Ron Lusk;
- 2-19 (3) Paul Otte;
- 2-20 (4) Megan Turnipseed; and
- 2-21 (5) Roland Fagerberg.

2-22 (b) Temporary directors serve until the earlier of:

- 2-23 (1) the date permanent directors are elected under
 2-24 Section 7972A.0103; or
- 2-25 (2) the fourth anniversary of the effective date of
 2-26 the Act enacting this chapter.

2-27 (c) If permanent directors have not been elected under
 2-28 Section 7972A.0103 and the terms of the temporary directors have
 2-29 expired, successor temporary directors shall be appointed or
 2-30 reappointed as provided by Subsection (d) to serve terms that
 2-31 expire on the earlier of:

- 2-32 (1) the date permanent directors are elected under
 2-33 Section 7972A.0103; or
- 2-34 (2) the fourth anniversary of the date of the
 2-35 appointment or reappointment.

2-36 (d) If Subsection (c) applies, the owner or owners of a
 2-37 majority of the assessed value of the real property in the district
 2-38 may submit a petition to the commission requesting that the
 2-39 commission appoint as successor temporary directors the five
 2-40 persons named in the petition. The commission shall appoint as
 2-41 successor temporary directors the five persons named in the
 2-42 petition.

2-43 SUBCHAPTER C. POWERS AND DUTIES

2-44 Sec. 7972A.0301. GENERAL POWERS AND DUTIES. The district
 2-45 has the powers and duties necessary to accomplish the purposes for
 2-46 which the district is created.

2-47 Sec. 7972A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-48 DUTIES. The district has the powers and duties provided by the
 2-49 general law of this state, including Chapters 49 and 54, Water Code,
 2-50 applicable to municipal utility districts created under Section 59,
 2-51 Article XVI, Texas Constitution.

2-52 Sec. 7972A.0303. AUTHORITY FOR ROAD PROJECTS. Under
 2-53 Section 52, Article III, Texas Constitution, the district may
 2-54 design, acquire, construct, finance, issue bonds for, improve,
 2-55 operate, maintain, and convey to this state, a county, or a
 2-56 municipality for operation and maintenance macadamized, graveled,
 2-57 or paved roads, or improvements, including storm drainage, in aid
 2-58 of those roads.

2-59 Sec. 7972A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-60 road project must meet all applicable construction standards,
 2-61 zoning and subdivision requirements, and regulations of each
 2-62 municipality in whose corporate limits or extraterritorial
 2-63 jurisdiction the road project is located.

2-64 (b) If a road project is not located in the corporate limits
 2-65 or extraterritorial jurisdiction of a municipality, the road
 2-66 project must meet all applicable construction standards,
 2-67 subdivision requirements, and regulations of each county in which
 2-68 the road project is located.

2-69 (c) If the state will maintain and operate the road, the

3-1 Texas Transportation Commission must approve the plans and
3-2 specifications of the road project.

3-3 Sec. 7972A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
3-4 ORDINANCE OR RESOLUTION. The district shall comply with all
3-5 applicable requirements of any ordinance or resolution that is
3-6 adopted under Section 54.016 or 54.0165, Water Code, and that
3-7 consents to the creation of the district or to the inclusion of land
3-8 in the district.

3-9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-10 Sec. 7972A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-11 The district may issue, without an election, bonds and other
3-12 obligations secured by:

3-13 (1) revenue other than ad valorem taxes; or
3-14 (2) contract payments described by Section
3-15 7972A.0403.

3-16 (b) The district must hold an election in the manner
3-17 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-18 before the district may impose an ad valorem tax or issue bonds
3-19 payable from ad valorem taxes.

3-20 (c) The district may not issue bonds payable from ad valorem
3-21 taxes to finance a road project unless the issuance is approved by a
3-22 vote of a two-thirds majority of the district voters voting at an
3-23 election held for that purpose.

3-24 Sec. 7972A.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-25 authorized at an election held under Section 7972A.0401, the
3-26 district may impose an operation and maintenance tax on taxable
3-27 property in the district in accordance with Section 49.107, Water
3-28 Code.

3-29 (b) The board shall determine the tax rate. The rate may not
3-30 exceed the rate approved at the election.

3-31 Sec. 7972A.0403. CONTRACT TAXES. (a) In accordance with
3-32 Section 49.108, Water Code, the district may impose a tax other than
3-33 an operation and maintenance tax and use the revenue derived from
3-34 the tax to make payments under a contract after the provisions of
3-35 the contract have been approved by a majority of the district voters
3-36 voting at an election held for that purpose.

3-37 (b) A contract approved by the district voters may contain a
3-38 provision stating that the contract may be modified or amended by
3-39 the board without further voter approval.

3-40 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-41 Sec. 7972A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
3-42 OBLIGATIONS. The district may issue bonds or other obligations
3-43 payable wholly or partly from ad valorem taxes, impact fees,
3-44 revenue, contract payments, grants, or other district money, or any
3-45 combination of those sources, to pay for any authorized district
3-46 purpose.

3-47 Sec. 7972A.0502. TAXES FOR BONDS. At the time the district
3-48 issues bonds payable wholly or partly from ad valorem taxes, the
3-49 board shall provide for the annual imposition of a continuing
3-50 direct ad valorem tax, without limit as to rate or amount, while all
3-51 or part of the bonds are outstanding as required and in the manner
3-52 provided by Sections 54.601 and 54.602, Water Code.

3-53 Sec. 7972A.0503. BONDS FOR ROAD PROJECTS. At the time of
3-54 issuance, the total principal amount of bonds or other obligations
3-55 issued or incurred to finance road projects and payable from ad
3-56 valorem taxes may not exceed one-fourth of the assessed value of the
3-57 real property in the district.

3-58 SECTION 2. The Williamson and Bell Counties Municipal
3-59 Utility District No. 1 initially includes all the territory
3-60 contained in the following area:

3-61 355.8 ACRES OF LAND LOCATED IN THE ELISHA DAVIS SURVEY 23,
3-62 ABSTRACT 172, WILLIAMSON COUNTY, TEXAS, AND THE ELISHA DAVIS SURVEY
3-63 23, ABSTRACT 244, BELL COUNTY TEXAS, COMPRISED OF THAT CALLED
3-64 134.83 ACRE TRACT DESCRIBED IN DOCUMENT 2008000104, THAT CALLED
3-65 110.51 ACRE TRACT DESCRIBED IN DOCUMENT 2008000103, AND THAT CALLED
3-66 110.51 ACRE TRACT DESCRIBED IN DOCUMENT 2020077242 ALL OF THE
3-67 OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS. SAID 355.8
3-68 ACRES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

3-69 BEGINNING, AT A FOUND 1" IRON PIPE ON THE NORTH RIGHT-OF-WAY

4-1 LINE OF COUNTY ROAD 307, THE SOUTHEAST CORNER OF SAID 110.51 ACRE
4-2 TRACT DESCRIBED IN DOCUMENT 2020077242, AND THE SOUTHWEST CORNER OF
4-3 A CALLED 114.33 ACRE TRACT DESCRIBED IN DOCUMENT 9641312 OF THE
4-4 OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS;
4-5 THENCE, S 67°50'15" W, WITH THE COMMON LINE OF SAID 110.51
4-6 ACRE TRACT DESCRIBED IN DOCUMENT 2020077242 AND SAID COUNTY ROAD
4-7 307, A DISTANCE OF 781.06 FEET TO A FOUND 1/2" IRON ROD WITH CAP
4-8 MARKED "RPLS 5784";
4-9 THENCE, S 50°10'30" W, WITH THE COMMON LINE OF SAID 110.51
4-10 ACRE TRACT DESCRIBED IN DOCUMENT 2020077242 AND SAID COUNTY ROAD
4-11 307, AT A DISTANCE OF 308.92 FEET PASSING A FOUND 1/2" IRON ROD WITH
4-12 CAP MARKED "RPLS 5784" AT THE SOUTHWEST CORNER OF SAID 110.51 ACRE
4-13 TRACT DESCRIBED IN DOCUMENT 2020077242 AND THE SOUTHEAST CORNER OF
4-14 SAID 110.51 ACRE TRACT DESCRIBED IN DOCUMENT 2008000103, CONTINUING
4-15 WITH THE COMMON LINE OF SAID COUNTY ROAD 307 AND SAID 110.51 ACRE
4-16 TRACT DESCRIBED IN DOCUMENT 2008000103, A TOTAL DISTANCE OF 632.18
4-17 FEET TO A FOUND COTTON SPINDLE;
4-18 THENCE, S 49°58'30" W, WITH THE COMMON LINE OF SAID 110.51
4-19 ACRE TRACT DESCRIBED IN DOCUMENT 2008000103 AND SAID COUNTY ROAD
4-20 307, A DISTANCE OF 748.19 FEET TO A FOUND 1" SQUARE IRON PIPE AT THE
4-21 SOUTHWEST CORNER OF SAID 110.51 ACRE TRACT DESCRIBED IN DOCUMENT
4-22 2008000103, AND THE EAST LINE OF A CALLED 464.1 ACRE TRACT DESCRIBED
4-23 IN VOLUME 365, PAGE 115 OF THE DEED RECORDS OF WILLIAMSON COUNTY,
4-24 TEXAS;
4-25 THENCE, WITH THE COMMON LINES OF SAID 464.1 ACRE TRACT AND
4-26 SAID 110.51 ACRE TRACT DESCRIBED IN DOCUMENT 2008000103, THE
4-27 FOLLOWING BEARINGS AND DISTANCES:
4-28 N 21°33'15" W, A DISTANCE OF 272.82 FEET TO A FOUND 1/2" IRON
4-29 ROD WITH CAP MARKED "RPLS 5784";
4-30 S 68°36'45" W, A DISTANCE OF 47.23 FEET TO A FOUND 5/8" IRON
4-31 ROD;
4-32 N 22°16'30" W, AT A DISTANCE OF 4362.66 FEET PASSING THE
4-33 NORTHWEST CORNER OF SAID 110.51 ACRE TRACT DESCRIBED IN DOCUMENT
4-34 2008000103 AND THE SOUTHWEST CORNER OF SAID 134.83 ACRE TRACT,
4-35 CONTINUING WITH THE COMMON LINES OF SAID 464.1 ACRE TRACT AND SAID
4-36 134.83 ACRE TRACT, A TOTAL DISTANCE OF 4414.09 FEET TO A SET 1/2"
4-37 IRON ROD WITH "CUDE" CAP;
4-38 THENCE, N 21°49'30" W, WITH THE COMMON LINES OF SAID 464.1
4-39 ACRE TRACT AND SAID 134.83 ACRE TRACT, A DISTANCE OF 59.24 FEET TO A
4-40 SET 1/2" IRON ROD WITH "CUDE" CAP;
4-41 THENCE, N 22°28'45" W, WITH THE COMMON LINES OF SAID 464.1
4-42 ACRE TRACT AND SAID 134.83 ACRE TRACT, A DISTANCE OF 2643.38 FEET TO
4-43 A SET 1/2" IRON ROD WITH "CUDE" CAP AT THE NORTHWEST CORNER OF SAID
4-44 134.83 ACRE TRACT, ON THE SOUTH LINE OF A CALLED 767 ACRE TRACT
4-45 DESCRIBED IN VOLUME 365, PAGE 115 OF THE DEED RECORDS OF WILLIAMSON
4-46 COUNTY, TEXAS AND THE NORTHEAST CORNER OF SAID 464.1 ACRE TRACT;
4-47 THENCE, N 67°04'15" E, WITH THE COMMON LINE OF SAID 134.83
4-48 ACRE TRACT AND SAID 767 ACRE TRACT, A DISTANCE OF 890.64 FEET TO A
4-49 FOUND NAIL ON CEDAR POST AT THE COMMON CORNER OF SAID 767 ACRE TRACT
4-50 AND A 415.66 ACRE TRACT DESCRIBED IN VOLUME 798, PAGE 146 OF THE
4-51 DEED RECORDS OF BELL COUNTY, TEXAS, AN ANGLE POINT ON THE NORTH LINE
4-52 OF SAID 134.83 ACRE TRACT;
4-53 THENCE, N 68°25'45" E, WITH THE COMMON LINE OF SAID 134.83
4-54 ACRE TRACT AND SAID 415.66 ACRE TRACT, A DISTANCE OF 1335.71 FEET TO
4-55 A FOUND 1" SQUARE IRON PIPE AT THE NORTHEAST CORNER OF SAID 134.83
4-56 ACRE TRACT AND THE NORTHWEST CORNER OF SAID 114.33 ACRE TRACT;
4-57 THENCE, S 21°42'45" E, WITH THE COMMON LINE OF SAID 134.83
4-58 ACRE TRACT AND SAID 114.33 ACRE TRACT, A DISTANCE OF 2336.96 FEET TO
4-59 A FOUND 1/2" IRON ROD WITH CAP MARKED "RPLS 5784";
4-60 THENCE, S 25°45'46" E, WITH THE COMMON LINE OF SAID 134.83
4-61 ACRE TRACT AND SAID 114.33 ACRE TRACT, AT A DISTANCE OF 42.61 FEET
4-62 PASSING THE SOUTHEAST CORNER OF SAID 134.83 ACRE TRACT AND THE
4-63 NORTHEAST CORNER OF SAID 110.51 ACRE TRACT DESCRIBED IN DOCUMENT
4-64 2020077242, AND CONTINUING WITH THE COMMON LINE OF SAID 110.51 ACRE
4-65 TRACT DESCRIBED IN DOCUMENT 2020077242 AND SAID 114.33 ACRE TRACT,
4-66 A TOTAL DISTANCE OF 157.87 FEET TO A SET 1/2" IRON ROD WITH "CUDE"
4-67 CAP;
4-68 THENCE, S 20°18'23" E, WITH THE COMMON LINE OF SAID 110.51
4-69 ACRE TRACT DESCRIBED IN DOCUMENT 2020077242 AND SAID 114.33 ACRE

5-1 TRACT, A DISTANCE OF 552.12 FEET TO A FOUND COTTON SPINDLE;
5-2 THENCE, S 21°37'15" E, WITH THE COMMON LINE OF SAID 110.51
5-3 ACRE TRACT DESCRIBED IN DOCUMENT 2020077242 AND SAID 114.33 ACRE
5-4 TRACT, A DISTANCE OF 3920.82 FEET TO THE POINT OF BEGINNING AND
5-5 CONTAINING 355.8 ACRES OF LAND, MORE OR LESS.

5-6 SECTION 3. (a) The legal notice of the intention to
5-7 introduce this Act, setting forth the general substance of this
5-8 Act, has been published as provided by law, and the notice and a
5-9 copy of this Act have been furnished to all persons, agencies,
5-10 officials, or entities to which they are required to be furnished
5-11 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-12 Government Code.

5-13 (b) The governor, one of the required recipients, has
5-14 submitted the notice and Act to the Texas Commission on
5-15 Environmental Quality.

5-16 (c) The Texas Commission on Environmental Quality has filed
5-17 its recommendations relating to this Act with the governor, the
5-18 lieutenant governor, and the speaker of the house of
5-19 representatives within the required time.

5-20 (d) All requirements of the constitution and laws of this
5-21 state and the rules and procedures of the legislature with respect
5-22 to the notice, introduction, and passage of this Act are fulfilled
5-23 and accomplished.

5-24 SECTION 4. (a) If this Act does not receive a two-thirds
5-25 vote of all the members elected to each house, Subchapter C, Chapter
5-26 7972A, Special District Local Laws Code, as added by Section 1 of
5-27 this Act, is amended by adding Section 7972A.0306 to read as
5-28 follows:

5-29 Sec. 7972A.0306. NO EMINENT DOMAIN POWER. The district may
5-30 not exercise the power of eminent domain.

5-31 (b) This section is not intended to be an expression of a
5-32 legislative interpretation of the requirements of Section 17(c),
5-33 Article I, Texas Constitution.

5-34 SECTION 5. This Act takes effect immediately if it receives
5-35 a vote of two-thirds of all the members elected to each house, as
5-36 provided by Section 39, Article III, Texas Constitution. If this
5-37 Act does not receive the vote necessary for immediate effect, this
5-38 Act takes effect September 1, 2023.

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