H.B. No. 4041

| relating to the powers and duties of the Sunfield Municipal Utility |
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| District No. 3 regarding elections and road projects; 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 8201 to read as follows: |
| CHAPTER 8201. SUNFIELD MUNICIPAL UTILITY DISTRICT NO. 3 |
| SUBCHAPTER A. GENERAL PROVISIONS |
| Sec. 8201.001. DEFINITION. In this chapter, "district" |
| means the Sunfield Municipal Utility District No. 3. |
| Sec. 8201.002. ELECTION DATE. Section 41.001(a), Election |
| Code, does not apply to an election: |
| (1) to confirm the district's creation; |
| (2) to elect initial directors; or |
| (3) to approve a maintenance tax, a bond, or a |
| contract. |
| [Sections 8201.003-8201.050 reserved for expansion] |
| SUBCHAPTER B. POWERS AND DUTIES |
| Sec. 8201.051. ROAD PROJECTS. (a) To the extent authorized |
| by Section 52, Article III, Texas Constitution, the district may |
| construct, acquire, improve, maintain, or operate macadamized, |
| graveled, or paved roads or turnpikes, or improvements in aid of |
| those roads or turnpikes, inside or outside the district. |
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- 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 Sec. 8201.052. CONVEYANCE OF ROAD TO MUNICIPALITY OR
- 8 COUNTY. On completion of a road or road facility authorized by this
- 9 section, the district, with the consent of a municipality or
- 10 county, may convey the road or road facility to the municipality or
- 11 county if the conveyance is free of all indebtedness of the
- 12 <u>district</u>. If the municipality or county becomes the owner of a road
- or road facility, the municipality or county is responsible for all
- 14 <u>future maintenance and upkeep and the district has no further</u>
- 15 <u>responsibility for the road or road facility or its maintenance or</u>
- 16 upkeep, unless otherwise agreed to by the district and the
- 17 municipality or county.
- 18 Sec. 8201.053. REIMBURSEMENT FOR ROAD PROJECT. (a) The
- 19 district may:
- 20 (1) reimburse a private person for money spent to
- 21 construct a road or road facility that is dedicated or otherwise
- 22 transferred to public use; or
- (2) purchase a road or road facility constructed by a
- 24 private person.
- 25 (b) The amount paid for the reimbursement or for the
- 26 purchase of a road or road facility under Subsection (a) may:
- 27 (1) include all construction costs, including

| 1 | engineering, | legal, | financing, | and | other | expenses | incident | to | the |
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- 2 construction; or
- 3 (2) be at a price not to exceed the replacement cost of
- 4 the road or road facility as determined by the board.
- 5 (c) The reimbursement or purchase of a road or road facility
 6 may be paid for with proceeds from the sale of the district's bonds
- 7 or from any other money available to the district.
- 8 <u>(d) The district may enter into an agreement to use the</u>
- 9 proceeds of a subsequent bond sale to reimburse a private person
- 10 under this section. The agreement may provide the terms under which
- 11 the road or road facility is to be dedicated or transferred for the
- 12 benefit of the public.
- 13 [Sections 8201.054-8201.100 reserved for expansion]
- 14 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS
- 15 Sec. 8201.101. TAX TO REPAY BONDS FOR ROAD PROJECTS. The
- 16 <u>district may impose an ad valorem tax to pay the principal of or</u>
- interest on bonds issued under Section 8201.151.
- [Sections 8201.102-8201.150 reserved for expansion]
- 19 SUBCHAPTER D. BONDS
- 20 Sec. 8201.151. AUTHORITY TO ISSUE BONDS AND OTHER
- OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or
- other obligations as provided by Chapters 49 and 54, Water Code, and
- 23 to finance the construction, maintenance, or operation of projects
- 24 under Section 8201.051.
- 25 (b) The district may not issue bonds or other obligations to
- 26 finance projects authorized by Section 8201.051 unless the issuance
- 27 is approved by a vote of a two-thirds majority of the voters of the

- 1 <u>district voting at an election called for that purpose.</u>
- 2 (c) Bonds or other obligations issued or incurred to finance
- 3 projects authorized by Section 8201.051 may not exceed one-fourth
- 4 of the assessed value of the real property in the district.
- 5 SECTION 2. (a) The legal notice of the intention to
- 6 introduce this Act, setting forth the general substance of this
- 7 Act, has been published as provided by law, and the notice and a
- 8 copy of this Act have been furnished to all persons, agencies,
- 9 officials, or entities to which they are required to be furnished
- 10 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
- 11 Government Code.
- 12 (b) The governor, one of the required recipients, has
- 13 submitted the notice and Act to the Texas Commission on
- 14 Environmental Quality.
- 15 (c) The Texas Commission on Environmental Quality has filed
- 16 its recommendations relating to this Act with the governor, the
- 17 lieutenant governor, and the speaker of the house of
- 18 representatives within the required time.
- 19 (d) All requirements of the constitution and laws of this
- 20 state and the rules and procedures of the legislature with respect
- 21 to the notice, introduction, and passage of this Act are fulfilled
- 22 and accomplished.
- 23 SECTION 3. This Act takes effect immediately if it receives
- 24 a vote of two-thirds of all the members elected to each house, as
- 25 provided by Section 39, Article III, Texas Constitution. If this
- 26 Act does not receive the vote necessary for immediate effect, this
- 27 Act takes effect September 1, 2007.

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| | | H.B. NO. 4041 |
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| Presiden | t of the Senate | Speaker of the House |
| I cert: | ify that H.B. No. 404 | 1 was passed by the House on May 9, |
| 2007, by the | e following vote: Y | eas 144, Nays O, 2 present, not |
| voting. | | |
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| | | Chief Clerk of the House |
| I cert | ify that H.B. No. 404 | 11 was passed by the Senate on May |
| 23, 2007, by | the following vote: | Yeas 31, Nays 0. |
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| | | Secretary of the Senate |
| APPROVED: _ | | |
| | Date | |
| | | |
| _ | Governor | |