

## **BILL ANALYSIS**

H.B. 2178  
By: Olivo  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The Sienna Plantation Municipal Utility District No. 7 lies within the extraterritorial jurisdiction of the City of Missouri City and in Fort Bend County. The district provides water, sewer, drainage, and recreational facilities to land located within the boundaries of the district.

H.B. 2178 grants the Sienna Plantation Municipal Utility District No. 7 the power to undertake certain road projects and authorizes the district to issue bonds and other obligations to finance road projects.

### **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. 2178 amends the Special District Local Laws Code to set forth standard language to establish the Sienna Plantation Municipal Utility District No. 7 in Fort Bend County as a municipal utility district under Texas law. The bill sets forth general provisions for the nature and purpose of the district, the powers and duties of the district, including the power to undertake certain road projects, and the road standards and requirements of such a project.

H.B. 2178 sets forth general financial provisions authorizing a district, subject to the approval of two-thirds of district voters, to issue bonds and other obligations, payable from property taxes, to finance a road project. 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 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 defines the term "district." The bill provides for the district to retain all the rights, powers, privileges, authority, duties, and functions it had before the effective date of this bill.

### **EFFECTIVE DATE**

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