

1-1 By: Stucky (Senate Sponsor - Estes) H.B. No. 2565
 1-2 (In the Senate - Received from the House May 5, 2017;
 1-3 May 11, 2017, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 17, 2017, reported favorably by
 1-5 the following vote: Yeas 5, Nays 0; May 17, 2017, sent to
 1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9				
1-10			X	
1-11	X			
1-12	X			
1-13			X	
1-14	X			
1-15	X			

1-16 A BILL TO BE ENTITLED
 1-17 AN ACT

1-18 relating to the powers and duties of the Big Sky Municipal Utility
 1-19 District of Denton County; providing authority to issue bonds and
 1-20 impose fees and taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-23 Code, is amended by adding Chapter 7973 to read as follows:

1-24 CHAPTER 7973. BIG SKY MUNICIPAL UTILITY DISTRICT OF DENTON COUNTY
 1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 7973.001. DEFINITION. In this chapter, "district"
 1-27 means the Big Sky Municipal Utility District of Denton County.

1-28 Sec. 7973.002. NATURE AND PURPOSES OF DISTRICT. (a) The
 1-29 district is a municipal utility district created under Section 59,
 1-30 Article XVI, Texas Constitution.

1-31 (b) The district is created to accomplish the purposes of:

1-32 (1) a municipal utility district as provided by
 1-33 general law and Section 59, Article XVI, Texas Constitution; and

1-34 (2) Section 52, Article III, Texas Constitution, that
 1-35 relate to the construction, acquisition, improvement, operation,
 1-36 or maintenance of macadamized, graveled, or paved roads, or
 1-37 improvements, including storm drainage, in aid of those roads.

1-38 SUBCHAPTER B. POWERS AND DUTIES

1-39 Sec. 7973.051. GENERAL POWERS AND DUTIES. The district has
 1-40 the powers and duties necessary to accomplish the purposes for
 1-41 which the district is created.

1-42 Sec. 7973.052. MUNICIPAL UTILITY DISTRICT POWERS AND
 1-43 DUTIES. The district has the powers and duties provided by the
 1-44 general law of this state, including Chapters 49 and 54, Water Code,
 1-45 applicable to municipal utility districts created under Section 59,
 1-46 Article XVI, Texas Constitution.

1-47 Sec. 7973.053. AUTHORITY FOR ROAD PROJECTS. Under Section
 1-48 52, Article III, Texas Constitution, the district may design,
 1-49 acquire, construct, finance, issue bonds for, improve, operate,
 1-50 maintain, and convey to this state, a county, or a municipality for
 1-51 operation and maintenance macadamized, graveled, or paved roads, or
 1-52 improvements, including storm drainage, in aid of those roads.

1-53 Sec. 7973.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
 1-54 project must meet all applicable construction standards and
 1-55 regulations of each municipality in whose corporate limits or
 1-56 extraterritorial jurisdiction the road project is located.

1-57 (b) If a road project is not located in the corporate limits
 1-58 or extraterritorial jurisdiction of a municipality, the road
 1-59 project must meet all applicable construction standards and
 1-60 regulations of each county in which the road project is located.

1-61 (c) If the state will maintain and operate the road, the

2-1 Texas Transportation Commission must approve the plans and
 2-2 specifications of the road project.

2-3 Sec. 7973.055. FIREFIGHTING SERVICES. Notwithstanding
 2-4 Section 49.351(a), Water Code, the district may, as authorized by
 2-5 Section 59(f), Article XVI, Texas Constitution, and Section 49.351,
 2-6 Water Code:

2-7 (1) establish, operate, and maintain a fire
 2-8 department;

2-9 (2) contract with another political subdivision for
 2-10 the joint operation of a fire department; or

2-11 (3) contract with any other person to perform
 2-12 firefighting services in the district and may issue bonds and
 2-13 impose taxes to pay for the department and the activities.

2-14 Sec. 7973.056. FEES AND CHARGES. (a) The district may
 2-15 adopt and enforce all necessary charges, mandatory fees, or
 2-16 rentals, in addition to taxes, for providing or making available
 2-17 any district facility or service, including firefighting
 2-18 activities provided under Section 7973.055.

2-19 (b) To enforce payment of an unpaid fee or charge due to the
 2-20 district, on the request of the district, a retail public utility,
 2-21 as defined by Section 13.002, Water Code, providing water or sewer
 2-22 service to a customer in the district shall terminate the service.

2-23 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

2-24 Sec. 7973.101. AUTHORITY TO ISSUE BONDS AND OTHER
 2-25 OBLIGATIONS FOR ROAD PROJECTS. (a) In addition to the district's
 2-26 authority to issue bonds for other purposes, the district may issue
 2-27 bonds or other obligations payable wholly or partly from ad valorem
 2-28 taxes, revenue, contract payments, grants, or other district money,
 2-29 or any combination of those sources, to pay for a road project
 2-30 authorized by Section 7973.053.

2-31 (b) The district may not issue bonds payable from ad valorem
 2-32 taxes to finance a road project unless the issuance is approved by a
 2-33 vote of a two-thirds majority of the district voters voting at an
 2-34 election held for that purpose.

2-35 (c) At the time of issuance, the total principal amount of
 2-36 bonds or other obligations issued or incurred to finance road
 2-37 projects and payable from ad valorem taxes may not exceed
 2-38 one-fourth of the assessed value of the real property in the
 2-39 district.

2-40 Sec. 7973.102. TAXES FOR BONDS. At the time the district
 2-41 issues bonds payable wholly or partly from ad valorem taxes, the
 2-42 district shall provide for the annual imposition of a continuing
 2-43 direct ad valorem tax, without limit as to rate or amount, while all
 2-44 or part of the bonds are outstanding.

2-45 SECTION 2. The Big Sky Municipal Utility District of Denton
 2-46 County retains all rights, powers, privileges, authority, duties,
 2-47 and functions that it had before the effective date of this Act.

2-48 SECTION 3. (a) The legal notice of the intention to
 2-49 introduce this Act, setting forth the general substance of this
 2-50 Act, has been published as provided by law, and the notice and a
 2-51 copy of this Act have been furnished to all persons, agencies,
 2-52 officials, or entities to which they are required to be furnished
 2-53 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 2-54 Government Code.

2-55 (b) The governor, one of the required recipients, has
 2-56 submitted the notice and Act to the Texas Commission on
 2-57 Environmental Quality.

2-58 (c) The Texas Commission on Environmental Quality has filed
 2-59 its recommendations relating to this Act with the governor, the
 2-60 lieutenant governor, and the speaker of the house of
 2-61 representatives within the required time.

2-62 (d) All requirements of the constitution and laws of this
 2-63 state and the rules and procedures of the legislature with respect
 2-64 to the notice, introduction, and passage of this Act are fulfilled
 2-65 and accomplished.

2-66 SECTION 4. This Act takes effect immediately if it receives
 2-67 a vote of two-thirds of all the members elected to each house, as
 2-68 provided by Section 39, Article III, Texas Constitution. If this
 2-69 Act does not receive the vote necessary for immediate effect, this

3-1 Act takes effect September 1, 2017.

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