By:  Wilson (Senate Sponsor - Flores) H.B. No. 5357

(In the Senate - Received from the House May 10, 2023; May 10, 2023, read first time and referred to Committee on Local Government; May 17, 2023, reported favorably by the following vote: Yeas 9, Nays 0; May 17, 2023, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Springer          X

Eckhardt          X

Gutierrez         X

Hall              X

Nichols           X

Parker            X

Paxton            X

West              X

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Liberty Hill Municipal Utility District; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, 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 7947A to read as follows:

CHAPTER 7947A.  LIBERTY HILL MUNICIPAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7947A.0101.  DEFINITIONS. In this chapter:

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

(2)  "Commission" means the Texas Commission on Environmental Quality.

(3)  "Director" means a board member.

(4)  "District" means the Liberty Hill Municipal Utility District.

Sec. 7947A.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7947A.0103.  CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7947A.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7947A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district as required by applicable law.

Sec. 7947A.0105.  FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(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.

Sec. 7947A.0106.  INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b)  The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1)  organization, existence, or validity;

(2)  right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3)  right to impose a tax; or

(4)  legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7947A.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 7947A.0202, directors serve staggered four-year terms.

Sec. 7947A.0202.  TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 7947A.0103; or

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

(c)  If permanent directors have not been elected under Section 7947A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1)  the date permanent directors are elected under Section 7947A.0103; or

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

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

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7947A.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7947A.0302.  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 Constitution.

Sec. 7947A.0303.  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. 7947A.0304.  ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, 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, subdivision requirements, 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. 7947A.0305.  COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7947A.0401.  ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1)  revenue other than ad valorem taxes; or

(2)  contract payments described by Section 7947A.0403.

(b)  The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c)  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.

Sec. 7947A.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7947A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

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

Sec. 7947A.0403.  CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

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

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7947A.0501.  AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7947A.0502.  TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7947A.0503.  BONDS FOR ROAD PROJECTS. 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.

SECTION 2.  The Liberty Hill Municipal Utility District initially includes all the territory contained in the following area:

BEING ALL OF THAT CERTAIN 223.942 ACRE TRACT OR PARCEL OF LAND OUT OF THE HENRY FIELDS SURVEY, ABSTRACT NUMBER 233, THE JOHN INGRAM SURVEY, ABSTRACT NUMBER 335, AND THE JOSEPH M. GLASSCOCK SURVEY, ABSTRACT NUMBER 254, SITUATED IN WILLIAMSON COUNTY, TEXAS, SAID TRACT OF LAND BEING MORE PARTICULARLY DESCRIBED AS BEING ALL OF THE REMAINDER OF A CALLED 99.57 ACRE TRACT OF LAND (TRACT NO. 2) DESCRIBED IN DOCUMENT NUMBER 199961486 OF THE OFFICIAL PUBLIC RECORDS OF WILLIAMSON COUNTY, TEXAS (O.P.R.W.C.TX.), AND CONVEYED TO JSB HOLDINGS, LTD., IN DOCUMENT NUMBER 2002103000 (O.P.R.W.C.TX.), ALL OF A CALLED 126.90 ACRE TRACT OF LAND (TRACT NO. 1) DESCRIBED IN DOCUMENT NUMBER 199961485 (O.P.R.W.C.TX.) AND CONVEYED TO JSB HOLDINGS, LTD., IN SAID DOCUMENT NUMBER 2002103000 (O.P.R.W.C.TX.), AND ALL OF CALLED 7.957 ACRE TRACT OF LAND CONVEYED TO JSB HOLDINGS, LTD., DESCRIBED IN DOCUMENT NUMBER 2014076250 (O.P.R.W.C.TX.), SAID 223.942 ACRE TRACT OF LAND MORE FULLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING, at a calculated point, for a southeast corner of said 99.57 acre tract, being a point on the north boundary line of a called 6.829 acre tract of land conveyed to Williamson County, Texas described, in Document Number 2014076251 (O.P.R.W.C.TX.), being the southwest corner of a called 3.854 acre tract land conveyed to Williamson County, Texas, described in Document 2018029559 (O.P.R.W.C.TX.), for the southernmost southeastern corner and the POINT OF BEGINNING of the herein described tract,

THENCE, with the common boundary line of said 99.57 acre tract, said 6.829 acre tract, said 7.957 acre tract and the remainder of a called 1011.979 acre tract of land conveyed to Williamson County, Texas described in Document Number 2008070649 (O.P.R.W.C.TX.), the following five (5) courses and distances, numbered 1 through 5,

1.  S87°54'56"W, a distance of 86.03 feet to a calculated point at the point of curvature, for a curve to the left,

2.  with said curve to the left, having a radius of 394.91 feet, an arc length of 273.10 feet, and whose chord bears S68°06'15"W, a distance of 267.69 feet to a calculated point,

3.  S48°17'34"W, a distance of 257.84 feet to a calculated point,

4.  S69°27'13"W, a distance of 581.45 feet to a calculated point, and

5.  S68°34'42"W, a distance of 1,227.75 feet to a calculated point, being the southwest corner of said 7.957 acre tract, and being an interior corner on the east line of said 1011.979 acre tract, for the southwest corner of the herein described tract,

THENCE, with the common boundary line of said 7.957 acre tract and said 1011.979 acre tract, the following two (2) courses and distances, numbered 1 and 2,

1.  N20°44'11"W, a distance of 3,174.64 feet to a calculated point, and

2.  N09°49'34"E, a distance of 212.61 feet to a calculated point, being the northernmost corner of said 7.957 acre tract, being an eastern corner of said 1011.979 acre tract and being a point on a western boundary line of said 126.90 acre tract,

THENCE, with the common boundary line of said 126.90 acre tract and said 1011.979 acre tract, the following seventeen (17) courses and distances, numbered 1 through 17,

1.  N20°44'11"W, a distance of 173.16 feet to a calculated point,

2.  N09°26'41"W, a distance of 174.29 feet to a calculated point,

3.  N30°49'11"W, a distance of 132.71 feet to a calculated point, and to the called centerline of Collier Branch

4.  N43°55'49"E, a distance of 131.59 feet to a calculated point,

5.  N17°22'11"W, a distance of 200.92 feet to a calculated point,

6.  N32°01'49"E, a distance of 112.41 feet to a calculated point,

7.  N75°08'19"E, a distance of 90.33 feet to a calculated point,

8.  S19°32'41"E, a distance of 103.93 feet to a calculated point,

9.  N87°25'19"E, a distance of 194.49 feet to a calculated point,

10.  S06°27'49"W, a distance of 137.28 feet to a calculated point,

11.  N79°32'49"E, a distance of 74.00 feet to a calculated point,

12.  N09°42'19"E, a distance of 131.77 feet to a calculated point,

13.  N46°22'11"W, a distance of 132.18 feet to a calculated point,

14.  N47°20'11"W, a distance of 106.72 feet to a calculated point,

15.  N16°44'19"E, a distance of 14.25 feet to a calculated point,

16.  S78°05'41"E, a distance of 176.98 feet to a calculated point, and

17.  N31°38'19"E, a distance of 167.87 feet to a calculated point, being the northernmost corner of said 126.90 acre tract, being a northeastern corner of said 1011.979 acre tract, being a point on a southwestern boundary line of a called 10.028 acre tract of land conveyed to Victoria Lynn Honeycutt described in Document Number 2014004238 (O.P.R.W.C.TX.) and being the called centerline of South San Gabriel River, for the northernmost corner of the herein described tract,

THENCE, with the common boundary line of said 126.90 acre tract, said 10.028 acre tract, a called 11.158 acre tract of land conveyed to Frank Donahue described in Volume 642, Page 367 of the Deed Records of Williamson County, Texas (D.R.W.C.TX.), and said centerline of said South San Gabriel River, the following two (2) courses and distances, numbered 1 and 2,

1.  S57°42'41"E, a distance of 454.52 feet to a calculated point, and

2.  S69°15'11"E, a distance of 89.76 feet to a calculated point, being a northern corner of said 126.90 acre tract, being the southeast corner of said 11.158 acre tract, being a point on the centerline of said South San Gabriel River, being the southwest corner of a called 12.118 acre tract of land conveyed to Frank Donahue described in Volume 642, Page 379 (D.R.W.C.TX.),and being a western corner of a called 27.284 acre tract of land conveyed to Robert B. Reese described in Volume 997, Page 344 of the Official Records of Williamson County, Texas (O.R.W.C.TX.),

THENCE, with the common boundary line of said 126.90 acre tract and said 27.284 acre tract, the following four (4) courses and distances, numbered 1 through 4,

1.  S17°37'11"E, a distance of 172.69 feet to a calculated point,

2.  S45°19'41"E, a distance of 353.08 feet to a calculated point,

3.  N85°42'19"E, a distance of 784.80 feet to a calculated point, and

4.  N82°09'49"E, a distance of 565.55 feet to a calculated point, being a northeastern corner of said 126.90 acre tract, being the southeast corner of said 27.284 acre tract and being the southwest corner of a called 10.00 acre tract of land conveyed to Action Propane, Inc., described in Volume 1227, Page 650 (O.R.W.C.TX.),

THENCE, with the common boundary line of said 126.90 acre tract and said 10.00 acre tract, N73°24'19"E, a distance of 184.21 feet to a calculated point, being a northeastern corner of said 126.90 acre tract, being a point on the southeast boundary line of said 10.00 acre tract and being the northwest corner of Lot 2, Brinson Subdivision, a subdivision recorded in Cabinet DD, Slide 240 of the Plat Records of Williamson County, Texas (P.R.W.C.TX.),

THENCE, with the common boundary line of said 126.90 acres and said Lot 2 and County Road 279 (R.O.W. Varies), the following three (3) courses and distances, numbered 1 through 3,

1.  S16°52'41"E, a distance of 419.42 feet to a calculated point,

2.  S14°49'41"E, a distance of 269.02 feet to a calculated point, and

3.  N66°56'19"E, a distance of 518.35 feet to a calculated point, being the northeast corner of said 126.90 acre tract and being a corner on the western right-of-way line of said County Road 279, for the northeast corner of the herein described tract,

THENCE, with the common boundary line of said 126.90 acre tract, said County Road 279 , S02°11'41"E, a distance of 754.59 feet to a calculated point, being the southeast corner of said 126.90 acre tract, being also the northeast corner of said 3.854 acre tract and being a point on a western right-of-way line of said County Road 279,

THENCE, with the common boundary line of said 126.90 acre tract and said 3.854 acre tract, S69°03'18"W, a distance of 91.58 feet to a calculated point, being a point on a southeastern boundary line of said 126.90 acre tract, being the northwest corner of said 3.854 acre tract and being a northeast corner of said 99.57 acre tract,

THENCE, with the common boundary line of said 99.57 acre tract and said 3.854 acre tract the following, five (5) courses and distances, numbered 1 through 5,

1.  S04°18'38"W, a distance of 53.25 feet to a calculated point,

2.  S01°24'00"E, a distance of 600.84 feet to a calculated point,

3.  S01°27'45"W,a distance of 200.25 feet to a calculated point,

4.  S01°24'00"E, a distance of 663.46 feet to a calculated point, and

5.  S43°16'20"W, a distance of 60.92 feet to the POINT OF BEGINNING and containing 223.942 acres of land.

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 and accomplished.

SECTION 4.  (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7947A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7947A.0306 to read as follows:

Sec. 7947A.0306.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

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

SECTION 5.  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, 2023.

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