

## **BILL ANALYSIS**

Senate Research Center  
85R5396 DMS-F

S.B. 994  
By: Creighton  
Intergovernmental Relations  
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As Filed

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

Montgomery Municipal Utility District No. 130 (district) encompasses an area within the extraterritorial jurisdiction of the City of Magnolia. The land located within the district is proposed to be predominately developed for single-family use and is in need of new and expanded road facilities.

The Act authorizes the district to impose taxes and issue bonds and obligations to provide road facilities to the district.

As proposed, S.B. 994 amends current law relating to providing road district powers to the Montgomery County Municipal Utility District No. 130 and provides authority to issue 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 7966, as follows:

#### **CHAPTER 7966. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 130**

Sec. 7966.001. DEFINITION. Defines "district."

Sec. 7966.002. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) Provides that the district is created to serve a public purpose and benefit.

(b) Provides that the district is created to accomplish the purposes of a municipal utility district (MUD) as provided by general law and Section 59, Article XVI, Texas Constitution, and Section 52, Article III, Texas Constitution, relating to the construction, acquisition, improvement, operation, or maintenance of certain roads, or improvements, including storm drainage, in aid of those roads.

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

Sec. 7966.101. AUTHORITY FOR ROAD PROJECTS. Authorizes the district, under Section 52, Article III, Texas Constitution, to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to the this state, a county, or municipality for operation and maintenance of certain roads, or certain improvements.

Sec. 7966.102. 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 a road project, if the 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.

#### SUBCHAPTER C. BONDS

Sec. 7966.201. BONDS FOR ROAD PROJECTS. Prohibits the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes from, at the time of issuance, 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, 2017.