By: Fallon

H.B. No. 2987

## A BILL TO BE ENTITLED 1 AN ACT 2 relating to the powers and duties of the Denton County Municipal Utility Districts Nos. 4 and 5; providing authority to issue bonds; 3 providing authority to impose assessments, fees, and taxes. 4 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Subtitle F, Title 6, Special District Local Laws 6 7 Code, is amended by adding Chapters 7980 and 7981 to read as follows: 8 9 CHAPTER 7980. DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 4 SUBCHAPTER A. GENERAL PROVISIONS 10 Sec. 7980.001. DEFINITION. In this chapter, "district" 11 12 means the Denton County Municipal Utility District No. 4. 13 SUBCHAPTER B. POWERS AND DUTIES Sec. 7980.051. MUNICIPAL UTILITY DISTRICT POWERS AND 14 DUTIES. The district has the powers and duties provided by the 15 general law of this state, including Chapters 49 and 54, Water Code, 16 applicable to municipal utility districts created under Section 59, 17 Article XVI, Texas Constitution. 18 Sec. 7980.052. AUTHORITY FOR ROAD PROJECTS. Under Section 19 52, Article III, Texas Constitution, the district may improve, 20 operate, or maintain any macadamized, graveled, or paved roads in 21 existence on September 1, 2017, or improvements, including storm 22 23 drainage, in aid of those roads inside the district. Sec. 7980.053. ROAD STANDARDS AND REQUIREMENTS. (a) A road 24

H.B. No. 2987 1 project must meet all applicable construction standards, zoning and 2 subdivision requirements, and regulations of each municipality in 3 whose corporate limits or extraterritorial jurisdiction the road 4 project is located. 5 (b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road 6 project must meet all applicable construction standards, 7 8 subdivision requirements, and regulations of each county in which the road project is located. 9 10 Sec. 7980.054. ACCEPTANCE OF ROADS. (a) The district by order of the board may accept any road inside the district that has 11 12 been dedicated by plat or otherwise transferred to the public. (b) On acceptance of the road by the district, the district 13 is considered the owner of the accepted road and shall record 14 15 ownership of the road in the deed records of Denton County. Sec. 7980.055. ELECTION REQUIRED. The district may not 16 exercise the powers authorized by Section 7980.052 unless approved 17 by a vote of a majority of district voters voting at an election 18 19 called for that purpose. 20 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS 21 Sec. 7980.101. ISSUANCE OF BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS PROHIBITED. The district may not issue bonds or other 22 obligations payable wholly or partly from ad valorem taxes, impact 23 24 fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project 25 26 authorized by Section 7980.052. 27 CHAPTER 7981. DENTON COUNTY MUNICIPAL UTILITY DISTRICT NO. 5

H.B. No. 2987 1 SUBCHAPTER A. GENERAL PROVISIONS 2 Sec. 7981.001. DEFINITION. In this chapter, "district" 3 means the Denton County Municipal Utility District No. 5. 4 SUBCHAPTER B. POWERS AND DUTIES Sec. 7981.051. MUNICIPAL UTILITY DISTRICT POWERS AND 5 DUTIES. The district has the powers and duties provided by the 6 7 general law of this state, including Chapters 49 and 54, Water Code, 8 applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution. 9 10 Sec. 7981.052. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may improve, 11 12 operate, or maintain any macadamized, graveled, or paved roads in existence on September 1, 2017, or improvements, including storm 13 14 drainage, in aid of those roads inside the district. 15 Sec. 7981.053. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and 16 17 subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road 18 19 project is located. (b) If a road project is not located in the corporate limits 20 or extraterritorial jurisdiction of a municipality, the road 21 project must meet all applicable construction standards, 22 subdivision requirements, and regulations of each county in which 23 24 the road project is located. Sec. 7981.054. ACCEPTANCE OF ROADS. (a) The district by 25 26 order of the board may accept any road inside the district that has been dedicated by plat or otherwise transferred to the public. 27

1 (b) On acceptance of the road by the district, the district 2 is considered the owner of the accepted road and shall record 3 ownership of the road in the deed records of Denton County.

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<u>Sec. 7981.055. ELECTION REQUIRED.</u> The district may not
<u>exercise the powers authorized by Section 7981.052 unless approved</u>
<u>by a vote of a majority of district voters voting at an election</u>
called for that purpose.

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

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9 <u>Sec. 7981.101. ISSUANCE OF BONDS AND OTHER OBLIGATIONS FOR</u> 10 <u>ROAD PROJECTS PROHIBITED. The district may not issue bonds or other</u> 11 <u>obligations payable wholly or partly from ad valorem taxes, impact</u> 12 <u>fees, revenue, contract payments, grants, or other district money,</u> 13 <u>or any combination of those sources, to pay for a road project</u> 14 <u>authorized by Section 7981.052.</u>

15 SECTION 2. (a) The legislature validates and confirms all 16 governmental acts and proceedings of the Denton County Municipal 17 Utility Districts Nos. 4 and 5 that were taken before the effective 18 date of this Act.

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

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

(2) has been held invalid by a final court judgment.
SECTION 3. (a) The legal notice of the intention to
introduce this Act, setting forth the general substance of this
Act, has been published as provided by law, and the notice and a

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copy of this Act 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.

5 (b) The governor, one of the required recipients, has 6 submitted the notice and Act to the Texas Commission on 7 Environmental Quality.

8 (c) The Texas Commission on Environmental Quality has filed 9 its recommendations relating to this Act with the governor, the 10 lieutenant governor, and the speaker of the house of 11 representatives within the required time.

12 (d) All requirements of the constitution and laws of this 13 state and the rules and procedures of the legislature with respect 14 to the notice, introduction, and passage of this Act are fulfilled 15 and accomplished.

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SECTION 4. This Act takes effect August 1, 2017.