

## BILL ANALYSIS

Senate Research Center  
79R11052 HLT-F

C.S.S.B. 1807  
By: Jackson, Mike  
Intergovernmental Relations  
4/30/2005  
Committee Report (Substituted)

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

Currently, Galveston County Municipal Utility District No. 52 (district) is in existence but has no mechanism to finance roads and major thoroughfares throughout the district. As proposed, C.S.S.B. 1807 grants the district the powers it needs to finance roads, major thoroughfares and other navigation projects.

### 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 8148, as follows:

#### CHAPTER 8148. GALVESTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 52

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8148.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 8148.002. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Provides that all of the land and other property included within the boundaries of the Galveston Municipal Utility District No. 52 (district) will benefit from the works and projects to be provided by the district under powers conferred by Section 52 (Counties, Cities or other Political Corporations of Subdivisions; Lending Credit; Grants; Bonds), Article III, and Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution. Sets forth the purposes of the district.

[Reserves Sections 8148.003-8148.050 for expansion.]

##### SUBCHAPTER B. POWERS AND DUTIES

Sec. 8148.051. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the district has the powers and duties provided by the general law of the state, including Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, available to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8148.052. NAVIGATION POWERS. (a) Authorizes the district to purchase, construct, acquire, own, operate, maintain, improve or extend inside and outside its boundaries certain navigation related projects and facilities.

Sec. 8148.053. ROAD PROJECTS. (a) Authorizes the district to purchase, construct, acquire, improve, maintain, or operate inside and outside the district certain roads and road projects.

(b) Authorizes the roads and road facilities authorized by Subsection (a) to include drainage, landscaping and pedestrian improvements and lights, signs, or signals that are incidental to the roads and their construction, maintenance, or operation.

(c) Requires the roads and road facilities authorized by this section to meet all applicable construction standards, zoning and subdivision requirements, and regulatory ordinances of the municipality or county in whose jurisdiction the road or road facility is located.

(d) Authorizes the district, with consent of the municipality or county, to convey that road or road facility to the city, on completion of a road or road facility authorized by this section provided the conveyance is free of all indebtedness of the district. Provides that if the municipality or county becomes the owner of a road or road facility, the city is responsible for all future maintenance and upkeep, and the district has no further responsibility for the road or road facility or its maintenance or upkeep, unless otherwise agreed to by the district and the municipality or county.

Sec. 8148.054. JOINT ROAD PROJECTS. (a) Authorizes a district to contract with a state agency, political subdivision, or corporation created under Chapter 431 (Texas Transportation Corporation Act), Transportation Code, for a joint road or road facility.

(b) Sets forth certain authorizations for the contract.

Sec. 8148.055. REIMBURSEMENT FOR ROAD PROJECT. (a) Authorizes the district to agree to certain reimbursements or purchases.

(b) Sets forth certain guidelines for the amount paid for the reimbursement or purchase of a road or road facility.

(c) Authorizes the reimbursement or purchase of a road or road facility to be paid for with proceeds from the sale of the district's bonds or from any other money available to the district.

(d) Authorizes the district to enter into an agreement to use the proceeds of a subsequent bond sale to reimburse a private person under this section. Authorizes the agreement to provide the terms and conditions under which the road or road facility is to be dedicated or transferred for the benefit of the public.

Sec. 8148.056. EMINENT DOMAIN. Requires the district to obtain the written consent of the City of Texas City, Texas, before exercising the power of eminent domain.

[Reserves Sections 8148.057-8148.100 for expansion.]

#### SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 8148.101. ELECTIONS REGARDING TAXES OR BONDS. Authorizes the district to issue bonds or other obligations to finance road projects under Section 52(b)(3), Article III, Texas Constitution, secured in whole or in part by ad valorem taxation, impose ad valorem taxes to pay the principal of and interest on those obligations, and provide a sinking fund for the redemption the redemption of the obligations only if the issuance is approved by a two-thirds majority of the voters of the district voting at an election called and held for that purpose. Sets forth certain limits for the total amount of bonds issued under this section.

[Reserves Sections 8148.102-8148.150 for expansion.]

Sec. 8148.151. BONDS FOR CONTRACT COSTS. Authorizes the district, if the district enters into a contract under Section 8148.054, to issue to pay all or part of the costs of the joint road project any other payments required under the contract.

Sec. 8148.152. AUTHORITY OF TEXAS COMMISSION ON ENVIRONMENTAL QUALITY OVER ISSUANCE OF DISTRICT BONDS. (a) Provides that Sections 49.181 and 49.182, Water Code, apply to all water, wastewater, drainage and recreational facility projects of the district and bonds issued for those purposes.

(b) Provides that Section 49.181 and 49.182, Water Code, applies to all road and road facility projects and navigation projects and bonds issued for those purposes, but the review of the Texas Commission on Environmental Quality (TCEQ) of the projects is limited to the financial feasibility of the projects and bonds, and does not include the review or approval of the design and construction of the projects or engineering feasibility of the projects. Requires (TCEQ) to adjust the requirements of written applications for investigation of feasibility in accordance with this subsection.

(c) Provides that Section 49.182, Water Code, does not apply to road and road facility projects, navigation projects, or bonds issued for those purposes.

(d) Provides that projects and bonds of the district are not subject to the review and approval of the Texas Transportation Commission or the rules adopted by the Texas Transportation Commission.

SECTION 2. Provides that all requirements of the constitution and 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, 2005.