By: Puente
 H.B. No. 3770

 Substitute the following for H.B. No. 3770:
 Example 100 minimum 10

2 relating to the acquisition of road powers by a municipal utility 3 district.

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

5 SECTION 1. Section 54.234, Water Code, is amended to read as 6 follows:

Sec. 54.234. ACQUIRING ROAD [UTILITY DISTRICT] POWERS. (a) 7 Any district or any petitioner seeking the creation of a district [au8 which has the power to levy taxes, ] may petition the commission to 9 acquire the power [powers granted to road utility districts 10 operating pursuant to Chapter 441, Transportation Code, ] under the 11 12 authority of Article III, Section 52, Texas Constitution, to design, acquire, construct, finance, issue bonds for, and convey to 13 14 this state, a county, or a municipality for operation and maintenance, a road described by Subsection (b) or any improvement 15 16 in aid of the road.

17 (b) The road must meet the criteria for a thoroughfare, 18 arterial, or collector road of:

19 <u>(1) a county in whose jurisdiction the proposed road</u>
20 project is located; or

21 (2) a municipality in whose corporate limits or 22 extraterritorial jurisdiction the proposed road project is 23 located.

(c) As soon as practicable after such petition has been

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1 filed with the commission, the commission shall issue an order 2 either approving or denying such petition.

3 (d) If the commission issues an order approving the 4 petition, the district may undertake a road project if:

5 (1) the municipality or county that will operate and 6 maintain the road has approved the plans and specifications of the 7 road project; or

8 (2) the Texas Transportation Commission has approved 9 the plans and specifications of the road project, if the state is to 10 operate and maintain the road.

(e) Except as provided by Subsection (d), a district is not 11 12 required to obtain approval from the Texas Transportation Commission to acquire, construct, convey, or finance the road 13 project. [In the event of any conflict between the provisions of 14 15 the Water Code and the general laws of this state applicable to the district and the provisions of Chapter 441, Transportation Code, 16 17 the provisions of the Water Code and the general laws of this state applicable to the district shall prevail. 18

19 SECTION 2. Section 54.234, Water Code, as amended by this 20 Act, applies to a municipal utility district that acquires road 21 powers before, on, or after the effective date of this Act.

SECTION 3. A bond election held before the effective date of this Act by a municipal utility district to finance a road project authorized by Section 54.234, Water Code, is validated.

25 SECTION 4. This Act takes effect immediately if it receives 26 a vote of two-thirds of all the members elected to each house, as 27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2007.