

By: Isaac

H.B. No. 4185

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the powers and duties of the Headwaters Municipal  
3 Utility District; providing authority to issue bonds and impose  
4 taxes.

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 7951 to read as follows:

8 CHAPTER 7951. HEADWATERS MUNICIPAL UTILITY DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 7951.001. DEFINITION. In this chapter, "district"  
11 means the Headwaters Municipal Utility District.

12 Sec. 7951.002. NATURE AND PURPOSES OF DISTRICT. (a) The  
13 district is a municipal utility district created under Section 59,  
14 Article XVI, Texas Constitution.

15 (b) The district is created to accomplish the purposes of:

16 (1) a municipal utility district as provided by  
17 general law and Section 59, Article XVI, Texas Constitution; and

18 (2) Section 52, Article III, Texas Constitution, that  
19 relate to the construction, acquisition, improvement, operation,  
20 or maintenance of macadamized, graveled, or paved roads, or  
21 improvements, including storm drainage, in aid of those roads.

22 SUBCHAPTER B. POWERS AND DUTIES

23 Sec. 7951.051. 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. 7951.052. MUNICIPAL UTILITY DISTRICT POWERS AND  
3 DUTIES. The district has the powers and duties provided by the  
4 general law of this state, including Chapters 49 and 54, Water Code,  
5 applicable to municipal utility districts created under Section 59,  
6 Article XVI, Texas Constitution.

7 Sec. 7951.053. AUTHORITY FOR ROAD PROJECTS. Under Section  
8 52, Article III, Texas Constitution, the district may design,  
9 acquire, construct, finance, issue bonds for, improve, operate,  
10 maintain, and convey to this state, a county, or a municipality for  
11 operation and maintenance macadamized, graveled, or paved roads, or  
12 improvements, including storm drainage, in aid of those roads.

13 Sec. 7951.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
14 project must meet all applicable construction standards, zoning and  
15 subdivision requirements, and regulations of each municipality in  
16 whose corporate limits or extraterritorial jurisdiction the road  
17 project is located.

18 (b) If a road project is not located in the corporate limits  
19 or extraterritorial jurisdiction of a municipality, the road  
20 project must meet all applicable construction standards,  
21 subdivision requirements, and regulations of each county in which  
22 the road project is located.

23 (c) If the state will maintain and operate the road, the  
24 Texas Transportation Commission must approve the plans and  
25 specifications of the road project.

26 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

27 Sec. 7951.101. AUTHORITY TO ISSUE BONDS AND OTHER

1 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or  
2 other obligations payable wholly or partly from ad valorem taxes,  
3 revenue, contract payments, grants, or other district money, or any  
4 combination of those sources, to pay for a road project authorized  
5 by Section 7951.053.

6 (b) The district may not issue bonds payable from ad valorem  
7 taxes to finance a road project unless the issuance is approved by a  
8 vote of a two-thirds majority of the district voters voting at an  
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.

15 Sec. 7951.102. TAXES FOR BONDS. At the time the district  
16 issues bonds payable wholly or partly from ad valorem taxes, the  
17 district shall provide for the annual imposition of a continuing  
18 direct ad valorem tax, without limit as to rate or amount, while all  
19 or part of the bonds are outstanding as required and in the manner  
20 provided by Sections 54.601 and 54.602, Water Code.

21 SECTION 2. The Headwaters Municipal Utility District  
22 retains all rights, powers, privileges, authority, duties, and  
23 functions that it had before the effective date of this Act.

24 SECTION 3. (a) The legislature validates and confirms all  
25 governmental acts and proceedings of the Headwaters Municipal  
26 Utility District that were taken before the effective date of this  
27 Act.

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

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

6                 (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  
9 Act, has been published as provided by law, and the notice and a  
10 copy of this Act have been furnished to all persons, agencies,  
11 officials, or entities to which they are required to be furnished  
12 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
13 Government Code.

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  
18 its recommendations relating to this Act with the governor, the  
19 lieutenant governor, and the speaker of the house of  
20 representatives within the required time.

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

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

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2015.