

1-1 By: Stephenson (Senate Sponsor - Kolkhorst) H.B. No. 3422  
1-2 (In the Senate - Received from the House April 23, 2019;  
1-3 April 24, 2019, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 6, 2019, reported favorably by  
1-5 the following vote: Yeas 7, Nays 0; May 6, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED  
1-16 AN ACT

1-17 relating to the creation of the Fort Bend County Municipal Utility  
1-18 District No. 231; granting a limited power of eminent domain;  
1-19 providing authority to issue bonds; providing authority to impose  
1-20 assessments, 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 8070 to read as follows:

1-24 CHAPTER 8070. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 231

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8070.0101. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on  
1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Fort Bend County Municipal  
1-32 Utility District No. 231.

1-33 Sec. 8070.0102. NATURE OF DISTRICT. The district is a  
1-34 municipal utility district created under Section 59, Article XVI,  
1-35 Texas Constitution.

1-36 Sec. 8070.0103. CONFIRMATION AND DIRECTOR ELECTION  
1-37 REQUIRED. The temporary directors shall hold an election to  
1-38 confirm the creation of the district and to elect five permanent  
1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 8070.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
1-41 temporary directors may not hold an election under Section  
1-42 8070.0103 until each municipality in whose corporate limits or  
1-43 extraterritorial jurisdiction the district is located has  
1-44 consented by ordinance or resolution to the creation of the  
1-45 district and to the inclusion of land in the district.

1-46 Sec. 8070.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-47 (a) The district is created to serve a public purpose and benefit.

1-48 (b) The district is created to accomplish the purposes of:

1-49 (1) a municipal utility district as provided by  
1-50 general law and Section 59, Article XVI, Texas Constitution; and

1-51 (2) Section 52, Article III, Texas Constitution, that  
1-52 relate to the construction, acquisition, improvement, operation,  
1-53 or maintenance of macadamized, graveled, or paved roads, or  
1-54 improvements, including storm drainage, in aid of those roads.

1-55 Sec. 8070.0106. INITIAL DISTRICT TERRITORY. (a) The  
1-56 district is initially composed of the territory described by  
1-57 Section 2 of the Act enacting this chapter.

1-58 (b) The boundaries and field notes contained in Section 2 of  
1-59 the Act enacting this chapter form a closure. A mistake made in the  
1-60 field notes or in copying the field notes in the legislative process  
1-61 does not affect the district's:

2-1 (1) organization, existence, or validity;  
 2-2 (2) right to issue any type of bond for the purposes  
 2-3 for which the district is created or to pay the principal of and  
 2-4 interest on a bond;

2-5 (3) right to impose a tax; or

2-6 (4) legality or operation.

2-7 SUBCHAPTER B. BOARD OF DIRECTORS

2-8 Sec. 8070.0201. GOVERNING BODY; TERMS. (a) The district is  
 2-9 governed by a board of five elected directors.

2-10 (b) Except as provided by Section 8070.0202, directors  
 2-11 serve staggered four-year terms.

2-12 Sec. 8070.0202. TEMPORARY DIRECTORS. (a) On or after the  
 2-13 effective date of the Act enacting this chapter, the owner or owners  
 2-14 of a majority of the assessed value of the real property in the  
 2-15 district may submit a petition to the commission requesting that  
 2-16 the commission appoint as temporary directors the five persons  
 2-17 named in the petition. The commission shall appoint as temporary  
 2-18 directors the five persons named in the petition.

2-19 (b) Temporary directors serve until the earlier of:

2-20 (1) the date permanent directors are elected under  
 2-21 Section 8070.0103; or

2-22 (2) the fourth anniversary of the effective date of  
 2-23 the Act enacting this chapter.

2-24 (c) If permanent directors have not been elected under  
 2-25 Section 8070.0103 and the terms of the temporary directors have  
 2-26 expired, successor temporary directors shall be appointed or  
 2-27 reappointed as provided by Subsection (d) to serve terms that  
 2-28 expire on the earlier of:

2-29 (1) the date permanent directors are elected under  
 2-30 Section 8070.0103; or

2-31 (2) the fourth anniversary of the date of the  
 2-32 appointment or reappointment.

2-33 (d) If Subsection (c) applies, the owner or owners of a  
 2-34 majority of the assessed value of the real property in the district  
 2-35 may submit a petition to the commission requesting that the  
 2-36 commission appoint as successor temporary directors the five  
 2-37 persons named in the petition. The commission shall appoint as  
 2-38 successor temporary directors the five persons named in the  
 2-39 petition.

2-40 SUBCHAPTER C. POWERS AND DUTIES

2-41 Sec. 8070.0301. GENERAL POWERS AND DUTIES. The district  
 2-42 has the powers and duties necessary to accomplish the purposes for  
 2-43 which the district is created.

2-44 Sec. 8070.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
 2-45 DUTIES. The district has the powers and duties provided by the  
 2-46 general law of this state, including Chapters 49 and 54, Water Code,  
 2-47 applicable to municipal utility districts created under Section 59,  
 2-48 Article XVI, Texas Constitution.

2-49 Sec. 8070.0303. AUTHORITY FOR ROAD PROJECTS. Under Section  
 2-50 52, Article III, Texas Constitution, the district may design,  
 2-51 acquire, construct, finance, issue bonds for, improve, operate,  
 2-52 maintain, and convey to this state, a county, or a municipality for  
 2-53 operation and maintenance macadamized, graveled, or paved roads, or  
 2-54 improvements, including storm drainage, in aid of those roads.

2-55 Sec. 8070.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
 2-56 road project must meet all applicable construction standards,  
 2-57 zoning and subdivision requirements, and regulations of each  
 2-58 municipality in whose corporate limits or extraterritorial  
 2-59 jurisdiction the road project is located.

2-60 (b) If a road project is not located in the corporate limits  
 2-61 or extraterritorial jurisdiction of a municipality, the road  
 2-62 project must meet all applicable construction standards,  
 2-63 subdivision requirements, and regulations of each county in which  
 2-64 the road project is located.

2-65 (c) If the state will maintain and operate the road, the  
 2-66 Texas Transportation Commission must approve the plans and  
 2-67 specifications of the road project.

2-68 Sec. 8070.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
 2-69 ORDINANCE OR RESOLUTION. The district shall comply with all

3-1 applicable requirements of any ordinance or resolution that is  
 3-2 adopted under Section 54.016 or 54.0165, Water Code, and that  
 3-3 consents to the creation of the district or to the inclusion of land  
 3-4 in the district.

3-5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-6 Sec. 8070.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)

3-7 The district may issue, without an election, bonds and other  
 3-8 obligations secured by:

3-9 (1) revenue other than ad valorem taxes; or

3-10 (2) contract payments described by Section 8070.0403.

3-11 (b) The district must hold an election in the manner  
 3-12 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
 3-13 before the district may impose an ad valorem tax or issue bonds  
 3-14 payable from ad valorem taxes.

3-15 (c) The district may not issue bonds payable from ad valorem  
 3-16 taxes to finance a road project unless the issuance is approved by a  
 3-17 vote of a two-thirds majority of the district voters voting at an  
 3-18 election held for that purpose.

3-19 Sec. 8070.0402. OPERATION AND MAINTENANCE TAX. (a) If

3-20 authorized at an election held under Section 8070.0401, the  
 3-21 district may impose an operation and maintenance tax on taxable  
 3-22 property in the district in accordance with Section 49.107, Water  
 3-23 Code.

3-24 (b) The board shall determine the tax rate. The rate may not  
 3-25 exceed the rate approved at the election.

3-26 Sec. 8070.0403. CONTRACT TAXES. (a) In accordance with

3-27 Section 49.108, Water Code, the district may impose a tax other than  
 3-28 an operation and maintenance tax and use the revenue derived from  
 3-29 the tax to make payments under a contract after the provisions of  
 3-30 the contract have been approved by a majority of the district voters  
 3-31 voting at an election held for that purpose.

3-32 (b) A contract approved by the district voters may contain a  
 3-33 provision stating that the contract may be modified or amended by  
 3-34 the board without further voter approval.

3-35 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-36 Sec. 8070.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
 3-37 OBLIGATIONS. The district may issue bonds or other obligations  
 3-38 payable wholly or partly from ad valorem taxes, impact fees,  
 3-39 revenue, contract payments, grants, or other district money, or any  
 3-40 combination of those sources, to pay for any authorized district  
 3-41 purpose.

3-42 Sec. 8070.0502. TAXES FOR BONDS. At the time the district  
 3-43 issues bonds payable wholly or partly from ad valorem taxes, the  
 3-44 board shall provide for the annual imposition of a continuing  
 3-45 direct ad valorem tax, without limit as to rate or amount, while all  
 3-46 or part of the bonds are outstanding as required and in the manner  
 3-47 provided by Sections 54.601 and 54.602, Water Code.

3-48 Sec. 8070.0503. BONDS FOR ROAD PROJECTS. At the time of  
 3-49 issuance, the total principal amount of bonds or other obligations  
 3-50 issued or incurred to finance road projects and payable from ad  
 3-51 valorem taxes may not exceed one-fourth of the assessed value of the  
 3-52 real property in the district.

3-53 SECTION 2. The Fort Bend County Municipal Utility District

3-54 No. 231 initially includes all the territory contained in the  
 3-55 following area:

3-56 Being a 309.21 acre tract of land located in the H. & T. C. R.R. Co.  
 3-57 Survey, Section 85, Abstract No. 247 and H. & T. C. R.R. Co. Survey,  
 3-58 Section 90, Abstract No. 507 in Fort Bend County, Texas; said  
 3-59 309.21 acre tract being all of the remainder of a called 100-acre  
 3-60 tract of land conveyed to Henry Fuchs in Clerk's File Number  
 3-61 2015129371 of the Official Public Records of Fort Bend County  
 3-62 (O.P.R.F.B.C.), all of the remainder of a called 209-acre tract of  
 3-63 land conveyed to Carl F. Fischer and wife, Diane Fischer, and Donald  
 3-64 H. Fischer and wife, Sherry Fischer in Volume 875, Page 55 of the  
 3-65 Fort Bend County Deed Records (F.B.C.D.R.), and a portion of  
 3-66 Wernecke Road (60-foot wide); said 309.21 acre tract being more  
 3-67 particularly described by metes and bounds as follows (all bearings  
 3-68 are referenced to the Texas Coordinate System, North American Datum  
 3-69 1983 (NAD 83), South Central Zone);

4-1 Beginning at an iron stake found at the most southerly corner of  
 4-2 said 209-acre tract and the most westerly corner of a called 50.0-  
 4-3 acre tract of land recorded in the name of M.T. Cyplik in Clerk's  
 4-4 File No. 9769464 of the O.P.R.F.B.C. and being on the northeasterly  
 4-5 right-of-way line of Meyer Road (40.00 feet wide);

4-6 1. Thence, with the southwesterly line of said 209-acre  
 4-7 tract and said northeasterly right-of-way line of Meyer Road, North  
 4-8 48 degrees 09 minutes 38 seconds West, a distance of 1,741.90 feet  
 4-9 to a 5/8-inch iron rod with cap stamped "COSTELLO INC" found at the  
 4-10 most westerly corner of this 309.21-acre tract, being on the  
 4-11 southeasterly right-of-way line of Wernecke Road (60.00 feet wide);

4-12 2. Thence, with the northwesterly line of said 209-acre  
 4-13 tract and said southeasterly right-of-way line of Wernecke Road,  
 4-14 North 41 degrees 51 minutes 19 seconds East, a distance of 2643.75  
 4-15 feet;

4-16 3. Thence, North 47 degrees 53 minutes 47 seconds West, at  
 4-17 30.00-feet pass the south corner of aforesaid 100-acre tract and  
 4-18 the east corner of a called 61.09-acre tract recorded in Clerk's  
 4-19 File Number 2006081947 of the O.P.R.F.B.C. and being the centerline  
 4-20 of said Wernecke Road, in all a total distance of 1,700.74 feet to  
 4-21 an axel found for the west corner of said called 100-acre tract and  
 4-22 the south corner of a called 108.1-acre tract of land recorded in  
 4-23 Clerk's File Number 2014019607 of the O.P.R.F.B.C.;

4-24 4. Thence, with the common line of said called 100-acre  
 4-25 tract and said called 108.1-acre tract, North 41 degrees 49 minutes  
 4-26 16 seconds East, a distance of 2,571.79 feet to a 1-1/2-inch iron  
 4-27 pipe found on the southwesterly right-of-way line of FM 360  
 4-28 (Beasley-Needville Road, 80.00 feet wide per TxDOT right-of-way map  
 4-29 of FM 360, CSJ No. 527-6-6, dated August 19, 1968);

4-30 5. Thence, with said southwesterly right-of-way line of FM  
 4-31 360, South 47 degrees 57 minutes 06 seconds East, a distance of  
 4-32 3,447.86 feet to a 5/8-inch iron rod with cap stamped "COSTELLO INC"  
 4-33 found on the southeasterly line of said 209-acre tract, being the  
 4-34 most northerly corner of a called 49.9822 acre tract of land  
 4-35 recorded in the name of Jose A. Tejada in C.F. No. 2005115202 of the  
 4-36 O.P.R.F.B.C., from which a found eye-bolt bears South 41 degrees 53  
 4-37 minutes 44 seconds West, a distance of 0.71 feet;

4-38 6. Thence, with said southwesterly line of the 209-acre  
 4-39 tract, the northeasterly line of said 49.9822-acre tract, and the  
 4-40 northeasterly line of aforesaid 50.0-acre tract, South 41 degrees  
 4-41 53 minutes 44 seconds West, a distance of 5,210.82 feet to the Point  
 4-42 of Beginning and containing 309.21 acres of land.

4-43 SECTION 3. (a) The legal notice of the intention to  
 4-44 introduce this Act, setting forth the general substance of this  
 4-45 Act, has been published as provided by law, and the notice and a  
 4-46 copy of this Act have been furnished to all persons, agencies,  
 4-47 officials, or entities to which they are required to be furnished  
 4-48 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
 4-49 Government Code.

4-50 (b) The governor, one of the required recipients, has  
 4-51 submitted the notice and Act to the Texas Commission on  
 4-52 Environmental Quality.

4-53 (c) The Texas Commission on Environmental Quality has filed  
 4-54 its recommendations relating to this Act with the governor, the  
 4-55 lieutenant governor, and the speaker of the house of  
 4-56 representatives within the required time.

4-57 (d) All requirements of the constitution and laws of this  
 4-58 state and the rules and procedures of the legislature with respect  
 4-59 to the notice, introduction, and passage of this Act are fulfilled  
 4-60 and accomplished.

4-61 SECTION 4. (a) If this Act does not receive a two-thirds  
 4-62 vote of all the members elected to each house, Subchapter C, Chapter  
 4-63 8070, Special District Local Laws Code, as added by Section 1 of  
 4-64 this Act, is amended by adding Section 8070.0306 to read as follows:

4-65 Sec. 8070.0306. NO EMINENT DOMAIN POWER. The district may  
 4-66 not exercise the power of eminent domain.

4-67 (b) This section is not intended to be an expression of a  
 4-68 legislative interpretation of the requirements of Section 17(c),  
 4-69 Article I, Texas Constitution.

5-1 SECTION 5. This Act takes effect immediately if it receives  
5-2 a vote of two-thirds of all the members elected to each house, as  
5-3 provided by Section 39, Article III, Texas Constitution. If this  
5-4 Act does not receive the vote necessary for immediate effect, this  
5-5 Act takes effect September 1, 2019.

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