

1 AN ACT

2 relating to the powers and duties of the Harris County Municipal  
3 Utility District No. 402 regarding road projects; providing  
4 authority to impose a tax and issue bonds.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
7 Code, is amended by adding Chapter 8198 to read as follows:

8 CHAPTER 8198. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 402

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8198.001. DEFINITION. "District" means Harris County  
11 Municipal Utility District No. 402.

12 Sec. 8198.002. NATURE OF DISTRICT. The district is a  
13 municipal utility district in Harris County created under and  
14 essential to accomplish the purposes of Section 52(b)(3), Article  
15 III, or Section 59, Article XVI, Texas Constitution.

16 Sec. 8198.003. APPLICABILITY OF OTHER LAW. Except as  
17 otherwise provided by this chapter, Chapters 49 and 54, Water Code,  
18 apply to the district.

19 [Sections 8198.004-8198.050 reserved for expansion]

20 SUBCHAPTER B. POWERS AND DUTIES

21 Sec. 8198.051. ROAD PROJECTS. (a) The district may  
22 construct, acquire, improve, maintain, or operate macadamized,  
23 graveled, or paved roads or turnpikes, or improvements in aid of  
24 those roads or turnpikes, inside the district.

1       (b) A road project must meet all applicable construction  
2 standards, zoning and subdivision requirements, and regulations  
3 of:

4           (1) each municipality in whose corporate limits or  
5 extraterritorial jurisdiction the district is located; and

6           (2) each county in which the district is located.

7       (c) The district may not undertake a road project unless  
8 each municipality in whose corporate limits or extraterritorial  
9 jurisdiction the district is located consents by resolution.

10       Sec. 8198.052. COMPLIANCE WITH MUNICIPAL CONSENT  
11 RESOLUTIONS. The district shall comply with all applicable  
12 requirements of any resolution, adopted by the governing body of a  
13 municipality, that consented to the creation of the district or to  
14 the inclusion of land in the district.

15       [Sections 8198.053-8198.100 reserved for expansion]

16           SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

17       Sec. 8198.101. TAX TO REPAY BONDS FOR ROAD PROJECTS. The  
18 district may impose a tax to pay the principal of or interest on  
19 bonds issued under Section 8198.151.

20       [Sections 8198.102-8198.150 reserved for expansion]

21           SUBCHAPTER D. BONDS

22       Sec. 8198.151. AUTHORITY TO ISSUE BONDS AND OTHER  
23 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or  
24 other obligations as provided by Chapters 49 and 54, Water Code, to  
25 finance the construction, maintenance, or operation of projects  
26 under Section 8198.051.

27       (b) The district may not issue bonds or other obligations

1 secured wholly or partly by ad valorem taxation to finance projects  
2 authorized by Section 8198.051 unless the issuance is approved by a  
3 vote of a two-thirds majority of the voters in the district or of  
4 the defined areas to be benefited by the project as provided by  
5 Subchapter J, Chapter 54, Water Code, voting at an election called  
6 for that purpose. The simple majority vote approval required by  
7 Section 54.808(a), Water Code, does not apply to an election under  
8 this subsection.

9 (c) Bonds or other obligations issued or incurred to finance  
10 projects authorized by Section 8198.051 may not exceed one-fourth  
11 of the assessed value of the real property in the district or the  
12 defined area as provided by Subchapter J, Chapter 54, Water Code.

13 SECTION 2. (a) The legal notice of the intention to  
14 introduce this Act, setting forth the general substance of this  
15 Act, has been published as provided by law, and the notice and a  
16 copy of this Act have been furnished to all persons, agencies,  
17 officials, or entities to which they are required to be furnished  
18 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
19 Government Code.

20 (b) The governor, one of the required recipients, has  
21 submitted the notice and Act to the Texas Commission on  
22 Environmental Quality.

23 (c) The Texas Commission on Environmental Quality has filed  
24 its recommendations relating to this Act with the governor, the  
25 lieutenant governor, and the speaker of the house of  
26 representatives within the required time.

27 (d) All requirements of the constitution and laws of this

1 state and the rules and procedures of the legislature with respect  
2 to the notice, introduction, and passage of this Act are fulfilled  
3 and accomplished.

4 SECTION 3. This Act takes effect September 1, 2007.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1401 was passed by the House on April 13, 2007, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1401 was passed by the Senate on May 17, 2007, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor