

BILL ANALYSIS

H.B. 4778
By: Gattis
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the 160 acres located within the boundaries of the proposed Northwest Williamson County Municipal Utility District No. 1 are undeveloped.

H.B. 4778 creates the Northwest Williamson County Municipal Utility District No. 1. The bill provides that the territory of the district is outside the corporate limits of any city and partially within the extraterritorial jurisdiction of the City of Georgetown. The bill gives the district all powers granted to municipal utility districts operating pursuant to the Water Code and road powers pursuant to the Texas Constitution.

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. 4778 amends the Special District Local Laws Code to set forth standard language for the creation of the Northwest Williamson County Municipal Utility District No. 1. The bill sets forth general provisions for: the nature of the district, the confirmation of the district and election of the board of directors, the district's public purpose and benefit, and initial district territory; the number of members and terms of the board of directors of the district, including provisions for initial directors; the powers and duties of the district, including the power to undertake certain road projects and the approval necessary for such projects, and required compliance with municipal ordinance and resolutions. The bill grants the district all the powers and duties applicable to a district under the Regional Waste Disposal Act. The bill requires the district to obtain approval from the Brazos River Authority for the design of a wastewater treatment facility and specifies only the authority or a provider approved by the authority may provide wastewater service in the district. The bill requires the district to comply with a 2005 sewer service agreement among the Lower Colorado River Authority, the Brazos River Authority, the City of Georgetown, the City of Liberty Hill, and the Chisholm Trail Special Utility District.

H.B. 4778 sets forth general financial provisions authorizing the district, subject to the approval of district voters with limited exception, to issue bonds and other obligations, and impose a property tax for operations and maintenance. 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, at a rate not to exceed the rate approved at an election, while all or part of the bonds are outstanding as required, and the district to impose annually a property tax on all taxable property in the district in an amount sufficient to pay the interest on bonds and obligations, create a sinking fund for payment of the principal of the bonds and obligations, and pay the expenses of imposing the taxes. The bill prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from property taxes from exceeding one-fourth of the assessed value of the real property in the district at the time of issuance. The bill sets forth in detail the initial boundaries of the district. The bill defines the

terms "board," "director," and "district."

EFFECTIVE DATE

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