

1-1 By: Isaac (Senate Sponsor - Campbell) H.B. No. 4270  
 1-2 (In the Senate - Received from the House May 19, 2017;  
 1-3 May 19, 2017, read first time and referred to Committee on  
 1-4 Administration; May 23, 2017, reported favorably by the following  
 1-5 vote: Yeas 7, Nays 0; May 23, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED  
 1-16 AN ACT

1-17 relating to the Anthem Municipal Utility District; providing  
 1-18 authority to issue bonds; providing authority to impose  
 1-19 assessments, fees, and taxes.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-21 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
 1-22 Code, is amended by adding Chapter 7979 to read as follows:

1-23 CHAPTER 7979. ANTHEM MUNICIPAL UTILITY DISTRICT  
 1-24 SUBCHAPTER A. GENERAL PROVISIONS

1-25 Sec. 7979.001. DEFINITIONS. In this chapter:

1-26 (1) "Board" means the district's board of directors.

1-27 (2) "Commission" means the Texas Commission on

1-28 Environmental Quality.

1-29 (3) "Director" means a board member.

1-30 (4) "District" means the Anthem Municipal Utility  
 1-31 District.

1-32 Sec. 7979.002. NATURE OF DISTRICT. The district is a  
 1-33 municipal utility district created under Section 59, Article XVI,  
 1-34 Texas Constitution.

1-35 Sec. 7979.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
 1-36 The district is created to serve a public purpose and benefit.

1-37 (b) The district is created to accomplish the purposes of:

1-38 (1) a municipal utility district as provided by  
 1-39 general law and Section 59, Article XVI, Texas Constitution; and

1-40 (2) Section 52, Article III, Texas Constitution, that  
 1-41 relate to the construction, acquisition, improvement, operation,  
 1-42 or maintenance of macadamized, graveled, or paved roads, or  
 1-43 improvements, including storm drainage and landscaping, in aid of  
 1-44 those roads.

1-45 SUBCHAPTER B. POWERS AND DUTIES

1-46 Sec. 7979.051. GENERAL POWERS AND DUTIES. The district has  
 1-47 the powers and duties necessary to accomplish the purposes for  
 1-48 which the district is created.

1-49 Sec. 7979.052. MUNICIPAL UTILITY DISTRICT POWERS AND  
 1-50 DUTIES. The district has the powers and duties provided by the  
 1-51 general law of this state, including Chapters 49 and 54, Water Code,  
 1-52 applicable to municipal utility districts created under Section 59,  
 1-53 Article XVI, Texas Constitution.

1-54 Sec. 7979.053. AUTHORITY FOR ROAD PROJECTS. Under Section  
 1-55 52, Article III, Texas Constitution, the district may design,  
 1-56 acquire, construct, finance, issue bonds for, improve, operate,  
 1-57 maintain, and convey to this state, a county, or a municipality for  
 1-58 operation and maintenance macadamized, graveled, or paved roads, or  
 1-59 improvements, including storm drainage and landscaping, in aid of  
 1-60 those roads.

1-61 Sec. 7979.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road

2-1 project must meet all applicable construction standards, zoning and  
 2-2 subdivision requirements, and regulations of each municipality in  
 2-3 whose corporate limits or extraterritorial jurisdiction the road  
 2-4 project is located.

2-5 (b) If a road project is not located in the corporate limits  
 2-6 or extraterritorial jurisdiction of a municipality, the road  
 2-7 project must meet all applicable construction standards,  
 2-8 subdivision requirements, and regulations of each county in which  
 2-9 the road project is located.

2-10 (c) If the state will maintain and operate the road, the  
 2-11 Texas Transportation Commission must approve the plans and  
 2-12 specifications of the road project.

2-13 Sec. 7979.055. STRATEGIC PARTNERSHIP AGREEMENT. The  
 2-14 district may negotiate and enter into a written strategic  
 2-15 partnership agreement with:

2-16 (1) a municipality under Section 43.0751, Local  
 2-17 Government Code; and

2-18 (2) a municipality that provides water and wastewater  
 2-19 services to the district.

2-20 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

2-21 Sec. 7979.101. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
 2-22 district may issue, without an election, bonds and other  
 2-23 obligations secured by:

2-24 (1) revenue other than ad valorem taxes; or

2-25 (2) contract payments described by Section 7979.103.

2-26 (b) The district must hold an election in the manner  
 2-27 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
 2-28 before the district may impose an ad valorem tax or issue bonds  
 2-29 payable from ad valorem taxes.

2-30 (c) The district may not issue bonds payable from ad valorem  
 2-31 taxes to finance a road project unless the issuance is approved by a  
 2-32 vote of a two-thirds majority of the district voters voting at an  
 2-33 election held for that purpose.

2-34 Sec. 7979.102. OPERATION AND MAINTENANCE TAX. (a) If  
 2-35 authorized at an election held under Section 7979.101, the district  
 2-36 may impose an operation and maintenance tax on taxable property in  
 2-37 the district in accordance with Section 49.107, Water Code.

2-38 (b) The board shall determine the tax rate. The rate may not  
 2-39 exceed the rate approved at the election.

2-40 Sec. 7979.103. CONTRACT TAXES. (a) In accordance with  
 2-41 Section 49.108, Water Code, the district may impose a tax other than  
 2-42 an operation and maintenance tax and use the revenue derived from  
 2-43 the tax to make payments under a contract after the provisions of  
 2-44 the contract have been approved by a majority of the district voters  
 2-45 voting at an election held for that purpose.

2-46 (b) A contract approved by the district voters may contain a  
 2-47 provision stating that the contract may be modified or amended by  
 2-48 the board without further voter approval.

2-49 SUBCHAPTER D. ASSESSMENTS; APPLICABILITY OF IMPACT FEES AND  
 2-50 ASSESSMENTS

2-51 Sec. 7979.151. PETITION REQUIRED FOR FINANCING  
 2-52 RECREATIONAL FACILITIES, IMPROVEMENTS, AND SERVICES WITH  
 2-53 ASSESSMENTS. (a) The board may finance the construction or  
 2-54 maintenance of a recreational facility or improvement or finance  
 2-55 the provision of a recreational service with assessments on  
 2-56 commercial or residential property, or both, under this subchapter,  
 2-57 but only if:

2-58 (1) a written petition requesting that facility,  
 2-59 improvement, or service has been filed with the board; and

2-60 (2) the board holds a hearing on the proposed  
 2-61 assessments.

2-62 (b) The petition must be signed by the owners of a majority  
 2-63 of the assessed value of real property in the district subject to  
 2-64 assessment according to the most recent certified tax appraisal  
 2-65 roll for the county.

2-66 Sec. 7979.152. METHOD OF NOTICE FOR HEARING. The district  
 2-67 shall mail notice of the hearing to each property owner in the  
 2-68 district who will be subject to the assessment at the current  
 2-69 address to be assessed as reflected on the tax rolls. The district

3-1 may mail the notice by certified or first class United States mail.  
 3-2 The board shall determine the method of notice.

3-3 Sec. 7979.153. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) An  
 3-4 assessment or a reassessment imposed under this subchapter by the  
 3-5 district, penalties and interest on an assessment or reassessment,  
 3-6 an expense of collection, and reasonable attorney's fees incurred  
 3-7 by the district:

3-8 (1) are a first and prior lien against the property  
 3-9 assessed;

3-10 (2) are superior to any other lien or claim other than  
 3-11 a lien or claim for county, school district, or municipal ad valorem  
 3-12 taxes; and

3-13 (3) are the personal liability of and a charge against  
 3-14 the owners of the property even if the owners are not named in the  
 3-15 assessment proceedings.

3-16 (b) The lien is effective from the date of the board's  
 3-17 resolution imposing the assessment until the date the assessment is  
 3-18 paid. The board may enforce the lien in the same manner that the  
 3-19 board may enforce an ad valorem tax lien against real property.

3-20 (c) The board may make a correction to or deletion from the  
 3-21 assessment roll that does not increase the amount of assessment of  
 3-22 any parcel of land without providing notice and holding a hearing in  
 3-23 the manner required for additional assessments.

3-24 Sec. 7979.154. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
 3-25 ASSESSMENTS. The district may not impose an impact fee or  
 3-26 assessment on the property, including the equipment,  
 3-27 rights-of-way, facilities, or improvements, of:

3-28 (1) an electric utility or a power generation company  
 3-29 as defined by Section 31.002, Utilities Code;

3-30 (2) a gas utility as defined by Section 101.003 or  
 3-31 121.001, Utilities Code;

3-32 (3) a telecommunications provider as defined by  
 3-33 Section 51.002, Utilities Code; or

3-34 (4) a person who provides to the public cable  
 3-35 television or advanced telecommunications services.

3-36 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-37 Sec. 7979.201. AUTHORITY TO ISSUE BONDS AND OTHER  
 3-38 OBLIGATIONS. The district may issue bonds or other obligations  
 3-39 payable wholly or partly from ad valorem taxes, impact fees,  
 3-40 revenue, contract payments, grants, or other district money, or any  
 3-41 combination of those sources, to pay for any authorized district  
 3-42 purpose.

3-43 Sec. 7979.202. TAXES FOR BONDS. At the time the district  
 3-44 issues bonds payable wholly or partly from ad valorem taxes, the  
 3-45 board shall provide for the annual imposition of a continuing  
 3-46 direct ad valorem tax, without limit as to rate or amount, while all  
 3-47 or part of the bonds are outstanding as required and in the manner  
 3-48 provided by Sections 54.601 and 54.602, Water Code.

3-49 Sec. 7979.203. BONDS FOR ROAD PROJECTS. At the time of  
 3-50 issuance, the total principal amount of bonds or other obligations  
 3-51 issued or incurred to finance road projects and payable from ad  
 3-52 valorem taxes may not exceed one-fourth of the assessed value of the  
 3-53 real property in the district.

3-54 SECTION 2. (a) All governmental and proprietary actions  
 3-55 and proceedings of the Anthem Municipal Utility District taken  
 3-56 before the effective date of this Act are validated, ratified, and  
 3-57 confirmed in all respects as of the dates on which they occurred.

3-58 (b) This section does not apply to any matter that on the  
 3-59 effective date of this Act:

3-60 (1) is involved in litigation if the litigation  
 3-61 ultimately results in the matter being held invalid by a final court  
 3-62 judgment; or

3-63 (2) has been held invalid by a final court judgment.

3-64 SECTION 3. (a) The legal notice of the intention to  
 3-65 introduce this Act, setting forth the general substance of this  
 3-66 Act, has been published as provided by law, and the notice and a  
 3-67 copy of this Act have been furnished to all persons, agencies,  
 3-68 officials, or entities to which they are required to be furnished  
 3-69 under Section 59, Article XVI, Texas Constitution, and Chapter 313,

4-1 Government Code.

4-2 (b) The governor, one of the required recipients, has  
4-3 submitted the notice and Act to the Texas Commission on  
4-4 Environmental Quality.

4-5 (c) The Texas Commission on Environmental Quality has filed  
4-6 its recommendations relating to this Act with the governor, the  
4-7 lieutenant governor, and the speaker of the house of  
4-8 representatives within the required time.

4-9 (d) All requirements of the constitution and laws of this  
4-10 state and the rules and procedures of the legislature with respect  
4-11 to the notice, introduction, and passage of this Act are fulfilled  
4-12 and accomplished.

4-13 SECTION 4. This Act takes effect immediately if it receives  
4-14 a vote of two-thirds of all the members elected to each house, as  
4-15 provided by Section 39, Article III, Texas Constitution. If this  
4-16 Act does not receive the vote necessary for immediate effect, this  
4-17 Act takes effect September 1, 2017.

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