

1-1 By: Thompson of Brazoria (Senate Sponsor - Taylor) H.B. No. 4662
 1-2 (In the Senate - Received from the House May 17, 2021;
 1-3 May 17, 2021, read first time and referred to Committee on Local
 1-4 Government; May 21, 2021, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0; May 21, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Menéndez	X			
1-9 Eckhardt	X			
1-10 Gutierrez	X			
1-11 Hall			X	
1-12 Nichols			X	
1-13 Paxton	X			
1-14 Springer	X			
1-15 Zaffirini			X	

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the Brazoria County Municipal Utility
 1-20 District No. 86; granting a limited power of eminent domain;
 1-21 providing authority to issue bonds; providing authority to impose
 1-22 assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-25 Code, is amended by adding Chapter 7952A to read as follows:

1-26 CHAPTER 7952A. BRAZORIA COUNTY MUNICIPAL UTILITY DISTRICT NO. 86
 1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 7952A.0101. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.
 1-30 (2) "Commission" means the Texas Commission on
 1-31 Environmental Quality.

1-32 (3) "Director" means a board member.
 1-33 (4) "District" means the Brazoria County Municipal
 1-34 Utility District No. 86.

1-35 Sec. 7952A.0102. NATURE OF DISTRICT. The district is a
 1-36 municipal utility district created under Section 59, Article XVI,
 1-37 Texas Constitution.

1-38 Sec. 7952A.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-39 REQUIRED. The temporary directors shall hold an election to
 1-40 confirm the creation of the district and to elect five permanent
 1-41 directors as provided by Section 49.102, Water Code.

1-42 Sec. 7952A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-43 temporary directors may not hold an election under Section
 1-44 7952A.0103 until each municipality in whose corporate limits or
 1-45 extraterritorial jurisdiction the district is located has
 1-46 consented by ordinance or resolution to the creation of the
 1-47 district and to the inclusion of land in the district.

1-48 Sec. 7952A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.
 1-49 (a) The district is created to serve a public purpose and benefit.

1-50 (b) The district is created to accomplish the purposes of:
 1-51 (1) a municipal utility district as provided by
 1-52 general law and Section 59, Article XVI, Texas Constitution; and
 1-53 (2) Section 52, Article III, Texas Constitution, that
 1-54 relate to the construction, acquisition, improvement, operation,
 1-55 or maintenance of macadamized, graveled, or paved roads, or
 1-56 improvements, including storm drainage, in aid of those roads.

1-57 Sec. 7952A.0106. INITIAL DISTRICT TERRITORY. (a) The
 1-58 district is initially composed of the territory described by
 1-59 Section 2 of the Act enacting this chapter.

1-60 (b) The boundaries and field notes contained in Section 2 of
 1-61 the Act enacting this chapter form a closure. A mistake made in the

2-1 field notes or in copying the field notes in the legislative process
 2-2 does not affect the district's:

- 2-3 (1) organization, existence, or validity;
- 2-4 (2) right to issue any type of bond for the purposes
 2-5 for which the district is created or to pay the principal of and
 2-6 interest on a bond;
- 2-7 (3) right to impose a tax; or
- 2-8 (4) legality or operation.

2-9 SUBCHAPTER B. BOARD OF DIRECTORS

2-10 Sec. 7952A.0201. GOVERNING BODY; TERMS. (a) The district
 2-11 is governed by a board of five elected directors.

2-12 (b) Except as provided by Section 7952A.0202, directors
 2-13 serve staggered four-year terms.

2-14 Sec. 7952A.0202. TEMPORARY DIRECTORS. (a) On or after the
 2-15 effective date of the Act enacting this chapter, the owner or owners
 2-16 of a majority of the assessed value of the real property in the
 2-17 district may submit a petition to the commission requesting that
 2-18 the commission appoint as temporary directors the five persons
 2-19 named in the petition. The commission shall appoint as temporary
 2-20 directors the five persons named in the petition.

2-21 (b) Temporary directors serve until the earlier of:

2-22 (1) the date permanent directors are elected under
 2-23 Section 7952A.0103; or

2-24 (2) the fourth anniversary of the effective date of
 2-25 the Act enacting this chapter.

2-26 (c) If permanent directors have not been elected under
 2-27 Section 7952A.0103 and the terms of the temporary directors have
 2-28 expired, successor temporary directors shall be appointed or
 2-29 reappointed as provided by Subsection (d) to serve terms that
 2-30 expire on the earlier of:

2-31 (1) the date permanent directors are elected under
 2-32 Section 7952A.0103; or

2-33 (2) the fourth anniversary of the date of the
 2-34 appointment or reappointment.

2-35 (d) If Subsection (c) applies, the owner or owners of a
 2-36 majority of the assessed value of the real property in the district
 2-37 may submit a petition to the commission requesting that the
 2-38 commission appoint as successor temporary directors the five
 2-39 persons named in the petition. The commission shall appoint as
 2-40 successor temporary directors the five persons named in the
 2-41 petition.

2-42 SUBCHAPTER C. POWERS AND DUTIES

2-43 Sec. 7952A.0301. GENERAL POWERS AND DUTIES. The district
 2-44 has the powers and duties necessary to accomplish the purposes for
 2-45 which the district is created.

2-46 Sec. 7952A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-47 DUTIES. The district has the powers and duties provided by the
 2-48 general law of this state, including Chapters 49 and 54, Water Code,
 2-49 applicable to municipal utility districts created under Section 59,
 2-50 Article XVI, Texas Constitution.

2-51 Sec. 7952A.0303. AUTHORITY FOR ROAD PROJECTS. Under
 2-52 Section 52, Article III, Texas Constitution, the district may
 2-53 design, acquire, construct, finance, issue bonds for, improve,
 2-54 operate, maintain, and convey to this state, a county, or a
 2-55 municipality for operation and maintenance macadamized, graveled,
 2-56 or paved roads, or improvements, including storm drainage, in aid
 2-57 of those roads.

2-58 Sec. 7952A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-59 road project must meet all applicable construction standards,
 2-60 zoning and subdivision requirements, and regulations of each
 2-61 municipality in whose corporate limits or extraterritorial
 2-62 jurisdiction the road project is located.

2-63 (b) If a road project is not located in the corporate limits
 2-64 or extraterritorial jurisdiction of a municipality, the road
 2-65 project must meet all applicable construction standards,
 2-66 subdivision requirements, and regulations of each county in which
 2-67 the road project is located.

2-68 (c) If the state will maintain and operate the road, the
 2-69 Texas Transportation Commission must approve the plans and

3-1 specifications of the road project.

3-2 Sec. 7952A.0305. COMPLIANCE WITH MUNICIPAL CONSENT

3-3 ORDINANCE OR RESOLUTION. The district shall comply with all

3-4 applicable requirements of any ordinance or resolution that is

3-5 adopted under Section 54.016 or 54.0165, Water Code, and that

3-6 consents to the creation of the district or to the inclusion of land

3-7 in the district.

3-8 Sec. 7952A.0306. DIVISION OF DISTRICT. (a) The district

3-9 may be divided into two or more new districts only if the district:

3-10 (1) has never issued any bonds; and

3-11 (2) is not imposing ad valorem taxes.

3-12 (b) This chapter applies to any new district created by the

3-13 division of the district, and a new district has all the powers and

3-14 duties of the district.

3-15 (c) A new district created by the division of the district

3-16 may not, at the time the new district is created, contain any land

3-17 outside the area described by Section 2 of the Act enacting this

3-18 chapter.

3-19 (d) The board, on its own motion or on receipt of a petition

3-20 signed by the owner or owners of a majority of the assessed value of

3-21 the real property in the district, may adopt an order dividing the

3-22 district.

3-23 (e) The board may adopt an order dividing the district

3-24 before or after the date the board holds an election under Section

3-25 7952A.0103 to confirm the district's creation.

3-26 (f) An order dividing the district shall:

3-27 (1) name each new district;

3-28 (2) include the metes and bounds description of the

3-29 territory of each new district;

3-30 (3) appoint temporary directors for each new district;

3-31 and

3-32 (4) provide for the division of assets and liabilities

3-33 between the new districts.

3-34 (g) On or before the 30th day after the date of adoption of

3-35 an order dividing the district, the district shall file the order

3-36 with the commission and record the order in the real property

3-37 records of each county in which the district is located.

3-38 (h) Any new district created by the division of the district

3-39 shall hold a confirmation and directors' election as required by

3-40 Section 7952A.0103.

3-41 (i) If the creation of the new district is confirmed, the

3-42 new district shall provide the election date and results to the

3-43 commission.

3-44 (j) Any new district created by the division of the district

3-45 must hold an election as required by this chapter to obtain voter

3-46 approval before the district may impose a maintenance tax or issue

3-47 bonds payable wholly or partly from ad valorem taxes.

3-48 (k) Municipal consent to the creation of the district and to

3-49 the inclusion of land in the district granted under Section

3-50 7952A.0104 acts as municipal consent to the creation of any new

3-51 district created by the division of the district and to the

3-52 inclusion of land in the new district.

3-53 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-54 Sec. 7952A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)

3-55 The district may issue, without an election, bonds and other

3-56 obligations secured by:

3-57 (1) revenue other than ad valorem taxes; or

3-58 (2) contract payments described by Section

3-59 7952A.0403.

3-60 (b) The district must hold an election in the manner

3-61 provided by Chapters 49 and 54, Water Code, to obtain voter approval

3-62 before the district may impose an ad valorem tax or issue bonds

3-63 payable from ad valorem taxes.

3-64 (c) The district may not issue bonds payable from ad valorem

3-65 taxes to finance a road project unless the issuance is approved by a

3-66 vote of a two-thirds majority of the district voters voting at an

3-67 election held for that purpose.

3-68 Sec. 7952A.0402. OPERATION AND MAINTENANCE TAX. (a) If

3-69 authorized at an election held under Section 7952A.0401, the

4-1 district may impose an operation and maintenance tax on taxable
4-2 property in the district in accordance with Section 49.107, Water
4-3 Code.

4-4 (b) The board shall determine the tax rate. The rate may not
4-5 exceed the rate approved at the election.

4-6 Sec. 7952A.0403. CONTRACT TAXES. (a) In accordance with
4-7 Section 49.108, Water Code, the district may impose a tax other than
4-8 an operation and maintenance tax and use the revenue derived from
4-9 the tax to make payments under a contract after the provisions of
4-10 the contract have been approved by a majority of the district voters
4-11 voting at an election held for that purpose.

4-12 (b) A contract approved by the district voters may contain a
4-13 provision stating that the contract may be modified or amended by
4-14 the board without further voter approval.

4-15 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-16 Sec. 7952A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
4-17 OBLIGATIONS. The district may issue bonds or other obligations
4-18 payable wholly or partly from ad valorem taxes, impact fees,
4-19 revenue, contract payments, grants, or other district money, or any
4-20 combination of those sources, to pay for any authorized district
4-21 purpose.

4-22 Sec. 7952A.0502. TAXES FOR BONDS. At the time the district
4-23 issues bonds payable wholly or partly from ad valorem taxes, the
4-24 board shall provide for the annual imposition of a continuing
4-25 direct ad valorem tax, without limit as to rate or amount, while all
4-26 or part of the bonds are outstanding as required and in the manner
4-27 provided by Sections 54.601 and 54.602, Water Code.

4-28 Sec. 7952A.0503. BONDS FOR ROAD PROJECTS. At the time of
4-29 issuance, the total principal amount of bonds or other obligations
4-30 issued or incurred to finance road projects and payable from ad
4-31 valorem taxes may not exceed one-fourth of the assessed value of the
4-32 real property in the district.

4-33 SECTION 2. The Brazoria County Municipal Utility District
4-34 No. 86 initially includes all the territory contained in the
4-35 following area:

4-36 206.94 ACRES OF LAND, BEING A PART OF THE PERRY AND AUSTIN
4-37 LEAGUE, ABSTRACT 109, BRAZORIA COUNTY, TEXAS, AND BEING OUT OF THAT
4-38 CERTAIN TRACT DESCRIBED IN A DEED TO IP FARMS AS PARCEL 34, TRACT 1,
4-39 RECORDED IN VOLUME 1769, PAGE 350, DEED RECORDS OF BRAZORIA COUNTY,
4-40 TEXAS, SAID 206.94 ACRES BEING MORE PARTICULARLY DESCRIBED AS
4-41 FOLLOWS:

4-42 BEGINNING at a 3/4 inch iron pipe set for the South corner of
4-43 the herein described tract and the East corner of Tract 4 this day
4-44 surveyed in the Northwest right-of-way line of F. M. 2004 (300.0
4-45 feet wide in Volume 873, Page 612, Deed Records), said point being
4-46 located North 43 deg. 30 min. 34 sec. East - 1544.16 feet from a 3/4
4-47 inch iron pipe found at the East corner of a 15.0 acre tract
4-48 described in a deed from IP Farms to Regency Cleaners, Inc. recorded
4-49 in Clerk's File 00-032313;

4-50 THENCE North 43 deg. 35 min. 12 sec. West, along the Northeast
4-51 line of Tract 4, a distance of 121.04 feet to a 3/4 inch iron pipe
4-52 set for angle point;

4-53 THENCE North 55 deg. 26 min. 28 sec. West, along the Northeast
4-54 line of Tract 4, a distance of 161.66 feet to a 3/4 inch iron pipe
4-55 set for angle point;

4-56 THENCE North 44 deg. 16 min. 35 sec. West, along the Northeast
4-57 line of Tract 4, a distance of 1738.74 feet to a 3/4 inch iron pipe
4-58 set for angle point;

4-59 THENCE North 59 deg. 34 min. 22 sec. West, along the Northeast
4-60 line of Tract 4, a distance of 158.26 feet to a 3/4 inch iron pipe
4-61 set for angle point;

4-62 THENCE North 82 deg. 17 min. 31 sec. West, along the North
4-63 line of Tract 4, a distance of 827.12 feet to a 3/4 inch iron pipe
4-64 set for angle point;

4-65 THENCE South 68 deg. 39 min. 28 sec. West, along the North
4-66 line of Tract 4, a distance of 960.63 feet to a 3/4 inch iron pipe
4-67 found for the West corner of the herein described tract in the
4-68 Southeast line of Tract 5 heretofore surveyed;

4-69 THENCE North 22 deg. 08 min. 26 sec. East, along the Southeast

5-1 line of Tract 5, a distance of 152.05 feet to a 3/4 inch iron pipe
 5-2 found for angle point;

5-3 THENCE North 39 deg. 52 min. 48 sec. East, along the Southeast
 5-4 line of Tract 5, at 2279.02 feet pass a 3/4 inch iron pipe set for
 5-5 reference corner, and continue for a total distance of 2379.02 feet
 5-6 to a point marking the North corner of the herein described tract in
 5-7 the Southwest line of Tract 6 this day surveyed, said point being in
 5-8 the centerline of Persimmon Bayou;

5-9 THENCE North 85 deg. 31 min. 02 sec. East, along the
 5-10 centerline of Persimmon Bayou and the Southwest line of Tract 6, at
 5-11 52.97 feet pass the South corner of Tract 6 and the West corner of
 5-12 Tract 2, and continue along the Southwest line of Tract 2 for a
 5-13 total distance of 1183.48 feet to an angle point;

5-14 THENCE South 72 deg. 02 min. 39 sec. East, along the
 5-15 centerline of Persimmon Bayou and the Southwest line of Tract 2, a
 5-16 distance of 2183.60 feet to an angle point;

5-17 THENCE South 71 deg. 13 min. 56 sec. East, along the
 5-18 centerline of Persimmon Bayou and the Southwest line of Tract 2, a
 5-19 distance of 765.49 feet to a point marking the East corner of the
 5-20 herein described tract in the Northwest right-of-way line of F. M.
 5-21 2004, from which point a concrete monument found bears North 43 deg.
 5-22 30 min. 34 sec. East - 355.35 feet;

5-23 THENCE South 43 deg. 30 min. 34 sec. West, along the Northwest
 5-24 line of F. M. 2004, a distance of 3316.44 feet to the PLACE OF
 5-25 BEGINNING and containing 206.94 acres of land.

5-26 SECTION 3. (a) The legal notice of the intention to
 5-27 introduce this Act, setting forth the general substance of this
 5-28 Act, has been published as provided by law, and the notice and a
 5-29 copy of this Act have been furnished to all persons, agencies,
 5-30 officials, or entities to which they are required to be furnished
 5-31 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 5-32 Government Code.

5-33 (b) The governor, one of the required recipients, has
 5-34 submitted the notice and Act to the Texas Commission on
 5-35 Environmental Quality.

5-36 (c) The Texas Commission on Environmental Quality has filed
 5-37 its recommendations relating to this Act with the governor, the
 5-38 lieutenant governor, and the speaker of the house of
 5-39 representatives within the required time.

5-40 (d) All requirements of the constitution and laws of this
 5-41 state and the rules and procedures of the legislature with respect
 5-42 to the notice, introduction, and passage of this Act are fulfilled
 5-43 and accomplished.

5-44 SECTION 4. (a) If this Act does not receive a two-thirds
 5-45 vote of all the members elected to each house, Subchapter C, Chapter
 5-46 7952A, Special District Local Laws Code, as added by Section 1 of
 5-47 this Act, is amended by adding Section 7952A.0307 to read as
 5-48 follows:

5-49 Sec. 7952A.0307. NO EMINENT DOMAIN POWER. The district may
 5-50 not exercise the power of eminent domain.

5-51 (b) This section is not intended to be an expression of a
 5-52 legislative interpretation of the requirements of Section 17(c),
 5-53 Article I, Texas Constitution.

5-54 SECTION 5. This Act takes effect immediately if it receives
 5-55 a vote of two-thirds of all the members elected to each house, as
 5-56 provided by Section 39, Article III, Texas Constitution. If this
 5-57 Act does not receive the vote necessary for immediate effect, this
 5-58 Act takes effect September 1, 2021.

5-59 * * * * *