

BILL ANALYSIS

C.S.H.B. 3488
By: Hegar
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Committee Substitute House Bill No. 3488 (C.S.H.B. 3488) creates Fort Bend County Municipal Utility District No. 167 (the District). Currently, the land located within the boundaries of the proposed District is undeveloped. The territory of the District would lie within the City of Rosenberg and Fort Bend County. The District would have all of the powers granted to municipal utility districts in Chapter 49 and 54, Water Code, and road utility districts in Chapter 441, Transportation Code, and would be able to issue bonds to finance projects for a tax increment reinvestment zone.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code as follows:

CHAPTER 8142: FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 167

Subchapter A. General Provisions

Sec. 8142.001. DEFINITIONS. Defines Board, City, County, Director, and District.

Sec. 8142.002. NATURE OF DISTRICT. Provides that the District is a municipal utility district created under and essential to accomplish the purposes of Section 52, Article III and Section 59, Article XVI, Texas Constitution.

Sec. 8142.003. CONFIRMATION ELECTION REQUIRED. Requires the Board to hold an election to confirm the creation of the District as provided by Section 49.102, Water Code.

Sec. 8142.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Provides that all land and other property included in the District will benefit from the improvements and services to be provided by the District. Provides that the District is created for the same purposes as a municipal utility district and to exercise certain road powers.

Sec. 8142.005. INITIAL DISTRICT TERRITORY. Provides that the District is initially composed of territory described by Section 2 of the Act creating this chapter and finds that a mistake in the field notes does not affect the District's validity or powers.

Subchapter B. Board of Directors

Sec. 8142.051. DIRECTORS; TERMS. Sets forth the number and terms of directors of the Board.

Sec. 8142.052. ELECTION OF DIRECTORS. Requires that the appropriate number of directors be elected on the uniform election date in May of each even-numbered year.

Sec. 8142.053. INITIAL DIRECTORS. Provides the names of the initial directors of the Board for the District and sets forth guidelines for the expiration of the terms of the initial directors.

Subchapter C. Powers and Duties

Sec. 8142.101. 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. 8142.102. 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 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8142.103. ROAD PROJECTS. Authorizes the District to construct, acquire, improve, maintain or operate macadamized, graveled, or paved roads or turnpikes in the District.

Sec. 8142.104. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCES OR RESOLUTIONS. Requires the District to comply with the applicable requirements of any ordinance or resolution adopted by the city council of the municipality that consents to the creation of the District or to the inclusion of lands within the District. Requires road projects to meet applicable construction standards, zoning and subdivision requirements, and regulatory ordinances. Requires the District to obtain the consent of the municipality in whose jurisdiction the District is located prior to undertaking any road project.

Sec. 8142.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCES OR RESOLUTIONS. Requires the district to comply with requirements adopted by the city council regarding the creation of the district or inclusion of land within the district.

Sec. 8142.106. LIMITATION ON USE OF EMINENT DOMAIN. Authorizes the District to exercise the power of eminent domain outside the District only to acquire easements necessary for underground water and sewage and drainage facilities to serve the District.

Subchapter D. General Financial Provisions.

Sec. 8142.151. ELECTIONS REGARDING TAXES OR BONDS. Sets forth the specific election requirements for bonds issued to finance road projects, and the maximum amount of such bonds.

Sec. 8142.152. AD VALOREM TAX. Authorizes the district to levy an ad valorem tax, if authorized by an election, and to determine the applicable tax rate.

Subchapter E. Bonds and Other Obligations.

Sec. 8142.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. Authorizes the District to issue bonds or other obligations to pay for authorized purposes of the District.

Sec. 8142.202. TAXES FOR BONDS AND OTHER OBLIGATIONS. Requires the district to impose a direct annual ad valorem tax to pay for the bonds or other obligations.

Sec. 8142.203. CERTAIN AUTHORITY OF TEXAS COMMISSION ON ENVIRONMENTAL QUALITY NOT APPLICABLE. Provides that Sections 49.181 and 49.182, Water Code, do not apply to projects undertaken by the District or to bonds issued to finance the project.

SECTION 2. Sets forth the geographical boundaries of the district.

SECTION 3. Sets forth legislative findings regarding the fulfillment of procedural requirements with respect to the notice, introduction, and passage.

SECTION 4. Provides that the effective date will be upon passage or September 1, 2005.

EFFECTIVE DATE

Provides that the effective date will be upon passage or September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substantive changes to the Committee Substitute to House Bill No. 3488 (C.S.H.B. 3488) may be summarized as follows:

C.S.H.B. 3488 modifies the road powers that may be exercised by the District, including the requirements for issuing bonds to finance road projects and the scope of the Texas Commission on Environmental Quality's authority over the issuance of such bonds.

C.S.H.B. 3488 removes any municipal management district powers.

C.S.H.B. 3488 deletes provisions from H.B. 3488 requiring the liberal construction of the chapter, authorizing the District to issue bonds payable from certain contracts, and providing that Chapter 1471, Government Code, does not apply to the District.

C.S.H.B. adds provisions requiring the District to comply with municipal ordinances or resolutions and limiting the District's ability to exercise the power of eminent domain.