

By: Laubenberg

H.B. No. 2442

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the powers, duties, operation, and financing of the  
3 Collin County Municipal Utility District No. 1; 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 8164 to read as follows:

8 CHAPTER 8164. COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

9 SUBCHAPTER A. GENERAL PROVISIONS

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

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

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

17 [Sections 8164.003-8164.050 reserved for expansion]

18 SUBCHAPTER B. POWERS AND DUTIES

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

24 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 [Sections 8164.103-8164.150 reserved for expansion]

14 SUBCHAPTER D. BONDS

15 Sec. 8164.151. AUTHORITY TO ISSUE BONDS AND OTHER  
16 OBLIGATIONS. (a) In addition to the general authority to issue  
17 bonds under Chapters 49 and 54, Water Code, the district may issue  
18 bonds or other obligations as provided by Chapters 49 and 54, Water  
19 Code, to finance:

20 (1) the construction, maintenance, or operation of  
21 projects under Section 8164.052; or

22 (2) the district's contractual obligations under  
23 Section 8164.054.

24 (b) The district may issue bonds or other obligations  
25 payable wholly or partly from ad valorem taxes, impact fees,  
26 revenue, grants, or other district money or any combination of  
27 those sources.

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

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

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

12       SECTION 2. The Collin County Municipal Utility District No.  
13 1 retains all the rights, powers, privileges, authority, duties,  
14 and functions that it had before the effective date of this Act.

15       SECTION 3. (a) The legal notice of the intention to  
16 introduce this Act, setting forth the general substance of this  
17 Act, has been published as provided by law, and the notice and a  
18 copy of this Act have been furnished to all persons, agencies,  
19 officials, or entities to which they are required to be furnished  
20 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
21 Government Code.

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

25       (c) The Texas Commission on Environmental Quality has filed  
26 its recommendations relating to this Act with the governor, the  
27 lieutenant governor, and the speaker of the house of

1 representatives within the required time.

2 (d) All requirements of the constitution and laws of this  
3 state and the rules and procedures of the legislature with respect  
4 to the notice, introduction, and passage of this Act are fulfilled  
5 and accomplished.

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