

1-1 By: Sanford (Senate Sponsor - Fallon) H.B. No. 4672  
1-2 (In the Senate - Received from the House May 6, 2019;  
1-3 May 6, 2019, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 20, 2019, reported favorably by  
1-5 the following vote: Yeas 7, Nays 0; May 20, 2019, 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 powers and duties of the Collin County Municipal  
1-18 Utility District No. 2; providing authority to issue bonds and  
1-19 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 8097 to read as follows:

1-23 CHAPTER 8097. COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

1-24 SUBCHAPTER A. GENERAL PROVISIONS

1-25 Sec. 8097.0101. DEFINITION. In this chapter, "district"  
1-26 means the Collin County Municipal Utility District No. 2.

1-27 Sec. 8097.0102. NATURE AND PURPOSES OF DISTRICT. (a) The  
1-28 district is a municipal utility district in Collin County created  
1-29 under Section 59, Article XVI, Texas Constitution.

1-30 (b) The district is created to accomplish the purposes of:

1-31 (1) a municipal utility district as provided by  
1-32 general law and Section 59, Article XVI, Texas Constitution; and

1-33 (2) Section 52, Article III, Texas Constitution, that  
1-34 relate to the construction, acquisition, improvement, operation,  
1-35 or maintenance of macadamized, graveled, or paved roads, or  
1-36 improvements, including storm drainage, in aid of those roads.

1-37 SUBCHAPTER B. POWERS AND DUTIES

1-38 Sec. 8097.0201. GENERAL POWERS AND DUTIES. The district  
1-39 has the powers and duties necessary to accomplish the purposes for  
1-40 which the district is created.

1-41 Sec. 8097.0202. MUNICIPAL UTILITY DISTRICT POWERS AND  
1-42 DUTIES. The district has the powers and duties provided by the  
1-43 general law of this state, including Chapters 49 and 54, Water Code,  
1-44 applicable to municipal utility districts created under Section 59,  
1-45 Article XVI, Texas Constitution.

1-46 Sec. 8097.0203. AUTHORITY FOR ROAD PROJECTS. Under Section  
1-47 52, Article III, Texas Constitution, the district may design,  
1-48 acquire, construct, finance, issue bonds for, improve, operate,  
1-49 maintain, and convey to this state, a county, or a municipality for  
1-50 operation and maintenance macadamized, graveled, or paved roads, or  
1-51 improvements, including storm drainage, in aid of those roads.

1-52 Sec. 8097.0204. ROAD STANDARDS AND REQUIREMENTS. (a) A  
1-53 road project must meet all applicable construction standards and  
1-54 regulations of each municipality in whose corporate limits or  
1-55 extraterritorial jurisdiction the road project is located.

1-56 (b) If a road project is not located in the corporate limits  
1-57 or extraterritorial jurisdiction of a municipality, the road  
1-58 project must meet all applicable construction standards and  
1-59 regulations of each county in which the road project is located.

1-60 (c) If the state will maintain and operate the road, the  
1-61 Texas Transportation Commission must approve the plans and

2-1 specifications of the road project.

2-2 Sec. 8097.0205. MAINTENANCE OF ROADS IN TERRITORY OUTSIDE  
2-3 CORPORATE LIMITS OF CITY. If district territory, or a portion of  
2-4 district territory, is located outside the corporate limits of the  
2-5 city, the district shall maintain any road the district constructs  
2-6 located in that territory.

2-7 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

2-8 Sec. 8097.0301. AUTHORITY TO ISSUE BONDS AND OTHER  
2-9 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or  
2-10 other obligations payable wholly or partly from ad valorem taxes,  
2-11 revenue, contract payments, grants, or other district money, or any  
2-12 combination of those sources, to pay for a road project authorized  
2-13 by Section 8097.0203.

2-14 (b) The district may not issue bonds payable from ad valorem  
2-15 taxes to finance a road project unless the issuance is approved by a  
2-16 vote of a two-thirds majority of the district voters voting at an  
2-17 election held for that purpose.

2-18 (c) At the time of issuance, the total principal amount of  
2-19 bonds or other obligations issued or incurred to finance road  
2-20 projects and payable from ad valorem taxes may not exceed  
2-21 one-fourth of the assessed value of the real property in the  
2-22 district.

2-23 Sec. 8097.0302. TAXES FOR BONDS. At the time the district  
2-24 issues bonds payable wholly or partly from ad valorem taxes, the  
2-25 district shall provide for the annual imposition of a continuing  
2-26 direct ad valorem tax, without limit as to rate or amount, while all  
2-27 or part of the bonds are outstanding.

2-28 SECTION 2. The Collin County Municipal Utility District  
2-29 No. 2 retains all the rights, powers, privileges, authority,  
2-30 duties, and functions that it had before the effective date of this  
2-31 Act.

2-32 SECTION 3. (a) The legal notice of the intention to  
2-33 introduce this Act, setting forth the general substance of this  
2-34 Act, has been published as provided by law, and the notice and a  
2-35 copy of this Act have been furnished to all persons, agencies,  
2-36 officials, or entities to which they are required to be furnished  
2-37 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
2-38 Government Code.

2-39 (b) The governor, one of the required recipients, has  
2-40 submitted the notice and Act to the Texas Commission on  
2-41 Environmental Quality.

2-42 (c) The Texas Commission on Environmental Quality has filed  
2-43 its recommendations relating to this Act with the governor, the  
2-44 lieutenant governor, and the speaker of the house of  
2-45 representatives within the required time.

2-46 (d) All requirements of the constitution and laws of this  
2-47 state and the rules and procedures of the legislature with respect  
2-48 to the notice, introduction, and passage of this Act are fulfilled  
2-49 and accomplished.

2-50 SECTION 4. This Act takes effect immediately if it receives  
2-51 a vote of two-thirds of all the members elected to each house, as  
2-52 provided by Section 39, Article III, Texas Constitution. If this  
2-53 Act does not receive the vote necessary for immediate effect, this  
2-54 Act takes effect September 1, 2019.

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