SECTION 2. (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 8453, Special District Local Laws Code, as added by
Section 1 of this Act, is amended by adding Section 8453.106 to read as follows:

Sec. 8453.106. 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 Subsection (c), Section 17, 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, 2013.

Passed the Senate on April 18, 2013: Yeas 31, Nays 0; passed the House on May 17,
2013: Yeas 134, Nays 0, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.

CHAPTER 471

S.B. No. 1073

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 534; providing authority to
impose a tax and issue bonds; granting a limited power of eminent domain.

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 8438 to read as follows:

CHAPTER 8438. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 534

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8438.001. DEFINITIONS. In this chapter:

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

(2) "Commission" means the Texas Commission on Environmental Quality.
Sec. 8438.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8438.003. CONFIRMATION AND DIRECTORS' 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. 8438.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8438.003 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.

Sec. 8438.005. 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. 8438.006. 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. 8438.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8438.052, directors serve staggered four-year terms.

Sec. 8438.052. 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 8438.003; 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 8438.003 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 8438.003; 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. 8438.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8438.102. 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. 8438.103. 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. 8438.104. 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, zoning and 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. 8438.105. 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. 8438.151. 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 8438.153.

(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. 8438.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8438.151, 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. 8438.153. 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. 8438.201. 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. 8438.202. 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. 8438.203. 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 Harris County Municipal Utility District No. 534 initially includes all the territory contained in the following area:

BEGINNING at a railroad spike in asphalt found in the centerline of Katy-Hockley Cut-Off Road (60-foot width) and Longenbaugh Road (60-foot width) for the Northeast corner of said Section 69 Block 2 of the H. & T.C.R.R. Company Survey Abstract No. 459, same being the Southwest corner of Section 57, Block 2 of the H. & T.C.R.R. Company Survey, Abstract No. 443, the Northwest corner of Section 58, Block 2 of the H. & T. C. R.R. Company Survey (George Spencer Survey), Abstract No. 1398 and the Southeast corner of the J.R. Garrett Survey, Abstract No. 1470 which is out of Section 70, Block 2 of the H. & T.C.R.R. Company Survey;

THENCE, N 87° 51' 45" E, a distance of 5,286.01 feet along and with the North line of said Section 58, the North lines of said 240 acre tract and said 320 acre tract, the South line of said Section 57 and the centerline of said Longenbaugh Road to a 1/2-inch iron rod found in asphalt at the centerline intersection of Longenbaugh Road (60-foot width) and Porter Road (60-foot width) same being the Northeast corner of said Section 58, the Northeast corner of said 320 acre tract, the South corner of said Section 57, the Northwest corner of Section 49, Block 2 of the H. & T.C.R.R. Company Survey Abstract No. 441 and the Southwest corner of the J.R. Garrett Survey, Abstract No. 1595;

THENCE, S 02° 02' 45" E, a distance of 5,145.59 feet along and with the East line of said 320 acre tract, the East line of said Section 58 and the West line of said Section 49 and the centerline of said Porter Road (60-foot width) to a point for corner;

THENCE, S 97° 57' 15" W, a distance of 30.00 feet to a point for corner in the West right-of-way line of said Porter Road and being the North end of the Northwest cut-back corner at the intersection of Farm-to-Market Road 529 (H.C.C.F. No. C254043) and Porter Road;

THENCE, S 43° 18' 01" W, a distance of 134.45 feet along and with the Northwest cut-back at the intersection of Farm-to-Market Road 529 and Porter Road to a 4"x4" concrete monument found in the North right-of-way line of said Farm-to-Market Road 529 (120-foot width) for the South corner of said Northwest cut-back;

THENCE, S 88° 19' 38" W, a distance of 1,847.77 feet along and with the North right-of-way line of said Farm-to-Market Road 529 (120-foot width) to an angle point;
THENCE, S 87° 54’ 38” W, a distance of 677.08 feet along and with the North right-of-way line of said Farm-to-Market Road 529 to a point for corner in the West line of said 320 acre tract, same being the Southeast corner of a called 72.792 acre tract of land described in an instrument to FM 529 Cut Off Ltd filed for record under Harris County Clerk's File Number (H.C.C.F. No.) 20070284854 and from which a 5/8-inch iron rod with cap stamped “Kalkomey Surveying” bears S 01° 51’ 46” E, 0.60 feet;

THENCE, N 01° 51’ 46” W, a distance of 1,223.28 feet along and with the East line of said 72.792 acre tract and the West line of said 320 acre tract to a 5/8-inch iron rod with cap stamped “Kalkomey Surveying” found for the Northeast corner of said 72.792 acre tract and the Southeast corner of said 240 acre tract;

THENCE, S 88° 32’ 00” W, a distance of 2,635.40 feet along and with the North line of said 72.792 acre tract and the South line of said 240 acre tract to a point for corner in the centerline of said Katy–Hockley Cut-Off Road (60-foot width) being the Southwest corner of said 240 acre tract, same being in the West line of said Section 58, the East line of said Section 69 and from which a 5/8-inch iron rod with cap stamped “Kalkomey Surveying” bears N 88° 32’ E, 30.95 feet;

THENCE, N 02° 06’ 22” W, a distance of 3,970.20 feet along and with the centerline of said Katy–Hockley Cut–Off Road, the West line of said Section 58 and said 240 acre tract and the East line of said Section 69 to the POINT OF BEGINNING and containing 559.0006 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 8438, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8438.106 to read as follows:

Sec. 8438.106. 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 Subsection (c), Section 17, 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, 2013.

Passed the Senate on April 18, 2013: Yeas 31, Nays 0; passed the House on May 17, 2013: Yeas 133, Nays 1, two present not voting.

Approved June 14, 2013.

Effective June 14, 2013.