

By: Sanford

H.B. No. 4672

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Collin County Municipal Utility District No. 2; providing authority to issue bonds and impose fees and taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8097 to read as follows:

CHAPTER 8097. COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8097.0101. DEFINITION. In this chapter, "district" means the Collin County Municipal Utility District No. 2.

Sec. 8097.0102. NATURE AND PURPOSES OF DISTRICT. (a) The district is a municipal utility district in Collin County 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. 8097.0201. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for

1 which the district is created.

2 Sec. 8097.0202. MUNICIPAL UTILITY DISTRICT POWERS AND  
3 DUTIES. The district has the powers and duties provided by the  
4 general law of this state, including Chapters 49 and 54, Water Code,  
5 applicable to municipal utility districts created under Section 59,  
6 Article XVI, Texas Constitution.

7 Sec. 8097.0203. AUTHORITY FOR ROAD PROJECTS. Under Section  
8 52, Article III, Texas Constitution, the district may design,  
9 acquire, construct, finance, issue bonds for, improve, operate,  
10 maintain, and convey to this state, a county, or a municipality for  
11 operation and maintenance macadamized, graveled, or paved roads, or  
12 improvements, including storm drainage, in aid of those roads.

13 Sec. 8097.0204. ROAD STANDARDS AND REQUIREMENTS. (a) A  
14 road project must meet all applicable construction standards and  
15 regulations of each municipality in whose corporate limits or  
16 extraterritorial jurisdiction the road project is located.

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

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

24 Sec. 8097.0205. MAINTENANCE OF ROADS IN TERRITORY OUTSIDE  
25 CORPORATE LIMITS OF CITY. If district territory, or a portion of  
26 district territory, is located outside the corporate limits of the  
27 city, the district shall maintain any road the district constructs

1 located in that territory.

2 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

3 Sec. 8097.0301. AUTHORITY TO ISSUE BONDS AND OTHER  
4 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or  
5 other obligations payable wholly or partly from ad valorem taxes,  
6 revenue, contract payments, grants, or other district money, or any  
7 combination of those sources, to pay for a road project authorized  
8 by Section 8097.0203.

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

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

18 Sec. 8097.0302. TAXES FOR BONDS. At the time the district  
19 issues bonds payable wholly or partly from ad valorem taxes, the  
20 district shall provide for the annual imposition of a continuing  
21 direct ad valorem tax, without limit as to rate or amount, while all  
22 or part of the bonds are outstanding.

23 SECTION 2. The Collin County Municipal Utility District  
24 No. 2 retains all the rights, powers, privileges, authority,  
25 duties, and functions that it had before the effective date of this  
26 Act.

27 SECTION 3. (a) The legal notice of the intention to

1 introduce this Act, setting forth the general substance of this  
2 Act, has been published as provided by law, and the notice and a  
3 copy of this Act have been furnished to all persons, agencies,  
4 officials, or entities to which they are required to be furnished  
5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
6 Government Code.

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

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

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

18 SECTION 4. This Act takes effect immediately if it receives  
19 a vote of two-thirds of all the members elected to each house, as  
20 provided by Section 39, Article III, Texas Constitution. If this  
21 Act does not receive the vote necessary for immediate effect, this  
22 Act takes effect September 1, 2019.