

BILL ANALYSIS

Senate Research Center
82R7941 SLB-F

H.B. 1932
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Williamson-Liberty Hill Municipal Utility District (district) is located exclusively in Williamson County. H.B. 1932 grants the district the authority to undertake certain road projects and places conditions on the issuance of bonds by the district for such projects.

H.B. 1932 amends the Special District Local Laws Code to authorize the district to designate, acquire, construct, finance, and issue bonds for the operation and maintenance of graveled or paved roads or improvements, including storm drainage.

The bill prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects, and payable from property taxes, from exceeding one-fourth of the assessed value of the real property in the district at the time of issuance.

The bill also prohibits the district from issuing bonds payable from property taxes to finance a road project unless the issuance is approved by a vote of two-thirds majority of the district voters at an election held for that purpose.

Currently, the district does not have road powers. This legislation grants road powers for the district.

H.B. 1932 amends current law relating to the powers and duties of the Williamson-Liberty Hill Municipal Utility District.

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 Subchapter C, Chapter 8199, Special District Local Laws Code, by adding Sections 8199.109, 8199.110, and 8199.111, as follows:

Sec. 8199.109. **AUTHORITY FOR ROAD PROJECTS.** Authorizes the Williamson-Liberty Hill Municipal Utility District (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. 8199.110. **ROAD STANDARDS AND REQUIREMENTS.** (a) Requires that a road project 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 that a road project meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road

project is located if the road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality.

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

Sec. 8199.111. **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:

(1) a road project authorized by Section 8199.109; or

(2) a recreational facility as defined by Section 49.462 (Definitions), Water Code.

SECTION 2. Amends Section 8199.201, Special District Local Laws Code, to authorize the district to issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose, including a purpose described by Section 8199.109.

SECTION 3. Amends Subchapter E, Chapter 8199, Special District Local Laws Code, by adding Section 8199.203, as follows:

Sec. 8199.203. **BONDS FOR ROAD PROJECTS.** (a) Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes from exceeding one-fourth of the assessed value of the real property in the district at the time of issuance.

(b) 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.

SECTION 4. 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 5. Effective date: upon passage or September 1, 2011.