

BILL ANALYSIS

H.B. 2022
By: Weber
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Sedona Lakes Municipal Utility District No. 1 of Brazoria County encompasses an area of land outside the corporate limits of any city and within the extraterritorial jurisdiction of the City of Manvel. The land will be utilized for single family residential and commercial development, and therefore needs to secure water, sewer, drainage, and road services.

H.B. 2022 provides the Sedona Lakes Municipal Utility District No. 1 the authority to purchase, acquire, or construct facilities to service the future occupants of the land through the use tax exempt bonds, and authorizes the district to impose a tax to repay bonds.

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. 2022 amends the Special District Local Laws Code to add an enabling statute relating to the Sedona Lakes Municipal Utility District No. 1 of Brazoria County. The bill sets forth general provisions relating to the powers and duties of the district, including the authority to undertake road projects and standards and requirements for such roads, required compliance with municipal ordinance and resolutions, and the limited use of eminent domain.

H.B. 2022 sets forth general financial provisions authorizing the district to issue bonds and other obligations and impose a tax to pay the principal of or interest on bonds or other obligations. The bill prohibits the district from issuing bonds payable from property taxes to finance a road project unless the issuance is approved by a two-thirds majority of district voters. The bill requires the board, on bonds payable wholly or partly from property taxes, to provide for the annual imposition of a continuing direct property tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required. The bill requires the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from property taxes to not exceed one-fourth of the assessed value of the real property in the district at the time of issuance. The bill defines "district."

EFFECTIVE DATE

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