

BILL ANALYSIS

H.B. 4799
By: Gattis
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Seven Oaks Ranch Municipal Utility District will encompass an area of land outside the corporate limits of any city and not within the extraterritorial jurisdiction of any city. The land to be located within the district will be developed into single-family residential and commercial developments. Therefore, water, sewer, drainage, and road services need to be secured. Creation of the district is necessary in order to purchase, acquire, or construct facilities for such services to serve the future occupants of the land using tax exempt bonds.

H.B. 4799 creates the Seven Oaks Ranch Municipal Utility District and sets forth provisions for the administration, powers, duties, operation, and financing of the district.

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. 4799 amends the Special District Local Laws Code to set forth standard language for the creation of the Seven Oaks Ranch Municipal Utility District in Williamson County. The bill sets forth general provisions for the nature of the district, the confirmation of the district, 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 the initial directors; and the powers and duties of the district, including compliance with municipal consent resolutions and required compliance with the February 2005 "Agreement Regarding Sewer Services Areas and Customers." The bill requires the district, at the district's own expense, to repair and maintain any street in the district after September 1, 2019, and requires the repair and maintenance of the streets to meet all applicable construction standards and regulations of Williamson County. The bill grants the district all the powers and duties related to regional waste disposal. The bill requires the district to obtain the approval of the Brazos River Authority for the design of any district wastewater treatment facility. The bill specifies only the authority or a provider approved by the authority is authorized to provide wastewater service in the district.

H.B. 4799 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, and requires the district to annually impose a property tax on all taxable property in the district in an amount sufficient to pay the interest on bonds and other obligations, create a sinking fund for payment of the principal, and pay the expenses of imposing the taxes. The bill sets forth in detail the initial boundaries of the district. The bill defines the terms "board," "director," and "district."

EFFECTIVE DATE

September 1, 2009.