

## **BILL ANALYSIS**

C.S.H.B. 4024  
By: Zerwas  
Natural Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

C.S.H.B. 4024 creates Fort Bend County Municipal Utility District No. 190 (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 Houston 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, with 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 8233, as follows:

#### CHAPTER 8233. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 190

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

Sec. 8233.001. DEFINITIONS. Defines "Board," "Director," and "District."

Sec. 8233.002. 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. 8233.003. CONFIRMATION OF ELECTION REQUIRED. Requires the Board to hold an election to confirm the creation of the District.

Sec. 8233.004. FINDING OF BENEFIT AND PUBLIC PURPOSE. Provides that land and all other property included in the District will benefit from the improvements and services to be provided by the District.

Sec. 8233.005. 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. 8233.051. GOVERNING BODY; TERMS. Sets forth the number and terms of the directors of the Board.

Sec. 8233.052. 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. 8233.101. 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, and has the powers and duties to accomplish the District's purposes.

Sec. 8233.102. 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.

Sec. 8233.103. 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. 8233.151. 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. Requires approval by two-thirds majority vote of District voters prior to issuance of bonds for road projects.

Sec. 8233.152. 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. 8233.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. Authorizes the District to issue bonds or other obligations to pay for authorized purposes of the District.

Sec. 8233.202. 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.

Sec. 8233.203. TAXES FOR BONDS. Requires the District to impose a direct annual ad valorem tax to pay for bonds.

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.

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

The filed version of the bill as not a Legislative Council Draft. CSHB 4024 is a Legislative Council Draft, and changes are in form only. CSHB 4024 specifically adds chapter and section numbers to the filed version of the bill, where there were previously placeholders, and makes other non-substantive revisions.