

## **BILL ANALYSIS**

Senate Research Center  
81R33709 HLT-F

C.S.H.B. 4779  
By: Gattis (Ogden)  
Intergovernmental Relations  
5/14/2009  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The 3 B&J Municipal Utility District (district) is located exclusively in Williamson County and was created during the 80th Legislature, Regular Session, 2007.

This bill grants the district the authority to undertake road projects and places conditions on the issuance of bonds by the district for such projects.

C.S.H.B. 4779 relates to the powers and duties of the district and provides authority to impose a tax and issue bonds.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter C, Chapter 8221, Special District Local Laws Code, by adding Sections 8221.109, 8221.110, and 822.111, as follows:

Sec. 8221.109. **AUTHORITY FOR ROAD PROJECTS.** Authorizes the 3 B&J Municipal Utility District (district), under Section 52 (Counties, Cities or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III (Legislative Department), Texas Constitution, to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 8221.110. **ROAD STANDARDS AND REQUIREMENTS.** (a) Requires that a road project meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) Requires that the road project, if a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, meet all applicable construction standards, zoning and subdivision requirements, and regulations of each county in which the road project is located.

(c) Requires the Texas Transportation Commission, if the state will maintain and operate the road, to approve the plans and specifications of the road project.

Sec. 8221.111. **LIMITATION ON USE OF EMINENT DOMAIN.** Prohibits the district from exercising the power of eminent domain outside the district to acquire a site or easement for a road project authorized by Section 8221.109.

SECTION 2. Amends Section 8221.201, Special District Local Laws Code, as follows:

Sec. 8221.201. **AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS.** Authorizes the district to issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, grants, or other district money, or any

combination of those sources, to pay for any authorized district purpose, including a purpose described by Section 8221.109.

SECTION 3. Amends Subchapter E, Chapter 8221, Special District Local Laws Code, by adding Section 8221.203, as follows:

Sec. 8221.203. BONDS FOR ROAD PROJECTS. (a) Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes, at the time of issuance, from exceeding one-fourth of the assessed value of the real property in the district.

(b) Prohibits the district from issuing bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

SECTION 4. (a) Provides that the legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), Texas Constitution, and Chapter 313 (Notice for Local and Special Laws), Government Code.

(b) Provides that the governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality (TCEQ).

(c) Provides that TCEQ has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) Provides that all requirements of the constitution and laws of this state and the rule and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 5. Effective date: upon passage or September 1, 2009.