

BILL ANALYSIS

S.B. 1991
By: Hegar
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Fort Bend County Municipal Utility District (district) lies within the extraterritorial jurisdiction of the City of Houston, located in Fort Bend County. Currently, the district provides water, sewer, drainage, and park facilities to land located within the district's boundaries.

S.B. 1991 amends the powers of the Fort Bend County Municipal Utility District No. 58 to include limited road powers pursuant to Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article 3, Texas Constitution, including the power of eminent domain.

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 8253, as follows:

CHAPTER 8253. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 58

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8253.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 8253.002. NATURE OF DISTRICT. (a) Creates the Fort Bend County Municipal Utility District No. 58 (district) under and essential to accomplish the purposes of Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution.

(b) Provides that the district, to the extent authorized by Section 8253.052 and Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III, Texas Constitution, has road powers.

Sec. 8253.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. Provides that all land and other property in the district will benefit from the improvements and services to be provided by the district.

[Reserves Sections 8253.004-8253.050 for expansion.]

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8253.051. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. (a) Provides that the district has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts under Section 59, Article XVI, Texas Constitution.

(b) Provides that the district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8253.052. ROAD PROJECTS. (a) Under Section 52, Article III, Texas Constitution, the district is authorized to finance, construct, or acquire a road project as provided by this section.

(b) Requires the district to employ or contract with a licensed engineer to certify whether a proposed road project meets the criteria for a thoroughfare, arterial, or collector road of a county in whose jurisdiction the proposed road project is located or a municipality in whose corporate limits or extraterritorial jurisdiction the proposed road project is located.

(c) Authorizes the district to finance, construct, or acquire a road that has been certified by the licensed engineer as a thoroughfare, arterial, or collector road, or any improvements in aid of the road.

(d) Requires a road project to meet all applicable standards, regulations, ordinances, or orders of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located and each county in which the road project is located if the road project is not located in the corporate limits of a municipality.

(e) Authorizes the district, with the consent of the municipality or county, to convey a completed road project to a municipality in whose corporate limits or extraterritorial jurisdiction the road project is located or a county in which the road project is located.

[Reserves Sections 8253.053-8253.100 for expansion.]

SUBCHAPTER C. BONDS

Sec. 8253.101. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) Authorizes the district to issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, grants, or other district money, or any combination of those sources, to pay for road projects as provided by Section 8253.052.

(b) Prohibits the district from issuing bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of district voters voting at an election held for that purpose.

(c) Prohibits the total principal amount of bonds, notes, or other obligations issued or incurred to finance the road projects from exceeding one-fourth of the assessed value of the real property in the district according to the most recent certified appraisal roll for Fort Bend County.

SECTION 2. Provides that the district retains all the rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

SECTION 3. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: 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.

S.B. 1991 80(R)

