

BILL ANALYSIS

H.B. 1111
By: Zerwas
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Fort Bend County Municipal Utility District No. 163 (the “District”) lies partially within the extraterritorial jurisdiction of the City of Houston and in Fort Bend County. Currently, the District provides water, sewer, drainage and recreational facilities to land located within the boundaries of the District.

H.B. 1111 provides the District with limited road powers pursuant to Section 52, Article III, Texas Constitution.

RULEMAKING AUTHORITY

It is the Committee’s opinion that the bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8339, as follows:

CHAPTER 8339. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 163

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8339.001. DEFINITIONS. Defines “District.”

Sec. 8339.002. NATURE AND PURPOSES OF DISTRICT. Provides that the District is a municipal utility district created under and essential to accomplish the purposes of Section 59, Article XVI, and Section 52, Article III of the Texas Constitution as it relates to Section 54.234, Water Code.

[Sections 8339.003—8339.050 reserved for expansion]

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8339.051. GENERAL POWERS AND DUTIES. Provides that the District has the powers and duties necessary to accomplish its stated purposes.

Sec. 8339.052. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the District has the powers and duties of a municipal utility district, as provided by general law, including Chapters 49 and 54, Water Code.

Sec. 8339.053. AUTHORITY FOR ROAD PROJECTS. Authorizes the District to design, acquire, construct, finance, issue bonds for, improve and convey to the state, county or municipality for operation and maintenance road projects described in Section 54.234, Water Code, or improvements in aid thereof. Clarifies that additional approval from the Texas Commission on Environmental Quality is not required for the District to exercise these powers.

Sec. 8339.054. APPROVAL OF ROAD PROJECT. Requires the District to obtain approval of plans and specifications for a road project from the state, county or municipality if the road

project will be operated and maintained by the state, county or municipality. Clarifies that additional approval is not required by the Texas Transportation Commission, except as otherwise required by the state for road projects to be operated and maintained by the state.

[Sections 8339.055—8339.100 reserved for expansion]

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

Sec. 8339.101. **AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS.** Authorizes the District to issue bonds, notes, or other obligations to pay for road projects. Requires a two-thirds approval by voters of the District prior to the District's issuance of bonds for road projects. Limits the issuance of bonds used to finance road projects to one-fourth of the assessed value of real property in the District.

Sec. 8339.102. **TAXES FOR BONDS.** Upon the issuance of bonds payable wholly or partly from ad valorem taxes, requires the District to impose an ad valorem tax while all or part of the bonds are outstanding.

SECTION 2. Provides that the District retains all the rights, powers, privileges, authority, duties and functions it had prior to the effective date of the Act.

SECTION 3. Sets forth legislative findings regarding the fulfillment of procedural requirements with respect to the notice, introduction, and passage of this Act.

SECTION 4. EFFECTIVE DATE. Provides the effective date of this Act.

EFFECTIVE DATE

This Act take effect immediately if it receives a vote of two-thirds or all members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, the effective date is September 1, 2009.