BILL ANALYSIS

H.B. 4038 By: Howard, Charlie Natural Resources Committee Report (Unamended)

BACKGROUND AND PURPOSE

House Bill 4038 amends the powers of Harris County Municipal Utility District No. 473 (the "District"). The district lies in the corporate limits of the City of Baytown 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 8250, as follows:

CHAPTER 8250. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 473

Subchapter A. General Provisions

Sec. 8250.001. DEFINITIONS. Defines "Board," "Director," and "District."

Sec. 8250.002. 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. 8250.003. 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. 8250.051. 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 notes that this Chapter does not limit the District's powers existing before the effective date of the Act enacting this Chapter.

Sec. 8250.052. 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. 8250.101. 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. Sets forth legislative findings regarding the fulfillment of procedural requirements with respect to the notice, introduction, and passage of the Act.

SECTION 3. 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.