

BILL ANALYSIS

Senate Research Center

S.B. 351
By: Hegar
Intergovernmental Relations
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 351 amends the powers of the Willow Point Municipal Utility District (district) of Fort Bend and Waller Counties. The district contains approximately 177 acres of undeveloped land and is located within the extraterritorial jurisdiction of the City of Houston. The district will consist primarily of single family residential homes and some commercial development.

S.B. 351 amends the powers of the district by permitting the district to construct roads, issue bonds for road projects, and levy taxes to pay the principal and interest on those bonds.

Regarding bonds, the district may not issue bonds unless a two-thirds majority of voters approves the issuance at an election. Furthermore, bonds authorized for road projects may not exceed one-fourth of the assessed value of real property in the district.

S.B. 351 amends current law relating to the powers and duties of the Willow Point Municipal Utility District of Fort Bend and Waller Counties, 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 Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8413, as follows:

CHAPTER 8413. WILLOW POINT MUNICIPAL UTILITY DISTRICT OF FORT BEND AND WALLER COUNTIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8413.001. DEFINITION. Defines "district" in this chapter.

Sec. 8413.002. NATURE OF DISTRICT. Provides that the Willow Point Municipal Utility District of Fort Bend and Waller Counties (district) is a municipal utility district in Fort Bend and Waller Counties created under and essential to accomplish the purposes of Section 52(b)(3) (relating to the construction, maintenance, and operation of certain roads and turnpikes), Article III, or Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution.

Sec. 8413.003. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the district has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

[Reserves Sections 8413.004-8413.050 for expansion.]

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8413.051. ROAD PROJECTS. (a) Authorizes the district to construct, acquire, improve, maintain, or operate macadamized, graveled, or paved roads or turnpikes, or improvements in aid of those roads or turnpikes, inside the district.

(b) Requires that a road project meet all applicable construction standards, zoning and subdivision requirements, and regulations of:

(1) each municipality in whose corporate limits or extraterritorial jurisdiction the district is located; and

(2) each county in which the district is located.

(c) Prohibits the district from undertaking a road project unless each municipality in whose corporate limits or extraterritorial jurisdiction the district is located consents by resolution.

Sec. 8413.052. COMPLIANCE WITH MUNICIPAL CONSENT RESOLUTIONS. Requires the district to comply with all applicable requirements of any resolution, adopted by the governing body of a municipality, that consented to the creation of the district or to the inclusion of land in the district.

[Reserves Sections 8413.053-8413.100 for expansion.]

SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 8413.101. TAX TO REPAY BONDS FOR ROAD PROJECTS. Authorizes the district to impose a tax to pay the principal of or interest on bonds issued under Section 8413.151.

[Reserves Sections 8413.102-8413.150 for expansion.]

SUBCHAPTER D. BONDS

Sec. 8413.151. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) Authorizes the district to issue bonds or other obligations as provided by Chapters 49 (Provisions Applicable To All Districts) and 54 (Municipal Utility Districts), Water Code, to finance the construction, maintenance, or operation of projects under Section 8413.051.

(b) Prohibits the district from issuing bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8413.051 unless the issuance is approved by a vote of a two-thirds majority of the voters in the district or of the defined areas to be benefited by the project as provided by Subchapter J (Services for Certain Defined Areas and Designated Property), Chapter 54, Water Code, voting at an election called for that purpose. Provides that the simple majority vote approval required by Section 54.808(a) (related to requiring a majority of voter approval for boundary and tax rate approval), Water Code, does not apply to an election under this subsection.

(c) Prohibits bonds or other obligations issued or incurred to finance projects authorized by Section 8413.051 from exceeding one-fourth of the assessed value of the real property in the district or the defined area as provided by Subchapter J, Chapter 54, Water Code.

SECTION 2. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. Effective date: upon passage or September 1, 2013.