

By: Stucky

H.B. No. 2565

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the powers and duties of the Big Sky Municipal Utility
3 District of Denton County; providing authority to issue bonds and
4 impose fees and 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 7973 to read as follows:

8 CHAPTER 7973. BIG SKY MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 7973.001. DEFINITION. In this chapter, "district"
11 means the Big Sky Municipal Utility District of Denton County.

12 Sec. 7973.002. 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. 7973.051. 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. 7973.052. 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. 7973.053. 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. 7973.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
14 project must meet all applicable construction standards and
15 regulations of each municipality in whose corporate limits or
16 extraterritorial jurisdiction the road 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 must meet all applicable construction standards and
20 regulations of each county in which the road project is located.

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

24 Sec. 7973.055. FIREFIGHTING SERVICES. Notwithstanding
25 Section 49.351(a), Water Code, the district may, as authorized by
26 Section 59(f), Article XVI, Texas Constitution, and Section 49.351,
27 Water Code:

1 (1) establish, operate, and maintain a fire
2 department;

3 (2) contract with another political subdivision for
4 the joint operation of a fire department; or

5 (3) contract with any other person to perform
6 firefighting services in the district and may issue bonds and
7 impose taxes to pay for the department and the activities.

8 Sec. 7973.056. FEES AND CHARGES. (a) The district may
9 adopt and enforce all necessary charges, mandatory fees, or
10 rentals, in addition to taxes, for providing or making available
11 any district facility or service, including firefighting
12 activities provided under Section 7973.055.

13 (b) To enforce payment of an unpaid fee or charge due to the
14 district, on the request of the district, a retail public utility,
15 as defined by Section 13.002, Water Code, providing water or sewer
16 service to a customer in the district shall terminate the service.

17 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

18 Sec. 7973.101. AUTHORITY TO ISSUE BONDS AND OTHER
19 OBLIGATIONS FOR ROAD PROJECTS. (a) In addition to the district's
20 authority to issue bonds for other purposes, the district may issue
21 bonds or other obligations payable wholly or partly from ad valorem
22 taxes, revenue, contract payments, grants, or other district money,
23 or any combination of those sources, to pay for a road project
24 authorized by Section 7973.053.

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

1 election held for that purpose.

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

7 Sec. 7973.102. TAXES FOR BONDS. At the time the district
8 issues bonds payable wholly or partly from ad valorem taxes, the
9 district shall provide for the annual imposition of a continuing
10 direct ad valorem tax, without limit as to rate or amount, while all
11 or part of the bonds are outstanding.

12 SECTION 2. The Big Sky Municipal Utility District of Denton
13 County retains all rights, powers, privileges, authority, duties,
14 and functions that it had before the effective date of this Act.

15 SECTION 3. (a) The legal notice of the intention to
16 introduce this Act, setting forth the general substance of this
17 Act, has been published as provided by law, and the notice and a
18 copy of this Act have been furnished to all persons, agencies,
19 officials, or entities to which they are required to be furnished
20 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
21 Government Code.

22 (b) The governor, one of the required recipients, has
23 submitted the notice and Act to the Texas Commission on
24 Environmental Quality.

25 (c) The Texas Commission on Environmental Quality has filed
26 its recommendations relating to this Act with the governor, the
27 lieutenant governor, and the speaker of the house of

1 representatives within the required time.

2 (d) All requirements of the constitution and laws of this
3 state and the rules and procedures of the legislature with respect
4 to the notice, introduction, and passage of this Act are fulfilled
5 and accomplished.

6 SECTION 4. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2017.