

AN ACT

relating to the powers, duties, operation, and financing of the Collin County Municipal Utility District No. 1; providing authority to impose a tax and issue bonds.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8164 to read as follows:

CHAPTER 8164. COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8164.001. DEFINITION. In this chapter, "district" means the Collin County Municipal Utility District No. 1.

Sec. 8164.002. NATURE OF DISTRICT. (a) The district is a municipal utility district with road powers.

(b) The district is essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution, and will serve a public use and benefit.

[Sections 8164.003-8164.050 reserved for expansion]

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8164.051. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8164.052. ROAD PROJECTS. (a) The district may

1 construct, acquire, improve, maintain, or operate macadamized,
2 graveled, or paved roads or turnpikes, or improvements in aid of
3 those roads or turnpikes, inside or outside the district.

4 (b) A road project must meet all applicable construction
5 standards, zoning and subdivision requirements, and regulatory
6 ordinances of the municipality or county in whose jurisdiction the
7 district is located.

8 Sec. 8164.053. ROAD CONTRACTS. The district may contract
9 for a road project in the same manner as provided by Subchapter I,
10 Chapter 49, Water Code.

11 Sec. 8164.054. CONTRACT WITH POLITICAL SUBDIVISION FOR
12 WATER OR SEWER SERVICES. (a) The district may enter into a
13 contract to allow a political subdivision to provide retail water
14 or sewer service in the district. The contract may contain terms
15 the board considers desirable, fair, and advantageous to the
16 district.

17 (b) The contract may provide that the district will
18 construct or acquire and convey to the political subdivision a
19 water supply or treatment system, a water distribution system, or a
20 sanitary sewage collection or treatment system, as necessary to
21 provide water or sewer service in the district.

22 (c) The district may use bond proceeds or other available
23 district money to pay for its obligations and for services and
24 facilities provided under the contract.

25 (d) If the contract requires the district to make payments
26 from taxes other than operation and maintenance taxes, the contract
27 is subject to Section 49.108, Water Code.

1 [Sections 8164.055-8164.100 reserved for expansion]

2 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

3 Sec. 8164.101. OPERATION AND MAINTENANCE TAX. (a) The
4 district may impose a tax for any district operation and
5 maintenance purpose in the manner provided by Section 49.107, Water
6 Code.

7 (b) Section 49.107(f), Water Code, does not apply to
8 reimbursements for projects constructed or acquired under Section
9 8164.052.

10 Sec. 8164.102. TAX TO REPAY BONDS. The district may impose
11 a tax to pay the principal of and interest on bonds issued under
12 Section 8164.151.

13 Sec. 8164.103. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
14 ASSESSMENTS. The district may not impose an impact fee or
15 assessment on the property, including the equipment,
16 rights-of-way, facilities, or improvements, of:

17 (1) an electric utility or a power generation company
18 as defined by Section 31.002, Utilities Code;

19 (2) a gas utility as defined by Section 101.003 or
20 121.001, Utilities Code;

21 (3) a telecommunications provider as defined by
22 Section 51.002, Utilities Code; or

23 (4) a person who provides to the public cable
24 television or advanced telecommunications services.

25 [Sections 8164.104-8164.150 reserved for expansion]

26 SUBCHAPTER D. BONDS

27 Sec. 8164.151. AUTHORITY TO ISSUE BONDS AND OTHER

1 OBLIGATIONS. (a) In addition to the general authority to issue
2 bonds under Chapters 49 and 54, Water Code, the district may issue
3 bonds or other obligations as provided by Chapters 49 and 54, Water
4 Code, to finance:

5 (1) the construction, maintenance, or operation of
6 projects under Section 8164.052; or

7 (2) the district's contractual obligations under
8 Section 8164.054.

9 (b) The district may issue bonds or other obligations
10 payable wholly or partly from ad valorem taxes, impact fees,
11 revenue, grants, or other district money or any combination of
12 those sources.

13 (c) The district may not issue bonds or other obligations
14 secured wholly or partly by ad valorem taxation to finance projects
15 authorized by Section 8164.052 unless the issuance is approved by a
16 vote of a two-thirds majority of the voters of the district voting
17 at an election called for that purpose.

18 (d) Bonds or other obligations issued or incurred to finance
19 projects authorized by Section 8164.052 may not exceed one-fourth
20 of the assessed value of the real property in the district.

21 (e) Sections 49.181 and 49.182, Water Code, do not apply to
22 a project undertaken by the district under Section 8164.052 or to
23 bonds issued by the district to finance the project.

24 SECTION 2. The Collin County Municipal Utility District No.
25 1 retains all the rights, powers, privileges, authority, duties,
26 and functions that it had before the effective date of this Act.

27 SECTION 3. (a) The legal notice of the intention to

1 introduce this Act, setting forth the general substance of this
2 Act, has been published as provided by law, and the notice and a
3 copy of this Act have been furnished to all persons, agencies,
4 officials, or entities to which they are required to be furnished
5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6 Government Code.

7 (b) The governor, one of the required recipients, has
8 submitted the notice and Act to the Texas Commission on
9 Environmental Quality.

10 (c) The Texas Commission on Environmental Quality has filed
11 its recommendations relating to this Act with the governor, the
12 lieutenant governor, and the speaker of the house of
13 representatives within the required time.

14 (d) All requirements of the constitution and laws of this
15 state and the rules and procedures of the legislature with respect
16 to the notice, introduction, and passage of this Act are fulfilled
17 and accomplished.

18 SECTION 4. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 2442 was passed by the House on May 8, 2007, by the following vote: Yeas 146, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2442 was passed by the Senate on May 23, 2007, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor