

1-1 By: Isaac (Senate Sponsor - Campbell) H.B. No. 4185
 1-2 (In the Senate - Received from the House May 18, 2015;
 1-3 May 18, 2015, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 22, 2015, reported favorably by
 1-5 the following vote: Yeas 6, Nays 0; May 22, 2015, sent to
 1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15			X	

1-16 A BILL TO BE ENTITLED
 1-17 AN ACT

1-18 relating to the powers and duties of the Headwaters Municipal
 1-19 Utility District; providing authority to issue bonds and impose
 1-20 taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-23 Code, is amended by adding Chapter 7951 to read as follows:

1-24 CHAPTER 7951. HEADWATERS MUNICIPAL UTILITY DISTRICT
 1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 7951.001. DEFINITION. In this chapter, "district"
 1-27 means the Headwaters Municipal Utility District.

1-28 Sec. 7951.002. NATURE AND PURPOSES OF DISTRICT. (a) The
 1-29 district is a municipal utility district created under Section 59,
 1-30 Article XVI, Texas Constitution.

1-31 (b) The district is created to accomplish the purposes of:

1-32 (1) a municipal utility district as provided by
 1-33 general law and Section 59, Article XVI, Texas Constitution; and

1-34 (2) Section 52, Article III, Texas Constitution, that
 1-35 relate to the construction, acquisition, improvement, operation,
 1-36 or maintenance of macadamized, graveled, or paved roads, or
 1-37 improvements, including storm drainage, in aid of those roads.

1-38 SUBCHAPTER B. POWERS AND DUTIES

1-39 Sec. 7951.051. GENERAL POWERS AND DUTIES. The district has
 1-40 the powers and duties necessary to accomplish the purposes for
 1-41 which the district is created.

1-42 Sec. 7951.052. MUNICIPAL UTILITY DISTRICT POWERS AND
 1-43 DUTIES. The district has the powers and duties provided by the
 1-44 general law of this state, including Chapters 49 and 54, Water Code,
 1-45 applicable to municipal utility districts created under Section 59,
 1-46 Article XVI, Texas Constitution.

1-47 Sec. 7951.053. AUTHORITY FOR ROAD PROJECTS. Under Section
 1-48 52, Article III, Texas Constitution, the district may design,
 1-49 acquire, construct, finance, issue bonds for, improve, operate,
 1-50 maintain, and convey to this state, a county, or a municipality for
 1-51 operation and maintenance macadamized, graveled, or paved roads, or
 1-52 improvements, including storm drainage, in aid of those roads.

1-53 Sec. 7951.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
 1-54 project must meet all applicable construction standards, zoning and
 1-55 subdivision requirements, and regulations of each municipality in
 1-56 whose corporate limits or extraterritorial jurisdiction the road
 1-57 project is located.

1-58 (b) If a road project is not located in the corporate limits
 1-59 or extraterritorial jurisdiction of a municipality, the road
 1-60 project must meet all applicable construction standards,
 1-61 subdivision requirements, and regulations of each county in which

2-1 the road project is located.

2-2 (c) If the state will maintain and operate the road, the
2-3 Texas Transportation Commission must approve the plans and
2-4 specifications of the road project.

2-5 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

2-6 Sec. 7951.101. AUTHORITY TO ISSUE BONDS AND OTHER
2-7 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or
2-8 other obligations payable wholly or partly from ad valorem taxes,
2-9 revenue, contract payments, grants, or other district money, or any
2-10 combination of those sources, to pay for a road project authorized
2-11 by Section 7951.053.

2-12 (b) The district may not issue bonds payable from ad valorem
2-13 taxes to finance a road project unless the issuance is approved by a
2-14 vote of a two-thirds majority of the district voters voting at an
2-15 election held for that purpose.

2-16 (c) At the time of issuance, the total principal amount of
2-17 bonds or other obligations issued or incurred to finance road
2-18 projects and payable from ad valorem taxes may not exceed
2-19 one-fourth of the assessed value of the real property in the
2-20 district.

2-21 Sec. 7951.102. TAXES FOR BONDS. At the time the district
2-22 issues bonds payable wholly or partly from ad valorem taxes, the
2-23 district shall provide for the annual imposition of a continuing
2-24 direct ad valorem tax, without limit as to rate or amount, while all
2-25 or part of the bonds are outstanding as required and in the manner
2-26 provided by Sections 54.601 and 54.602, Water Code.

2-27 SECTION 2. The Headwaters Municipal Utility District
2-28 retains all rights, powers, privileges, authority, duties, and
2-29 functions that it had before the effective date of this Act.

2-30 SECTION 3. (a) The legislature validates and confirms all
2-31 governmental acts and proceedings of the Headwaters Municipal
2-32 Utility District that were taken before the effective date of this
2-33 Act.

2-34 (b) This section does not apply to any matter that on the
2-35 effective date of this Act:

2-36 (1) is involved in litigation if the litigation
2-37 ultimately results in the matter being held invalid by a final court
2-38 judgment; or

2-39 (2) has been held invalid by a final court judgment.

2-40 SECTION 4. (a) The legal notice of the intention to
2-41 introduce this Act, setting forth the general substance of this
2-42 Act, has been published as provided by law, and the notice and a
2-43 copy of this Act have been furnished to all persons, agencies,
2-44 officials, or entities to which they are required to be furnished
2-45 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
2-46 Government Code.

2-47 (b) The governor, one of the required recipients, has
2-48 submitted the notice and Act to the Texas Commission on
2-49 Environmental Quality.

2-50 (c) The Texas Commission on Environmental Quality has filed
2-51 its recommendations relating to this Act with the governor, the
2-52 lieutenant governor, and the speaker of the house of
2-53 representatives within the required time.

2-54 (d) All requirements of the constitution and laws of this
2-55 state and the rules and procedures of the legislature with respect
2-56 to the notice, introduction, and passage of this Act are fulfilled
2-57 and accomplished.

2-58 SECTION 5. This Act takes effect immediately if it receives
2-59 a vote of two-thirds of all the members elected to each house, as
2-60 provided by Section 39, Article III, Texas Constitution. If this
2-61 Act does not receive the vote necessary for immediate effect, this
2-62 Act takes effect September 1, 2015.

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