

## **BILL ANALYSIS**

C.S.H.B. 4018  
By: Van Arsdale  
Natural Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

C.S.H.B. 4018 amends the powers of Harris County Municipal Utility District No. 416 (the "District"). The District lies within the extraterritorial jurisdiction of the City of Houston and in Harris County. Currently, the District provides water, sewer, drainage and park facilities to land located within the boundaries of the District. This bill would provide the District with limited road powers pursuant to Article 3, Section 52 of the Constitution of Texas.

### **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 8255, as follows:

#### **CHAPTER 8255. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 416**

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

Sec. 8255.001. DEFINITIONS. Defines "Board," "Director," and "District."

Sec. 8255.002. 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, and has road powers under Section 52, Article III, Texas Constitution.

Sec. 8255.003. 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.

##### *Subchapter B. Powers and Duties*

Sec. 8255.051. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the District has the powers and duties necessary to accomplish the District's purposes and the powers and duties of a municipal utility district, as provided by general law, including Chapters 49 and 54, Water Code.

Sec. 8255.052. ROAD PROJECTS. Authorizes the District to construct, acquire, maintain or operate thoroughfares, arterials or collector roads, and improvements in aid of the roads, to the extent they meet the criteria of the municipality or county in whose jurisdiction the road project lies. Requires road projects to meet applicable municipal and county standards, regulations, and ordinances.

##### *Subchapter C. Bonds*

Sec. 8255.101. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. Authorizes the District to issue bonds, notes, or other obligations to pay for road projects. Requires a two-thirds approval by voters of the District prior to the District's

issuance of bonds for road projects. Limits the issuance of bonds used to finance road projects to one-fourth of the assessed value of real property in the District.

SECTION 2. Provides that the District retains all the rights, powers, privileges, authority, duties, and functions existing before the effective date of the Act.

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. Provides that the effective date of the Act will be upon passage or September 1, 2007.

#### **EFFECTIVE DATE**

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

#### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The filed version of the bill was not a Legislative Council draft. C.S.H.B. 4018 is a Legislative Council draft, and changes are in form only. C.S.H.B. 4018 specifically adds chapter and section numbers to the filed version of the bill, where there were previously placeholders. C.S.H.B. 4018 also moves the provisions concerning the District's powers prior the effective date of the Act from the codified portion of Section 1 to Section 2 of the Act, and renumbers the remaining sections. C.S.H.B. 4018 also provides a clarifying cross-reference in Section 8255.101(a) of Section 1.