Amend CSHB 4334 by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. (a) Section 8120.002, Special District Local Laws Code, is amended to read as follows:

Sec. 8120.002. NATURE OF DISTRICT; FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit [a municipal utility district in Montgomery County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution].

- (b) The creation of the district is essential to accomplish the purposes of:
- (1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and
- (2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.
- (b) Subchapter C, Chapter 8120, Special District Local Laws Code, is amended by adding Sections 8120.104 and 8120.105 to read as follows:
- Sec. 8120.104. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.
- Sec. 8120.105. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.
- (b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

- (c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.
- (c) Chapter 8120, Special District Local Laws Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. BONDS

Sec. 8120.151. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

- (d) The legal notice of the intention to introduce this section, setting forth the general substance of this section, has been published as provided by law, and the notice and a copy of this section have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.
- (e) The governor, one of the required recipients, has submitted the notice and section to the Texas Commission on Environmental Quality.
- (f) The Texas Commission on Environmental Quality has filed its recommendations relating to this section with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.
- (g) 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 section are fulfilled and accomplished.