

1-1 By: Laubenberg (Senate Sponsor - Estes) H.B. No. 2442  
1-2 (In the Senate - Received from the House May 9, 2007;  
1-3 May 10, 2007, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 18, 2007, reported favorably by  
1-5 the following vote: Yeas 4, Nays 0; May 18, 2007, sent to  
1-6 printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the powers, duties, operation, and financing of the  
1-10 Collin County Municipal Utility District No. 1; providing  
1-11 authority to impose a tax and issue bonds.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
1-14 Code, is amended by adding Chapter 8164 to read as follows:

1-15 CHAPTER 8164. COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1

1-16 SUBCHAPTER A. GENERAL PROVISIONS

1-17 Sec. 8164.001. DEFINITION. In this chapter, "district"  
1-18 means the Collin County Municipal Utility District No. 1.

1-19 Sec. 8164.002. NATURE OF DISTRICT. (a) The district is a  
1-20 municipal utility district with road powers.

1-21 (b) The district is essential to accomplish the purposes of  
1-22 Section 52, Article III, and Section 59, Article XVI, Texas  
1-23 Constitution, and will serve a public use and benefit.

1-24 [Sections 8164.003-8164.050 reserved for expansion]

1-25 SUBCHAPTER B. POWERS AND DUTIES

1-26 Sec. 8164.051. MUNICIPAL UTILITY DISTRICT POWERS AND  
1-27 DUTIES. The district has the powers and duties provided by the  
1-28 general law of this state, including Chapters 49 and 54, Water Code,  
1-29 applicable to municipal utility districts created under Section 59,  
1-30 Article XVI, Texas Constitution.

1-31 Sec. 8164.052. ROAD PROJECTS. (a) The district may  
1-32 construct, acquire, improve, maintain, or operate macadamized,  
1-33 graveled, or paved roads or turnpikes, or improvements in aid of  
1-34 those roads or turnpikes, inside or outside the district.

1-35 (b) A road project must meet all applicable construction  
1-36 standards, zoning and subdivision requirements, and regulatory  
1-37 ordinances of the municipality or county in whose jurisdiction the  
1-38 district is located.

1-39 Sec. 8164.053. ROAD CONTRACTS. The district may contract  
1-40 for a road project in the same manner as provided by Subchapter I,  
1-41 Chapter 49, Water Code.

1-42 Sec. 8164.054. CONTRACT WITH POLITICAL SUBDIVISION FOR  
1-43 WATER OR SEWER SERVICES. (a) The district may enter into a  
1-44 contract to allow a political subdivision to provide retail water  
1-45 or sewer service in the district. The contract may contain terms  
1-46 the board considers desirable, fair, and advantageous to the  
1-47 district.

1-48 (b) The contract may provide that the district will  
1-49 construct or acquire and convey to the political subdivision a  
1-50 water supply or treatment system, a water distribution system, or a  
1-51 sanitary sewage collection or treatment system, as necessary to  
1-52 provide water or sewer service in the district.

1-53 (c) The district may use bond proceeds or other available  
1-54 district money to pay for its obligations and for services and  
1-55 facilities provided under the contract.

1-56 (d) If the contract requires the district to make payments  
1-57 from taxes other than operation and maintenance taxes, the contract  
1-58 is subject to Section 49.108, Water Code.

1-59 [Sections 8164.055-8164.100 reserved for expansion]

1-60 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

1-61 Sec. 8164.101. OPERATION AND MAINTENANCE TAX. (a) The  
1-62 district may impose a tax for any district operation and  
1-63 maintenance purpose in the manner provided by Section 49.107, Water  
1-64 Code.

2-1 (b) Section 49.107(f), Water Code, does not apply to  
2-2 reimbursements for projects constructed or acquired under Section  
2-3 8164.052.

2-4 Sec. 8164.102. TAX TO REPAY BONDS. The district may impose  
2-5 a tax to pay the principal of and interest on bonds issued under  
2-6 Section 8164.151.

2-7 Sec. 8164.103. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
2-8 ASSESSMENTS. The district may not impose an impact fee or  
2-9 assessment on the property, including the equipment,  
2-10 rights-of-way, facilities, or improvements, of:

2-11 (1) an electric utility or a power generation company  
2-12 as defined by Section 31.002, Utilities Code;

2-13 (2) a gas utility as defined by Section 101.003 or  
2-14 121.001, Utilities Code;

2-15 (3) a telecommunications provider as defined by  
2-16 Section 51.002, Utilities Code; or

2-17 (4) a person who provides to the public cable  
2-18 television or advanced telecommunications services.

2-19 [Sections 8164.104-8164.150 reserved for expansion]

2-20 SUBCHAPTER D. BONDS

2-21 Sec. 8164.151. AUTHORITY TO ISSUE BONDS AND OTHER  
2-22 OBLIGATIONS. (a) In addition to the general authority to issue  
2-23 bonds under Chapters 49 and 54, Water Code, the district may issue  
2-24 bonds or other obligations as provided by Chapters 49 and 54, Water  
2-25 Code, to finance:

2-26 (1) the construction, maintenance, or operation of  
2-27 projects under Section 8164.052; or

2-28 (2) the district's contractual obligations under  
2-29 Section 8164.054.

2-30 (b) The district may issue bonds or other obligations  
2-31 payable wholly or partly from ad valorem taxes, impact fees,  
2-32 revenue, grants, or other district money or any combination of  
2-33 those sources.

2-34 (c) The district may not issue bonds or other obligations  
2-35 secured wholly or partly by ad valorem taxation to finance projects  
2-36 authorized by Section 8164.052 unless the issuance is approved by a  
2-37 vote of a two-thirds majority of the voters of the district voting  
2-38 at an election called for that purpose.

2-39 (d) Bonds or other obligations issued or incurred to finance  
2-40 projects authorized by Section 8164.052 may not exceed one-fourth  
2-41 of the assessed value of the real property in the district.

2-42 (e) Sections 49.181 and 49.182, Water Code, do not apply to  
2-43 a project undertaken by the district under Section 8164.052 or to  
2-44 bonds issued by the district to finance the project.

2-45 SECTION 2. The Collin County Municipal Utility District No.  
2-46 1 retains all the rights, powers, privileges, authority, duties,  
2-47 and functions that it had before the effective date of this Act.

2-48 SECTION 3. (a) The legal notice of the intention to  
2-49 introduce this Act, setting forth the general substance of this  
2-50 Act, has been published as provided by law, and the notice and a  
2-51 copy of this Act have been furnished to all persons, agencies,  
2-52 officials, or entities to which they are required to be furnished  
2-53 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
2-54 Government Code.

2-55 (b) The governor, one of the required recipients, has  
2-56 submitted the notice and Act to the Texas Commission on  
2-57 Environmental Quality.

2-58 (c) The Texas Commission on Environmental Quality has filed  
2-59 its recommendations relating to this Act with the governor, the  
2-60 lieutenant governor, and the speaker of the house of  
2-61 representatives within the required time.

2-62 (d) All requirements of the constitution and laws of this  
2-63 state and the rules and procedures of the legislature with respect  
2-64 to the notice, introduction, and passage of this Act are fulfilled  
2-65 and accomplished.

2-66 SECTION 4. This Act takes effect immediately if it receives  
2-67 a vote of two-thirds of all the members elected to each house, as  
2-68 provided by Section 39, Article III, Texas Constitution. If this  
2-69 Act does not receive the vote necessary for immediate effect, this

3-1 Act takes effect September 1, 2007.

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