By: Thompson of Brazoria H.B. No. 1941 Substitute the following for H.B. No. 1941: By: Thompson of Brazoria C.S.H.B. No. 1941

A BILL TO BE ENTITLED

1 AN ACT 2 relating to the powers and duties of the Brazoria County Municipal Utility District No. 40; providing authority to issue bonds; 3 providing authority to impose fees or taxes. 4 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6 SECTION 1. Subtitle F, Title 6, Special District Local Laws 7 Code, is amended by adding Chapter 8450 to read as follows: CHAPTER 8450. BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 40 8 SUBCHAPTER A. GENERAL PROVISIONS 9 Sec. 8450.001. DEFINITION. In this chapter, "district" 10 means the Brazoria County Municipal Utility District No. 40. 11 12 Sec. 8450.002. NATURE AND PURPOSES OF DISTRICT. (a) The district is a municipal utility district created under Section 59, 13 Article XVI, <u>Texas Constitution</u>. 14 (b) The district is created to accomplish the purposes of: 15 (1) a municipal utility district as provided by 16 general law and Section 59, Article XVI, Texas Constitution; and 17 18 (2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, 19 or maintenance of macadamized, graveled, or paved roads, or 20 21 improvements, including storm drainage, in aid of those roads. 22 SUBCHAPTER B. POWERS AND DUTIES 23 Sec. 8450.051. GENERAL POWERS AND DUTIES. The district has 24 the powers and duties necessary to accomplish the purposes for

1 which the district is created. 2 Sec. 8450.052. MUNICIPAL UTILITY DISTRICT POWERS AND 3 DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, 4 5 applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution. 6 7 Sec. 8450.053. AUTHORITY FOR ROAD PROJECTS. Under Section 8 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, 9 10 maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or 11 12 improvements, including storm drainage, in aid of those roads. Sec. 8450.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road 13 project must meet all applicable construction standards, zoning and 14 subdivision requirements, and regulations of each municipality in 15 whose corporate limits or extraterritorial jurisdiction the road 16 project is located. 17 (b) If a road project is not located in the corporate limits 18 or extraterritorial jurisdiction of a municipality, the road 19 project <u>must meet all applicable construction standards</u>, 20 subdivision requirements, and regulations of each county in which 21 22 the road project is located. 23 (c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans 24 and 25 specifications of the road project. 26 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS 27 Sec. 8450.101. AUTHORITY TO ISSUE BONDS AND OTHER

OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project authorized by Section 8450.053.
(b) The district may not issue bonds payable from ad valorem

7 <u>taxes to finance a road project unless the issuance is approved by a</u>
8 <u>vote of a two-thirds majority of the district voters voting at an</u>
9 election held for that purpose.

10 (c) At the time of issuance, the total principal amount of 11 bonds or other obligations issued or incurred to finance road 12 projects and payable from ad valorem taxes may not exceed 13 one-fourth of the assessed value of the real property in the 14 district.

Sec. 8450.102. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

21 SECTION 2. The Brazoria County Municipal Utility District 22 No. 40 retains all rights, powers, privileges, authorities, duties, 23 and functions that it had before the effective date of this Act.

SECTION 3. (a) The legislature validates and confirms all governmental acts and proceedings of the Brazoria County Municipal Utility District No. 40 that were taken before the effective date of this Act.

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(b) This section does not apply to any matter that on the effective date of this Act: 2

3 (1)is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court 4 5 judgment; or

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(2) has been held invalid by a final court judgment.

7 SECTION 4. (a) The legal notice of the intention to 8 introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a 9 copy of this Act have been furnished to all persons, agencies, 10 officials, or entities to which they are required to be furnished 11 under Section 59, Article XVI, Texas Constitution, and Chapter 313, 12 Government Code. 13

14 (b) The governor, one of the required recipients, has 15 submitted the notice and Act to the Texas Commission on 16 Environmental Quality.

17 (c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the 18 19 lieutenant governor, and the speaker of the house of representatives within the required time. 20

All requirements of the constitution and laws of this 21 (d) state and the rules and procedures of the legislature with respect 22 to the notice, introduction, and passage of this Act are fulfilled 23 24 and accomplished.

SECTION 5. This Act takes effect immediately if it receives 25 26 a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this 27

Act does not receive the vote necessary for immediate effect, this
 Act takes effect September 1, 2013.