BILL ANALYSIS

BACKGROUND AND PURPOSE

The purpose of the bill is to provide flexibility to the Parker Creek Municipal Utility District of Rockwall County and to the municipality in whose extraterritorial jurisdiction it is located, so that if annexed by a municipality, the Parker Creek Municipal Utility District of Rockwall County shall not be dissolved, but shall remain in existence. In addition, and only if annexed by the municipality, the Parker Creek Municipal Utility District of Rockwall County shall be authorized to engage in road projects as authorized by Article III, Section 52, Texas Constitution.

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

This Act adds Chapter 8123 to the Special District Local Laws Code, which shall be titled the Parker Creek Municipal Utility District of Rockwall County.

SUBCHAPTER A defines the GENERAL PROVISIONS that will apply to the district, which is already in existence. Definitions are provided. The nature of the district, being authorized by certain constitutional provisions, is set forth.

SUBCHAPTER B relates to ANNEXATION BY MUNICIPALITY.

The Subchapter sets forth the requirements for the process of annexation by the municipality in whose extraterritorial jurisdiction the district is located.

An annexation by the municipality does not affect any power or duty of the district prior to annexation.

SUBCHAPTER C sets forth the POWERS AND DUTIES CONTINGENT UPON ANNEXATION BY MUNICIPALITY that are bestowed in addition to the powers and duties the district shall acquire by virtue of creation as a municipal utility district.

In the part of the district annexed by the municipality, the district may construct, acquire, improve or maintain roads. Projects must meet or exceed all applicable construction standards, zoning and subdivision requirements. The district may only issue bonds for road projects secured by taxes if the issuance is approved by a vote of a two-thirds majority of the voters of the district.

SUBCHAPTER D provides for GENERAL FINANCIAL PROVISIONS.

The district is authorized to issue bonds or other obligations under Chapters 49 and 54, Water Code. District bonds or other obligations are payable from ad valorem taxes, impact fees, revenue, etc….

The district may impose a tax to pay the principal of and interest on bonds issued under Section 8123.103 and 8123.151. The district may impose a tax for any district operation and maintenance purpose as provided in Section 49.107, Water Code.

SECTION 2. VALIDATION OF THE CREATION OF THE DISTRICT AND ACTS AND PROCEEDINGS THEREOF.

SECTION 3. PROVIDING FOR RETENTION OF ALL POWERS THE DISTRICT HELD PRIOR TO THE EFFECTIVE DATE OF THE ACT.

SECTION 4. PROVIDING FOR THE RESOLUTION OF CONFLICTS BETWEEN THIS ACT AND ANY AGREEMENT ENTERED INTO BY THE MUNICIPALITY AND THE DISTRICT IN FAVOR OF THE AGREEMENT.

SECTION 5. PROVISIONS RELATING TO NOTICE REQUIRED BY CONSTITUTION FOR LOCAL LAW, AND CONFIRMING ALL SUCH ACTS FULFILLED.

EFFECTIVE DATE

Upon passage if the required vote is obtained in both houses or September 1, 2005, if not.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The committee substitute makes two changes to the bill as filed, both of them in SECTION 1 of the bill.

1. Sec. 8123.003 of the bill-as-filed is eliminated and is replaced with language that clarifies that the district has the powers and duties of a municipal utility district under Chapters 49 and 54, Water Code.

2. Sec. 8123.102 of the bill-as-filed is eliminated and is replaced with language that requires the road projects authorized under the Act to meet or exceed all applicable construction standards, zoning and subdivision requirements, and regulatory ordinances of the municipality. The section provides that the district may not undertake a road project unless the municipality consents by ordinance or resolution.