

## **BILL ANALYSIS**

H.B. 4012  
By: Olivo  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

House Bill No. 4012 creates Fort Bend County Municipal Utility District No. 189 (the “district”). Currently, the land located within the boundaries of the proposed district is undeveloped. The territory of the district would lie within the extraterritorial jurisdiction of the City of Alvin and in Fort Bend County. The district would have all of the powers granted to municipal utility districts operating pursuant to Chapters 49 and 54, Texas Water Code.

### **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, by adding Chapter 8249, as follows:

#### **CHAPTER 8249. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 189**

##### *Subchapter A. General Provisions*

Sec. 8249.001. DEFINITIONS. Defines “Board,” “Director,” and “District.”

Sec. 8249.002. NATURE OF DISTRICT. Provides that the District is a municipal utility district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 8249.003. CONFIRMATION ELECTION REQUIRED. Requires the Board to hold an election to confirm the creation of the District.

Sec. 8249.004. 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.

Sec. 8249.005. INITIAL DISTRICT TERRITORY. Provides that the District is initially composed of territory described by Section 2 of the Act creating this chapter and provides that a mistake in the field notes does not affect the District’s validity or powers.

##### *Subchapter B. Board of Directors*

Sec. 8249.051. GOVERNING BODY; TERMS. Sets forth the number and terms of directors of the Board.

Sec. 8249.052. INITIAL DIRECTORS. Provides the names of the initial directors of the Board for the District and sets forth the method of determining the terms of the initial directors.

##### *Subchapter C. Powers and Duties*

Sec. 8249.101. GENERAL POWERS AND DUTIES. Provides that the District has the powers and duties necessary to accomplish the purposes for which the District is created.

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Sec. 8249.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the District has the powers and duties of a municipal utility district, as provided by general law, including Chapters 49 and 54, Water Code.

Sec. 8249.103. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. Requires the District to comply with any ordinance or resolution adopted by a municipality providing consent to the creation of the District or inclusion of land in the District.

*Subchapter D. General Financial Provisions*

Sec. 8249.151. ELECTIONS REGARDING TAXES OR BONDS. Authorizes the district to issue bonds that are secured by revenues or contract payments without an election. Requires the District to hold an election to obtain voter approval prior to the imposition of ad valorem taxes or the issuance of bonds payable from ad valorem taxes.

Sec. 8249.152. OPERATION AND MAINTENANCE TAX. Authorizes the District to impose an operation and maintenance tax, if authorized at an election, and to determine the applicable tax rate.

*Subchapter E. Bonds*

Sec. 8249.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. Authorizes the District to issue bonds, notes, or other obligations to pay for authorized purposes of the District.

Sec. 8249.202. TAXES FOR BONDS AND OTHER OBLIGATIONS. Requires the District to impose a direct annual ad valorem tax to pay for bonds or other obligations.

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 of the Act.

SECTION 4. Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

**EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.