

BILL ANALYSIS

H.B. 1089
By: Parker
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the land within the proposed Denton County Municipal Utility Districts No. 4 and No. 5 encompasses an area outside the corporate limits of any city and within the extraterritorial jurisdiction of the City of Oak Point. The land located within the districts is zoned for single-family residential and commercial development and therefore road services need to be secured.

H.B. 1089 provides the districts the power to purchase, acquire, or construct facilities for such roads to serve the future occupants of the land utilizing tax exempt bonds, authorizes the districts to impose a tax to repay bonds, and provides regulations regarding the districts' road powers.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1089 amends the Special District Local Laws Code to set forth standard language for the creation of the Denton County Municipal Utility District No. 4 and the Denton County Municipal Utility District No. 5. The bill sets forth the powers and duties of the districts, including the power to undertake certain road projects, and the limited use of eminent domain.

H.B. 1089 sets forth general financial provisions and the authority of the districts to issue bonds and obligations guaranteed by a property tax on real property within the districts, subject to the approval of two-thirds of district voters voting at an election. The bill defines the term "district" for the purposes of these provisions.

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.