

1-1 By: King of Parker (Senate Sponsor - Estes) H.B. No. 4325  
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 creation of the Wise County Municipal Utility  
1-18 District No. 4; granting a limited power of eminent domain;  
1-19 providing authority to issue bonds; providing authority to impose  
1-20 assessments, fees, and 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 8007 to read as follows:

1-24 CHAPTER 8007. WISE COUNTY MUNICIPAL UTILITY DISTRICT NO. 4

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8007.001. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on  
1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Wise County Municipal Utility  
1-32 District No. 4.

1-33 Sec. 8007.002. NATURE OF DISTRICT. The district is a  
1-34 municipal utility district created under Section 59, Article XVI,  
1-35 Texas Constitution.

1-36 Sec. 8007.003. CONFIRMATION AND DIRECTORS' ELECTION  
1-37 REQUIRED. The temporary directors shall hold an election to  
1-38 confirm the creation of the district and to elect five permanent  
1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 8007.004. CONSENT OF MUNICIPALITY REQUIRED. The  
1-41 temporary directors may not hold an election under Section 8007.003  
1-42 until each municipality in whose corporate limits or  
1-43 extraterritorial jurisdiction the district is located has  
1-44 consented by ordinance or resolution to the creation of the  
1-45 district and to the inclusion of land in the district.

1-46 Sec. 8007.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
1-47 The district is created to serve a public purpose and benefit.

1-48 (b) The district is created to accomplish the purposes of:

1-49 (1) a municipal utility district as provided by  
1-50 general law and Section 59, Article XVI, Texas Constitution; and

1-51 (2) Section 52, Article III, Texas Constitution, that  
1-52 relate to the construction, acquisition, improvement, operation,  
1-53 or maintenance of macadamized, graveled, or paved roads, or  
1-54 improvements, including storm drainage, in aid of those roads.

1-55 Sec. 8007.006. INITIAL DISTRICT TERRITORY. (a) The  
1-56 district is initially composed of the territory described by  
1-57 Section 2 of the Act enacting this chapter.

1-58 (b) The boundaries and field notes contained in Section 2 of  
1-59 the Act enacting this chapter form a closure. A mistake made in the  
1-60 field notes or in copying the field notes in the legislative process  
1-61 does not affect the district's:

- 2-1 (1) organization, existence, or validity;
- 2-2 (2) right to issue any type of bond for the purposes
- 2-3 for which the district is created or to pay the principal of and
- 2-4 interest on a bond;
- 2-5 (3) right to impose a tax; or
- 2-6 (4) legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

2-8 Sec. 8007.051. GOVERNING BODY; TERMS. (a) The district is

2-9 governed by a board of five elected directors.

2-10 (b) Except as provided by Section 8007.052, directors serve

2-11 staggered four-year terms.

2-12 Sec. 8007.052. TEMPORARY DIRECTORS. (a) On or after

2-13 September 1, 2017, the owner or owners of a majority of the assessed

2-14 value of the real property in the district may submit a petition to

2-15 the commission requesting that the commission appoint as temporary

2-16 directors the five persons named in the petition. The commission

2-17 shall appoint as temporary directors the five persons named in the

2-18 petition.

2-19 (b) Temporary directors serve until the earlier of:

2-20 (1) the date permanent directors are elected under

2-21 Section 8007.003; or

2-22 (2) September 1, 2021.

2-23 (c) If permanent directors have not been elected under

2-24 Section 8007.003 and the terms of the temporary directors have

2-25 expired, successor temporary directors shall be appointed or

2-26 reappointed as provided by Subsection (d) to serve terms that

2-27 expire on the earlier of:

2-28 (1) the date permanent directors are elected under

2-29 Section 8007.003; or

2-30 (2) the fourth anniversary of the date of the

2-31 appointment or reappointment.

2-32 (d) If Subsection (c) applies, the owner or owners of a

2-33 majority of the assessed value of the real property in the district

2-34 may submit a petition to the commission requesting that the

2-35 commission appoint as successor temporary directors the five

2-36 persons named in the petition. The commission shall appoint as

2-37 successor temporary directors the five persons named in the

2-38 petition.

SUBCHAPTER C. POWERS AND DUTIES

2-40 Sec. 8007.101. GENERAL POWERS AND DUTIES. The district has

2-41 the powers and duties necessary to accomplish the purposes for

2-42 which the district is created.

2-43 Sec. 8007.102. MUNICIPAL UTILITY DISTRICT POWERS AND

2-44 DUTIES. The district has the powers and duties provided by the

2-45 general law of this state, including Chapters 49 and 54, Water Code,

2-46 applicable to municipal utility districts created under Section 59,

2-47 Article XVI, Texas Constitution.

2-48 Sec. 8007.103. AUTHORITY FOR ROAD PROJECTS. Under Section

2-49 52, Article III, Texas Constitution, the district may design,

2-50 acquire, construct, finance, issue bonds for, improve, operate,

2-51 maintain, and convey to this state, a county, or a municipality for

2-52 operation and maintenance macadamized, graveled, or paved roads, or

2-53 improvements, including storm drainage, in aid of those roads.

2-54 Sec. 8007.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road

2-55 project must meet all applicable construction standards, zoning and

2-56 subdivision requirements, and regulations of each municipality in

2-57 whose corporate limits or extraterritorial jurisdiction the road

2-58 project is located.

2-59 (b) If a road project is not located in the corporate limits

2-60 or extraterritorial jurisdiction of a municipality, the road

2-61 project must meet all applicable construction standards,

2-62 subdivision requirements, and regulations of each county in which

2-63 the road project is located.

2-64 (c) If the state will maintain and operate the road, the

2-65 Texas Transportation Commission must approve the plans and

2-66 specifications of the road project.

2-67 Sec. 8007.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE

2-68 OR RESOLUTION. The district shall comply with all applicable

2-69 requirements of any ordinance or resolution that is adopted under

3-1 Section 54.016 or 54.0165, Water Code, and that consents to the  
 3-2 creation of the district or to the inclusion of land in the  
 3-3 district.

3-4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-5 Sec. 8007.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
 3-6 district may issue, without an election, bonds and other  
 3-7 obligations secured by:

3-8 (1) revenue other than ad valorem taxes; or

3-9 (2) contract payments described by Section 8007.153.

3-10 (b) The district must hold an election in the manner  
 3-11 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
 3-12 before the district may impose an ad valorem tax or issue bonds  
 3-13 payable from ad valorem taxes.

3-14 (c) The district may not issue bonds payable from ad valorem  
 3-15 taxes to finance a road project unless the issuance is approved by a  
 3-16 vote of a two-thirds majority of the district voters voting at an  
 3-17 election held for that purpose.

3-18 Sec. 8007.152. OPERATION AND MAINTENANCE TAX. (a) If  
 3-19 authorized at an election held under Section 8007.151, the district  
 3-20 may impose an operation and maintenance tax on taxable property in  
 3-21 the district in accordance with Section 49.107, Water Code.

3-22 (b) The board shall determine the tax rate. The rate may not  
 3-23 exceed the rate approved at the election.

3-24 Sec. 8007.153. CONTRACT TAXES. (a) In accordance with  
 3-25 Section 49.108, Water Code, the district may impose a tax other than  
 3-26 an operation and maintenance tax and use the revenue derived from  
 3-27 the tax to make payments under a contract after the provisions of  
 3-28 the contract have been approved by a majority of the district voters  
 3-29 voting at an election held for that purpose.

3-30 (b) A contract approved by the district voters may contain a  
 3-31 provision stating that the contract may be modified or amended by  
 3-32 the board without further voter approval.

3-33 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-34 Sec. 8007.201. AUTHORITY TO ISSUE BONDS AND OTHER  
 3-35 OBLIGATIONS. The district may issue bonds or other obligations  
 3-36 payable wholly or partly from ad valorem taxes, impact fees,  
 3-37 revenue, contract payments, grants, or other district money, or any  
 3-38 combination of those sources, to pay for any authorized district  
 3-39 purpose.

3-40 Sec. 8007.202. TAXES FOR BONDS. At the time the district  
 3-41 issues bonds payable wholly or partly from ad valorem taxes, the  
 3-42 board shall provide for the annual imposition of a continuing  
 3-43 direct ad valorem tax, without limit as to rate or amount, while all  
 3-44 or part of the bonds are outstanding as required and in the manner  
 3-45 provided by Sections 54.601 and 54.602, Water Code.

3-46 Sec. 8007.203. BONDS FOR ROAD PROJECTS. At the time of  
 3-47 issuance, the total principal amount of bonds or other obligations  
 3-48 issued or incurred to finance road projects and payable from ad  
 3-49 valorem taxes may not exceed one-fourth of the assessed value of the  
 3-50 real property in the district.

3-51 SECTION 2. The Wise County Municipal Utility District No. 4  
 3-52 initially includes all the territory contained in the following  
 3-53 area:

3-54 Description for a 97.93 acre tract of land situated in the T&P  
 3-55 R.R. CO. SURVEY, Section 39, Abstract No. 847, and the  
 3-56 R. ROUNDTREE SURVEY, Abstract No. 734, Wise County, Texas, said  
 3-57 tract being the same tracts of land described as First Tract and  
 3-58 Second Tract, described in deed to Mary Elizabeth Harrington Klein,  
 3-59 Merle Floyd Harrington, Jr. and Robert Ernest Harrington, recorded  
 3-60 in Document No. 201400003, Official Public Records, Wise County,  
 3-61 Texas and being more particularly described as follows:

3-62 COMMENCING from a 1" pipe found at the Northeast corner of  
 3-63 that certain tract of land described in deed to Rickey Morrison and  
 3-64 wife Sarah P. Morrison, recorded in Volume 105, Page 786, Real  
 3-65 Records, Wise County, Texas, said pipe being by deed call for the  
 3-66 Northwest corner of the James B. Smith Survey, Abstract No. 1202,  
 3-67 said pipe also being in the West line of McVoid Road;

3-68 THENCE N 89°36'30" E, 573.15 feet to a p.k. nail set at the  
 3-69 intersection of said McVoid Road and County Road No. 4797 for the

4-1 POINT OF BEGINNING;  
 4-2 THENCE S 89°36'30" W, at 573.15 feet passing said 1" iron  
 4-3 found at the Northeast corner of said Volume 105, Page 786 and  
 4-4 continuing with the North line of said Volume 105, Page 786, passing  
 4-5 the Northwest corner of said Volume 105, Page 786 and the most  
 4-6 Northerly Northeast corner of that certain tract of land described  
 4-7 in deed to Mack Brandon Hill and Rae Lynn Hill, recorded in Volume  
 4-8 586, Page 458, Real Records, Wise County, Texas, continuing with  
 4-9 the North line of said Volume 586, Page 458, in all, 1683.33 feet to  
 4-10 a wood fence post, said post being for the Southeast corner of that  
 4-11 certain tract of land described in deed to Gervais W. Trichel, III  
 4-12 and Vicky Lynn Trichel, recorded in Volume 2433, Page 1111,  
 4-13 Official Public Records, Wise County, Texas;  
 4-14 THENCE N 00°36'06" W, with the East line of said Volume 2433,  
 4-15 Page 1111, 2269.10 feet to a 1/2" iron found in County Road  
 4-16 No. 4898, said iron being for the Northeast corner of said Volume  
 4-17 2433, Page 1111;  
 4-18 THENCE S 89°45'16" E, with said County Road No. 4898, 466.67  
 4-19 feet to a capped iron set in the East line of said County Road  
 4-20 No. 4898;  
 4-21 THENCE N 00°23'30" W, with said County Road No. 4898, 367.34  
 4-22 feet to a p.k. nail set at the intersection of said County Road  
 4-23 No. 4898 and said County Road No. 4797;  
 4-24 THENCE S 89°57'20" E, with said County Road No. 4797, 1225.04  
 4-25 feet to a capped iron set in the Northeasterly line of said County  
 4-26 Road No. 4797;  
 4-27 THENCE S 00°23'30" E, with said County Road No. 4797, 2621.90  
 4-28 feet to the POINT OF BEGINNING and containing 97.93 acres of land.  
 4-29 SECTION 3. (a) The legal notice of the intention to  
 4-30 introduce this Act, setting forth the general substance of this  
 4-31 Act, has been published as provided by law, and the notice and a  
 4-32 copy of this Act have been furnished to all persons, agencies,  
 4-33 officials, or entities to which they are required to be furnished  
 4-34 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
 4-35 Government Code.  
 4-36 (b) The governor, one of the required recipients, has  
 4-37 submitted the notice and Act to the Texas Commission on  
 4-38 Environmental Quality.  
 4-39 (c) The Texas Commission on Environmental Quality has filed  
 4-40 its recommendations relating to this Act with the governor, the  
 4-41 lieutenant governor, and the speaker of the house of  
 4-42 representatives within the required time.  
 4-43 (d) All requirements of the constitution and laws of this  
 4-44 state and the rules and procedures of the legislature with respect  
 4-45 to the notice, introduction, and passage of this Act are fulfilled  
 4-46 and accomplished.  
 4-47 SECTION 4. (a) If this Act does not receive a two-thirds  
 4-48 vote of all the members elected to each house, Subchapter C, Chapter  
 4-49 8007, Special District Local Laws Code, as added by Section 1 of  
 4-50 this Act, is amended by adding Section 8007.106 to read as follows:  
 4-51 Sec. 8007.106. NO EMINENT DOMAIN POWER. The district may  
 4-52 not exercise the power of eminent domain.  
 4-53 (b) This section is not intended to be an expression of a  
 4-54 legislative interpretation of the requirements of Section 17(c),  
 4-55 Article I, Texas Constitution.  
 4-56 SECTION 5. This Act takes effect September 1, 2017.

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