

BILL ANALYSIS

H.B. 4800
By: Gattis
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

San Gabriel Municipal Utility District No. 1 will encompass an area of land outside the corporate limits and extraterritorial jurisdiction of any city. The land to be located within the district will be developed into single family residential and commercial development. 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 utilizing tax exempt bonds.

H.B. 4800 creates the San Gabriel Municipal Utility District No. 1 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. 4800 amends the Special District Local Laws Code to set forth standard language for the creation of the San Gabriel Municipal Utility District No. 1 in Williamson County. The bill sets forth general provisions for the nature of the district, the confirmation of the district and election of the board of directors, municipal consent, 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 temporary directors; and the powers and duties of the district, including the power to undertake certain road projects and the standards and requirements for such projects, required compliance with municipal consent ordinances and resolutions, required compliance with the February 2005, "Agreement Regarding Sewer Services Areas and Customers," and the limited use of eminent domain. 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. 4800 sets forth general financial provisions authorizing the district, subject to the approval of district voters with limited exception, to issue bonds and other obligations, impose a property tax for operations and maintenance, and impose contract taxes. 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 sets forth in detail the initial boundaries of the district. The bill defines the terms "board," "director," and "district."

EFFECTIVE DATE

September 1, 2009.