

**BILL ANALYSIS**

Senate Research Center  
79R11059 SGA-F

S.B. 1881  
By: Deuell  
Intergovernmental Relations  
4/26/2005  
As Filed

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

As proposed, S.B. 1881 provides flexibility to the Parker Creek Municipal Utility District of Rockwall County (district) and to the municipality in whose extraterritorial jurisdiction the district is located, so that if annexed by a municipality, the district remains in existence.

**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 8123, as follows:

CHAPTER 8123. PARKER CREEK MUNICIPAL UTILITY DISTRICT  
OF ROCKWALL COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8123.001. DEFINITIONS. Defines "board" and "district."

Sec. 8123.002. NATURE OF DISTRICT. Provides that the Parker Creek Municipal Utility District of Rockwall County (district) is a municipal utility district in Rockwall County created under and essential to accomplish the purposes of Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds), Article III, and Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution.

Sec. 8123.003. APPLICABILITY OF OTHER LAW. Provides that except as provided by this chapter, Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, apply to the district.

[Reserves Sections 8123.004-8123.050 for expansion.]

SUBCHAPTER B. ANNEXATION BY MUNICIPALITY

Sec. 8123.051. REQUEST FOR ANNEXATION. (a) Authorizes the board of directors of the district (board) to adopt a resolution requesting that a municipality in whose extraterritorial jurisdiction the district is wholly or partly located annex all or part of the territory of the district.

(b) Requires the resolution adopted to describe the territory requested for annexation by metes and bounds.

(c) Authorizes the municipality by resolution, if the board adopts a resolution as provided by Subsection (a), to annex the territory described in the resolution without complying with other procedural requirements.

(d) Sets forth that the terms of the resolution control the annexation, if the board adopts a resolution requesting annexation by a municipality under this section. Sets forth that the terms regarding annexation of any agreement between the municipality and the district or a property owner in the district control the annexation, if the board does not adopt a resolution requesting annexation.

Sec. 8123.052. CONTINUANCE OF DISTRICT; DISTRICT POWERS. Provides that annexation by a municipality of all or part of the territory of the district under this subchapter does not affect any district power or duty that the district had before the annexation.

[Reserves Sections 8123.053-8123.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES CONTINGENT ON ANNEXATION BY MUNICIPALITY

Sec. 8123.101. APPLICABILITY OF SUBCHAPTER. Provides that this subchapter applies to the district only if the district is wholly or partly annexed by a municipality under Subchapter B.

Sec. 8123.102. ROAD PROJECTS. (a) Authorizes the district, in the part of the district annexed by the municipality, to construct, acquire, improve, maintain, or operate macadamized, graveled, or paved roads or turnpikes or improvements in aid of those roads or turnpikes.

(b) Requires a project authorized by this section to meet only the construction standards adopted by the North Central Texas Council of Governments, or its successor agency.

(c) Authorizes the district to contract for a road project in the manner provided by Subchapter I (Construction, Equipment, Materials, and Machinery Contracts) Chapter 49, Water Code.

(d) Provides that Section 49.182 (Commission Supervision of Projects and Improvements), Water Code, does not apply to a project under this section.

Sec. 8123.103. FINANCING OF ROAD PROJECTS. (a) Authorizes the district, except as provided by Subsections (b) and (c), to issue bonds or other obligations as provided by Chapters 49 and 54, Water Code, to finance a project under Section 8123.102 in the part of the district annexed by a municipality.

(b) Prohibits the district from issuing bonds or other obligations secured wholly or partly by ad valorem taxes to finance a project under Section 8123.102 unless the issuance is approved by a vote of a two-thirds majority of the voters of the district voting at an election called for that purpose.

(c) Prohibits bonds or other obligations issued to finance projects under Section 8123.102 from exceeding one-fourth of the assessed value of the real property in the district.

(d) Provides that Section 49.181 (Authority of Commission Over Issuance of District Bonds), Water Code, does not apply to bonds issued under this section.

[Reserves Sections 8123.104-8123.150 for expansion.]

#### SUBCHAPTER D. GENERAL FINANCIAL POWERS

Sec. 8123.151. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) Authorizes each district to issue bonds in accordance with Chapters 49 and 54, Water Code.

(b) Provides that district bonds or other obligations are payable wholly or partly from ad valorem taxes, impact fees, revenue, grants, other district money, or any combination of those sources of money.

Sec. 8123.152. TAX TO REPAY BONDS. Authorizes the district to impose a tax to pay the principal of and interest on bonds issued under Section 8123.103 or 8123.151.

Sec. 8123.153. OPERATION AND MAINTENANCE TAX. (a) Authorizes the district to impose a tax for any district purpose in the manner provided by Section 49.107 (Operation and Maintenance Tax), Water Code.

(b) Provides that Section 49.107(f), Water Code, does not apply to reimbursement for a project constructed or acquired under Section 8123.102.

SECTION 2. (a) Sets forth that the creation of the district and all proceedings related to the creation of the district, effective as of the date on which the creation or related proceedings occurred and any act or proceeding of the district, including an election, not excepted by this section and taken not more than two years before the effective date of this Act, effective as of the date on which the act or proceeding occurred are validated and confirmed in all respects.

(b) Sets forth that this section does not apply to an act, proceeding, director, other official, bond, or obligation the validity of which or of whom is the subject of litigation that is pending on the effective date of this Act or an act or proceeding that, under a statute of this state or the United States, was a misdemeanor or felony at the time the act or proceeding occurred.

SECTION 3. Sets forth that the district retains all the rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

SECTION 4. Sets forth that except as provided by Sections 8123.051 and 8123.052, Special District Local Laws Code, as added by this Act, to the extent of any conflict between this Act and the terms and provisions of any agreement executed before the effective date of this Act between a municipality and the district or a property owner in that district, the agreement prevails.

SECTION 5. Provides that all of the 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 6. Effective date: upon passage September 1, 2005.