

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7973 to read as follows:
CHAPTER 7973. BIG SKY MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY
SUBCHAPTER A. GENERAL PROVISIONS
Sec. 7973.001. DEFINITION. In this chapter, "district" means the Big Sky Municipal Utility District of Denton County.
Sec. 7973.002. NATURE AND PURPOSES OF DISTRICT.
(a) The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.
(b) The district is created to accomplish the purposes of:
(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and
(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.
SUBCHAPTER B. POWERS AND DUTIES
Sec. 7973.051. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.
Sec. 7973.052. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas

SENATE VERSION (IE)

(Unless otherwise indicated, all SECTIONS below are from FA1)

ARTICLE 1. POWERS AND DUTIES OF THE BIG SKY MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY

SECTION 1.01. Same as House version.

CONFERENCE

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)
(Unless otherwise indicated, all SECTIONS below are from FA1)

CONFERENCE

Constitution.

Sec. 7973.053. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7973.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards and regulations of each county in which the road project is located.

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

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

- (1) establish, operate, and maintain a fire department;
- (2) contract with another political subdivision for the joint operation of a fire department; or
- (3) contract with any other person to perform firefighting services in the district and may issue bonds and impose taxes to pay for the department and the activities.

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)
(Unless otherwise indicated, all SECTIONS below are from FA1)

CONFERENCE

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

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

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

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

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

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

Sec. 7973.102. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the district shall provide for the annual imposition of a

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding.

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

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 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.

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

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

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

SENATE VERSION (IE)

(Unless otherwise indicated, all SECTIONS below are from FA1)

SECTION 1.02. The Big Sky Municipal Utility District of Denton County retains all rights, powers, privileges, authority, duties, and functions that it had before the effective date of this article of this Act.

SECTION 1.03. (a) The legal notice of the intention to introduce a bill relating to the powers and duties of the Big Sky Municipal Utility District, setting forth the general substance of this article of this Act, has been published as provided by law, and the notice and a copy of a bill relating to the powers and duties of the Big Sky Municipal Utility District 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.

(b) The governor, one of the required recipients, has submitted the notice and a bill relating to the powers and duties of the Big Sky Municipal Utility District to the Texas Commission on Environmental Quality.

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

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this article of this Act

CONFERENCE

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(Unless otherwise indicated, all SECTIONS below are from FA1)

and accomplished.

are fulfilled and accomplished.

No equivalent provision.

ARTICLE 2. POWERS AND DUTIES OF THE SMILEY ROAD WATER CONTROL AND IMPROVEMENT DISTRICT

No equivalent provision.

SECTION 2.01. Section 9001.104, Special District Local Laws Code, is amended to read as follows:
Sec. 9001.104. ~~[PROHIBITION ON]~~ DIVISION OF DISTRICT. (a) The district may be divided into two or more districts only if the district:
(1) has no outstanding bonded debt; and
(2) is not imposing ad valorem taxes.
(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.
(c) A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 9001.004.
(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.
(e) An order dividing the district shall:
(1) name each new district;
(2) include the metes and bounds of each new district;
(3) appoint temporary directors for each new district; and
(4) provide for the division of assets and liabilities between the district and each new district.

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(Unless otherwise indicated, all SECTIONS below are from FA1)

(f) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the Texas Commission on Environmental Quality and record the order in the real property records of each county in which the district is located.

(g) A new district may be created by the division of the district only if approved by the voters of the new district in a confirmation and directors' election held for that purpose.

(h) If the district is located wholly or partly in the corporate limits or the extraterritorial jurisdiction of a municipality, the district may not divide under this section unless the municipality by resolution or ordinance consents to the division of the district.

(i) Any new district created by the division of the district must hold an election to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes. [The district may not divide into two or more districts in the manner specified by Section 51.748 or 53.029, Water Code.]

No equivalent provision.

SECTION 2.02. (a) The following are validated and confirmed in all respects:

(1) the creation of the Smiley Road Water Control and Improvement District; and

(2) any act or proceeding of the district, including an election, not excepted by this section and taken not more than three years before the effective date of this Act, effective as of the date on which the act or proceeding occurred.

(b) This section does not apply to:

(1) an act, proceeding, director, other official, bond, or other

House Bill 2565
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(Unless otherwise indicated, all SECTIONS below are from FA1)

obligation the validity of which or of whom is the subject of litigation that is pending on the effective date of this Act; or (2) an act or proceeding that, under a statute of this state or the United States, was a misdemeanor or felony at the time the act or proceeding occurred.

No equivalent provision.

ARTICLE 3. EFFECTIVE DATE

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

SECTION 3.01. Same as House version.