

By: Fallon  
(Sanford)

S.B. No. 2535

Substitute the following for S.B. No. 2535:

By: Bell of Montgomery

C.S.S.B. No. 2535

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Lakehaven Municipal Utility District; providing authority to issue bonds; providing authority to impose a tax.

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 8093 to read as follows:

CHAPTER 8093. LAKEHAVEN MUNICIPAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8093.0101. DEFINITIONS. In this chapter:

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

(2) "City" means the City of Farmersville, Texas.

(3) "District" means the Lakehaven Municipal Utility District.

Sec. 8093.0102. 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.

1                   SUBCHAPTER B. POWERS AND DUTIES

2           Sec. 8093.0201. GENERAL POWERS AND DUTIES. The district  
3 has the powers and duties necessary to accomplish the purposes for  
4 which the district is created.

5           Sec. 8093.0202. MUNICIPAL UTILITY DISTRICT POWERS AND  
6 DUTIES. The district has the powers and duties provided by the  
7 general law of this state, including Chapters 49 and 54, Water Code,  
8 applicable to municipal utility districts created under Section 59,  
9 Article XVI, Texas Constitution.

10          Sec. 8093.0203. AUTHORITY FOR ROAD PROJECTS. Under Section  
11 52, Article III, Texas Constitution, the district may design,  
12 acquire, construct, finance, issue bonds for, improve, operate,  
13 maintain, and convey to this state, a county, or a municipality for  
14 operation and maintenance macadamized, graveled, or paved roads, or  
15 improvements, including storm drainage, in aid of those roads.

16          Sec. 8093.0204. ROAD STANDARDS AND REQUIREMENTS. (a) A  
17 road project must meet all applicable construction standards and  
18 regulations of each municipality in whose corporate limits or  
19 extraterritorial jurisdiction the road project is located.

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

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

1                   SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

2                   Sec. 8093.0301. AUTHORITY TO ISSUE BONDS AND OTHER  
3 OBLIGATIONS FOR ROAD PROJECTS. (a) Except as provided by Section  
4 8093.0303, the district may issue bonds or other obligations  
5 payable wholly or partly from ad valorem taxes, revenue, contract  
6 payments, grants, or other district money, or any combination of  
7 those sources, to pay for a road project authorized by Section  
8 8093.0203.

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. 8093.0302. TAXES FOR BONDS. At the time the district  
19 issues bonds payable wholly or partly from ad valorem taxes, the  
20 board 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                   Sec. 8093.0303. CONDITION PRECEDENT TO ISSUING BONDS OR  
24 OTHER OBLIGATIONS. (a) The district may not issue bonds or other  
25 obligations under this subchapter unless the district has entered  
26 into a contract with the city, Collin County, or another entity:

27                   (1) for adequate supplemental police, fire, and

1 emergency services for the district; and

2 (2) that is approved by the Commissioners Court of  
3 Collin County under Subsection (c).

4 (b) A contract under Subsection (a) may include a provision  
5 that the contract takes effect only on the approval of the  
6 Commissioners Court of Collin County and the voters in the district  
7 voting in an election held for that purpose.

8 (c) The Commissioners Court of Collin County shall review a  
9 contract under Subsection (a) and evaluate the supplemental police,  
10 fire, and emergency services provided in the contract. If the  
11 commissioners court determines that the contract provides adequate  
12 services, the commissioners court shall adopt a resolution stating  
13 that the contract has met the requirements of Subsection (a).

14 SUBCHAPTER D. CITY PERMITTING AUTHORITY IN DISTRICT

15 Sec. 8093.0401. CITY AUTHORITY. (a) The city has exclusive  
16 authority in the district to issue all building permits,  
17 certificates of occupancy, and any certificate or permit issued by  
18 the city relating to business activities.

19 (b) A fee for a permit or certificate issued by the city for  
20 use in the district may not exceed the fees charged for the same  
21 permit or certificate issued for use in the corporate limits of the  
22 city.

23 (c) A permit or certificate issued by the city for use in the  
24 district is subject to the terms of a development agreement made  
25 under Section 212.172, Local Government Code.

26 SECTION 2. The Lakehaven Municipal Utility District retains  
27 all the rights, powers, privileges, authority, duties, and

1 functions that it had before the effective date of this Act.

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

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

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

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

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