

By: Isaac

H.B. No. 4185

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Headwaters Municipal Utility District; providing authority to issue bonds and impose 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 7951 to read as follows:

CHAPTER 7951. HEADWATERS MUNICIPAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7951.001. DEFINITION. In this chapter, "district" means the Headwaters Municipal Utility District.

Sec. 7951.002. 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.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 7951.051. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for

1 which the district is created.

2 Sec. 7951.052. MUNICIPAL UTILITY DISTRICT POWERS AND
3 DUTIES. The district has the powers and duties provided by the
4 general law of this state, including Chapters 49 and 54, Water Code,
5 applicable to municipal utility districts created under Section 59,
6 Article XVI, Texas Constitution.

7 Sec. 7951.053. AUTHORITY FOR ROAD PROJECTS. Under Section
8 52, Article III, Texas Constitution, the district may design,
9 acquire, construct, finance, issue bonds for, improve, operate,
10 maintain, and convey to this state, a county, or a municipality for
11 operation and maintenance macadamized, graveled, or paved roads, or
12 improvements, including storm drainage, in aid of those roads.

13 Sec. 7951.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
14 project must meet all applicable construction standards, zoning and
15 subdivision requirements, and regulations of each municipality in
16 whose corporate limits or extraterritorial jurisdiction the road
17 project is located.

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

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

26 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

27 Sec. 7951.101. AUTHORITY TO ISSUE BONDS AND OTHER

1 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or
2 other obligations payable wholly or partly from ad valorem taxes,
3 revenue, contract payments, grants, or other district money, or any
4 combination of those sources, to pay for a road project authorized
5 by Section 7951.053.

6 (b) The district may not issue bonds payable from ad valorem
7 taxes to finance a road project unless the issuance is approved by a
8 vote of a two-thirds majority of the district voters voting at an
9 election held for that purpose.

10 (c) At the time of issuance, the total principal amount of
11 bonds or other obligations issued or incurred to finance road
12 projects and payable from ad valorem taxes may not exceed
13 one-fourth of the assessed value of the real property in the
14 district.

15 Sec. 7951.102. TAXES FOR BONDS. At the time the district
16 issues bonds payable wholly or partly from ad valorem taxes, the
17 district shall provide for the annual imposition of a continuing
18 direct ad valorem tax, without limit as to rate or amount, while all
19 or part of the bonds are outstanding as required and in the manner
20 provided by Sections [54.601](#) and [54.602](#), Water Code.

21 SECTION 2. The Headwaters Municipal Utility District
22 retains all rights, powers, privileges, authority, duties, and
23 functions that it had before the effective date of this Act.

24 SECTION 3. (a) The legislature validates and confirms all
25 governmental acts and proceedings of the Headwaters Municipal
26 Utility District that were taken before the effective date of this
27 Act.

1 (b) This section does not apply to any matter that on the
2 effective date of this Act:

3 (1) is involved in litigation if the litigation
4 ultimately results in the matter being held invalid by a final court
5 judgment; or

6 (2) has been held invalid by a final court judgment.

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

14 (b) The governor, one of the required recipients, has
15 submitted the notice and Act to the Texas Commission on
16 Environmental Quality.

17 (c) The Texas Commission on Environmental Quality has filed
18 its recommendations relating to this Act with the governor, the
19 lieutenant governor, and the speaker of the house of
20 representatives within the required time.

21 (d) All requirements of the constitution and laws of this
22 state and the rules and procedures of the legislature with respect
23 to the notice, introduction, and passage of this Act are fulfilled
24 and accomplished.

25 SECTION 5. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this
2 Act takes effect September 1, 2015.