

## **BILL ANALYSIS**

Senate Research Center

S.B. 1872  
By: Armbrister  
Intergovernmental Relations  
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Enrolled

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

Fort Bend Municipal Utility District No. 134 (district) encompasses an area of land within the extraterritorial jurisdiction of the City of Houston. The land located within the district is proposed for single-family residential and commercial development; therefore, road services need to be secured. It is necessary to empower the district to purchase, acquire, or construct facilities for such roads to serve the future occupants of the land utilizing tax exempt bonds. S.B. 1872 provides regulations regarding the district having road powers.

### **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 Chapter 1342, Acts of the 77th Legislature, Regular Session, 2001, by adding Section 3.015, as follows:

Sec. 3.015. ROAD PROJECTS. (a) Authorizes the Fort Bend County Municipal Utility District No. 134 (district), to the extent authorized by Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III, Texas Constitution, to construct, acquire, improve, maintain, or operate macadamized, graveled, or paved roads or turnpikes, or improvements in aid of those roads or turnpikes, inside the district.

(b) Requires a road project to meet certain standards, requirements, and regulatory ordinances of the municipality or county in whose jurisdiction the district is located.

(c) Prohibits the district from undertaking a road project unless each municipality or county in whose jurisdiction the district is located consents by ordinance or resolution.

(d) Authorizes the district, if the district exercises the power of eminent domain for a road project authorized by this section, to use the power of eminent domain only to acquire land, an easement, or a right-of-way inside district boundaries.

SECTION 2. Amends Chapter 1342, Acts of the 77th Legislature, Regular Session, 2001, by adding Section 5.015, as follows:

Sec. 5.015. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS; TAX. (a) Authorizes the district to issue bonds or other obligations as provided by Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, to finance, or assist in the financing of, projects under Section 3.015 of this Act.

(b) Prohibits the district from issuing bonds or other obligations under Subsection (a) of this section unless the issuance is approved by a vote of a two-thirds majority of the voters of the district voting at an election called for that purpose.

(c) Prohibits bonds or other obligations issued or incurred by the district under this section from exceeding one-fourth of the assessed value of the real property in the district.

(d) Provides that Sections 49.181 (Authority of Commission over Issuance of District Bonds) and 49.182 (Commission Supervision of Projects and Improvements), Water Code, do not apply to a road project undertaken by the district under Section 3.015 of this Act or to bonds issued by the district to finance the project.

(e) Authorizes the district to impose an ad valorem tax to pay the principal of or interest on bonds issued under this section.

SECTION 3. Effective date: upon passage or September 1 , 2005.