

## **BILL ANALYSIS**

Senate Research Center  
86R8505 BRG-F

H.B. 1488  
By: Harless (Bettencourt)  
Intergovernmental Relations  
5/4/2019  
Engrossed

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

The Charterwood Municipal Utility District (district) was created by the Texas Water Rights Commission in 1972 and is located in the extraterritorial jurisdiction of the City of Houston. The district consists of approximately 462 acres of primarily residential development but also includes commercial and retail development. Virtually all the land in the district is developed and provided with water and sewer service. In 2009, the district issued the maximum amount of park bonds authorized by law (one percent of the ad valorem tax value within the district). Such money has been spent and the board of directors of the district would like to obtain authority to seek voter authorization of additional bonds up to three percent. H.B. 1488 would authorize the district to obtain voter approval to issue additional park bonds in an amount not to exceed three percent of the ad valorem tax value within the district. This authorization would allow the district to provide additional park and recreational facilities that will benefit the residents of the district and the community as a whole.

H.B. 1488 amends current law relating to financing of recreational facilities by the Charterwood Municipal Utility District of Harris County; 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 8054, as follows:

#### CHAPTER 8054. CHARTERWOOD MUNICIPAL UTILITY DISTRICT OF HARRIS COUNTY

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8054.0101. DEFINITIONS. Defines "district" as the Charterwood Municipal Utility District of Harris County (district). Defines "recreational facilities."

##### SUBCHAPTER B. BONDS AND OTHER OBLIGATIONS

Sec. 8054.0201. BONDS FOR RECREATIONAL FACILITIES. (a) Provides that the limitation on the outstanding principal amount of bonds, notes, and other obligations provided by Section 49.4645(a) (relating to authorizing certain districts to issue bonds supported by ad valorem taxes to pay for the development and maintenance of recreational facilities only if the bonds are authorized by a certain election), Water Code, does not apply to the district.

(b) Prohibits the outstanding principal amount of bonds, notes, and other obligations issued to finance recreational facilities supported by ad valorem taxes from exceeding:

(1) an amount equal to three percent of the value of the taxable property in the district; or

(2) if supported by contract taxes under Section 49.108 (Contract Elections), Water Code, an amount equal to three percent of the value of the taxable property in the districts making payments under the contract.

(c) Provides that the amounts described by Subsection (b) are calculated based on the tax rolls of the central appraisal districts at the time of the issuance of the bonds, notes, and other obligations.

SECTION 2. Provides that all requirements of the constitution and the 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: September 1, 2019.