

1-1 By: Campbell S.B. No. 2263  
 1-2 (In the Senate - Filed March 31, 2017; April 3, 2017, read  
 1-3 first time and referred to Committee on Intergovernmental  
 1-4 Relations; April 26, 2017, reported favorably by the following  
 1-5 vote: Yeas 6, Nays 0; April 26, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Lucio	X			
1-8 Bettencourt	X			
1-9 Campbell	X			
1-10 Garcia	X			
1-11 Huffines	X			
1-12 Menéndez			X	
1-13 Taylor of Collin	X			

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

1-17 relating to the powers and duties of the Lerin Hills Municipal  
 1-18 Utility District of Kendall County; providing authority to issue  
 1-19 bonds and impose 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 8001 to read as follows:

1-23 CHAPTER 8001. LERIN HILLS MUNICIPAL UTILITY DISTRICT OF KENDALL  
 1-24 COUNTY

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8001.001. DEFINITION. In this chapter, "district"  
 1-27 means the Lerin Hills Municipal Utility District of Kendall County.

1-28 Sec. 8001.002. NATURE AND PURPOSES OF DISTRICT. (a) The  
 1-29 district is a municipal utility district created under Section 59,  
 1-30 Article XVI, Texas Constitution.

1-31 (b) The district is essential to accomplish the purposes of:

1-32 (1) a municipal utility district as provided by  
 1-33 general law and Section 59, Article XVI, Texas Constitution; and

1-34 (2) Section 52, Article III, Texas Constitution, that  
 1-35 relate to the construction, acquisition, improvement, operation,  
 1-36 or maintenance of macadamized, graveled, or paved roads, or  
 1-37 improvements, including storm drainage, in aid of those roads.

1-38 SUBCHAPTER B. POWERS AND DUTIES

1-39 Sec. 8001.051. GENERAL POWERS AND DUTIES. The district has  
 1-40 the powers and duties necessary to accomplish the purposes  
 1-41 described by Section 8001.002.

1-42 Sec. 8001.052. MUNICIPAL UTILITY DISTRICT POWERS AND  
 1-43 DUTIES. The district has the powers and duties provided by the  
 1-44 general law of this state, including Chapters 49 and 54, Water Code,  
 1-45 applicable to municipal utility districts created under Section 59,  
 1-46 Article XVI, Texas Constitution.

1-47 Sec. 8001.053. AUTHORITY FOR ROAD PROJECTS. Under Section  
 1-48 52, Article III, Texas Constitution, the district may design,  
 1-49 acquire, construct, finance, issue bonds for, improve, operate,  
 1-50 maintain, and convey to this state, a county, or a municipality for  
 1-51 operation and maintenance macadamized, graveled, or paved roads, or  
 1-52 improvements, including storm drainage, in aid of those roads.

1-53 Sec. 8001.054. ROAD STANDARDS AND REQUIREMENTS. (a) A  
 1-54 road project must meet all applicable construction standards,  
 1-55 zoning and subdivision requirements, and regulations of each  
 1-56 municipality in whose corporate limits or extraterritorial  
 1-57 jurisdiction the road project is located.

1-58 (b) If a road project is not located in the corporate limits  
 1-59 or extraterritorial jurisdiction of a municipality, the road  
 1-60 project must meet all applicable construction standards,  
 1-61 subdivision requirements, and regulations of each county in which

2-1 the road project is located.  
2-2 (c) If the state will maintain and operate the road, the  
2-3 Texas Transportation Commission must approve the plans and  
2-4 specifications of the road project.

2-5 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

2-6 Sec. 8001.101. AUTHORITY TO ISSUE BONDS AND OTHER  
2-7 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds  
2-8 or other obligations payable wholly or partly from ad valorem  
2-9 taxes, impact fees, revenue, contract payments, grants, or other  
2-10 district money, or any combination of those sources, to pay for a  
2-11 road project authorized by Section 8001.053.

2-12 (b) The district may not issue bonds payable from ad valorem  
2-13 taxes to finance a road project unless the issuance is approved by a  
2-14 vote of a two-thirds majority of the district voters voting at an  
2-15 election held for that purpose.

2-16 (c) At the time of issuance, the total principal amount of  
2-17 bonds or other obligations issued or incurred to finance road  
2-18 projects and payable from ad valorem taxes may not exceed  
2-19 one-fourth of the assessed value of the real property in the  
2-20 district.

2-21 Sec. 8001.102. TAXES FOR BONDS. At the time the district  
2-22 issues bonds payable wholly or partly from ad valorem taxes, the  
2-23 district shall provide for the annual imposition of a continuing  
2-24 direct ad valorem tax, without limit as to rate or amount, while all  
2-25 or part of the bonds are outstanding as required and in the manner  
2-26 provided by Sections 54.601 and 54.602, Water Code.

2-27 SECTION 2. The Lerin Hills Municipal Utility District of  
2-28 Kendall County retains all the rights, powers, privileges,  
2-29 authority, duties, and functions that it had before the effective  
2-30 date of this Act.

2-31 SECTION 3. (a) The legislature validates and confirms all  
2-32 acts and proceedings of the board of directors of the Lerin Hills  
2-33 Municipal Utility District of Kendall County that were taken before  
2-34 the effective date of this Act.

2-35 (b) Subsection (a) of this section does not apply to any  
2-36 matter that on the effective date of this Act:

2-37 (1) is involved in litigation if the litigation  
2-38 ultimately results in the matter being held invalid by a final  
2-39 judgment of a court; or

2-40 (2) has been held invalid by a final judgment of a  
2-41 court.

2-42 SECTION 4. (a) The legal notice of the intention to  
2-43 introduce this Act, setting forth the general substance of this  
2-44 Act, has been published as provided by law, and the notice and a  
2-45 copy of this Act have been furnished to all persons, agencies,  
2-46 officials, or entities to which they are required to be furnished  
2-47 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
2-48 Government Code.

2-49 (b) The governor, one of the required recipients, has  
2-50 submitted the notice and Act to the Texas Commission on  
2-51 Environmental Quality.

2-52 (c) The Texas Commission on Environmental Quality has filed  
2-53 its recommendations relating to this Act with the governor, the  
2-54 lieutenant governor, and the speaker of the house of  
2-55 representatives within the required time.

2-56 (d) All requirements of the constitution and laws of this  
2-57 state and the rules and procedures of the legislature with respect  
2-58 to the notice, introduction, and passage of this Act are fulfilled  
2-59 and accomplished.

2-60 SECTION 5. This Act takes effect immediately if it receives  
2-61 a vote of two-thirds of all the members elected to each house, as  
2-62 provided by Section 39, Article III, Texas Constitution. If this  
2-63 Act does not receive the vote necessary for immediate effect, this  
2-64 Act takes effect September 1, 2017.

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