

## **BILL ANALYSIS**

S.B. 2054  
By: Deuell  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

In 2005, the Parker Creek Municipal Utility District of Rockwall County (district) was created by the legislature and given road powers contingent upon the property within the district being annexed by the City of Royse City. Royse City, the district, and the developer of property within the district have entered into a new agreement that provides for the district to construct roads mutually agreed upon with Royse City. Therefore, the language creating the district needs to be amended to reflect this new agreement. Currently, the district is only authorized to engage in road projects in areas annexed by the municipality.

As proposed, S.B. 2054 amends the road powers already provided to the district to allow the district to engage in road projects mutually agreed upon by the district and Royse City.

### **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 the heading to Subchapter C, Chapter 8123, Special District Local Laws Code, to read as follows:

#### SUBCHAPTER C. POWERS AND DUTIES

SECTION 2. Amends Sections 8123.102(a), (b), and (d), Special District Local Laws Code, as follows:

(a) Authorizes the Parker Creek Municipal Utility District of Rockwall County (district) to construct, acquire, improve, maintain, or operate paved roads and enhancements or improvements to those roads in or adjacent to the district, rather than macadamized, graveled, or paved roads or turnpikes or improvements in aid of those roads or turnpikes. Deletes existing text limiting the applicability of this subsection to the part of the district annexed by the municipality.

(b) Requires a road project authorized by this section (Road Projects) to be required to meet or exceed all applicable construction standards mutually agreed upon by the district and any municipality in whose corporate boundaries or extraterritorial jurisdiction the district is located. Deletes existing text requiring a project authorized by this section to meet or exceed all applicable construction standards, zoning and subdivision requirements, and regulatory ordinances of the municipality. Deletes existing text prohibiting the district from undertaking a road project under this section unless the municipality consents by ordinance or resolution.

(d) Prohibits the district from undertaking a road project unless each municipality in whose corporate limits or extraterritorial jurisdiction the district is located consents by ordinance or resolution. Prohibits the district from undertaking a road project unless each county in which the district is located consents by ordinance or resolution if the district is located outside the extraterritorial jurisdiction of a municipality. Deletes existing text providing that Section 49.182 (Commission Supervision of Projects and Improvements), Water Code, does not apply to a project under this section.

SECTION 3. Amends Section 8123.151, Special District Local Laws Code, by amending Subsection (a) and adding Subsections (c) and (d), as follows:

(a) Authorizes the district to issue bonds to finance the construction, operation, or maintenance of a project under Section 8123.102.

(c) Prohibits the district from issuing bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8123.102 unless the issuance is approved by a vote of a two-thirds majority of district voters voting at an election called for that purpose.

(d) Prohibits bonds or other obligations issued or incurred to finance projects authorized by Section 8123.102 from exceeding one-fourth of the real property in the district.

SECTION 4. Amends Section 8123.152, Special District Local Laws Code, as follows:

Sec. 8123.152. TAX TO REPAY BONDS. Deletes existing text authorizing the district to impose a tax to pay the principal of and interest of bonds issued under Section 8123.103 (Financing of Road Projects).

SECTION 5. Amends Section 8123.153, Special District Local Laws Code, as follows:

Sec. 8123.153. OPERATION AND MAINTENANCE TAX. Deletes existing text providing that Section 49.107(f) (relating to operation and maintenance tax), Water Code, does not apply to reimbursement for a project constructed or acquired under Section 8123.102.

SECTION 6. Repealer: (1) Subchapter B (Annexation By Municipality), Chapter 8123, Special District Local Laws Code;

(2) Section 8123.101 (Applicability of Subchapter), Special District Local Laws Code; and

(3) Section 8123.103 (Financing of Road Projects), Special District Local Laws Code.

SECTION 7. 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 8. 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.