

## **BILL ANALYSIS**

Senate Research Center  
81R3263 PMO-F

H.B. 2022  
By: Weber (Hegar)  
Intergovernmental Relations  
5/13/2009  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Sedona Lakes Municipal Utility District No. 1 of Brazoria County (district) encompasses an area of land outside the corporate limits of any city and within the extraterritorial jurisdiction of the City of Manvel. The land will be utilized for single family residential and commercial development, and therefore needs to secure water, sewage, drainage, and road services.

H.B. 2022 authorizes the district to purchase, acquire, or construct facilities to service the future occupants of the land through the use of tax exempt bonds and to impose a tax to repay bonds.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8305, as follows:

#### **CHAPTER 8305. SEDONA LAKES MUNICIPAL UTILITY DISTRICT NO. 1 OF BRAZORIA COUNTY**

##### **SUBCHAPTER A. GENERAL PROVISIONS**

Sec. 8305.001. DEFINITION. Defines "district."

[Reserves Sections 8305.002-8305.050 for expansion.]

##### **SUBCHAPTER B. POWERS AND DUTIES**

Sec. 8305.051. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the Sedona Lakes Municipal Utility District No. 1 of Brazoria County (district) has the powers and duties provided by the general law of this state, including Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, applicable to municipal utility districts created under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI (General Provisions), Texas Constitution.

Sec. 8305.052. AUTHORITY FOR ROAD PROJECTS. Authorizes the district under Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III (Legislative Department), Texas Constitution, to 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. 8305.053. ROAD STANDARDS AND REQUIREMENTS. (a) Requires a road project to 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) Requires the road project, if a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, to meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) Requires the Texas Transportation Commission, if the state will maintain and operate the road, to approve the plans and specifications of the road project.

Sec. 8305.054. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. Requires the district to comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 (Consent of City) or 54.0165 (Addition to District of Land in Extraterritorial Jurisdiction of Municipality), Water Code, including any ordinance or resolution adopted before September 1, 2009, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 8305.055. LIMITATION ON USE OF EMINENT DOMAIN. Prohibits the district from exercising the power of eminent domain outside the district to acquire a site or easement for a road project authorized by Section 8305.052 or a recreational facility as defined by Section 49.462 (Definitions), Water Code.

[Reserves Sections 8305.056-8305.100 for expansion.]

#### SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 8305.101. TAX TO REPAY BONDS. Authorizes the district to impose a tax to pay the principal of or interest on bonds or other obligations issued under Section 8305.151.

[Reserves Sections 8305.102-8305.150 for expansion.]

#### SUBCHAPTER D. BONDS AND OTHER OBLIGATIONS

Sec. 8305.151. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. Authorizes the district to 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. 8305.152. TAXES FOR BONDS. Requires the board, at the time the district issues bonds payable wholly or partly from ad valorem taxes, to 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 (Tax Levy for Bonds) and 54.602 (Establishment of Tax Rate in Each Year), Water Code.

Sec. 8305.153. BONDS FOR ROAD PROJECTS. (a) Prohibits the district from issuing 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.

(b) Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes, at the time of issuance, from exceeding one-fourth of the assessed value of the real property in the district.

SECTION 2. Provides that 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 3. Effective date: upon passage or September 1, 2009.