

1 AN ACT

2 relating to the Anthem Municipal Utility District; providing
3 authority to issue bonds; providing authority to impose
4 assessments, fees, and taxes.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subtitle F, Title 6, Special District Local Laws
7 Code, is amended by adding Chapter 7979 to read as follows:

8 CHAPTER 7979. ANTHEM MUNICIPAL UTILITY DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 7979.001. DEFINITIONS. In this chapter:

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

12 (2) "Commission" means the Texas Commission on
13 Environmental Quality.

14 (3) "Director" means a board member.

15 (4) "District" means the Anthem Municipal Utility
16 District.

17 Sec. 7979.002. NATURE OF DISTRICT. The district is a
18 municipal utility district created under Section 59, Article XVI,
19 Texas Constitution.

20 Sec. 7979.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
21 The district is created to serve a public purpose and benefit.

22 (b) The district is created to accomplish the purposes of:

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

1 (2) Section 52, Article III, Texas Constitution, that
2 relate to the construction, acquisition, improvement, operation,
3 or maintenance of macadamized, graveled, or paved roads, or
4 improvements, including storm drainage and landscaping, in aid of
5 those roads.

6 SUBCHAPTER B. POWERS AND DUTIES

7 Sec. 7979.051. GENERAL POWERS AND DUTIES. The district has
8 the powers and duties necessary to accomplish the purposes for
9 which the district is created.

10 Sec. 7979.052. MUNICIPAL UTILITY DISTRICT POWERS AND
11 DUTIES. The district has the powers and duties provided by the
12 general law of this state, including Chapters 49 and 54, Water Code,
13 applicable to municipal utility districts created under Section 59,
14 Article XVI, Texas Constitution.

15 Sec. 7979.053. AUTHORITY FOR ROAD PROJECTS. Under Section
16 52, Article III, Texas Constitution, the district may design,
17 acquire, construct, finance, issue bonds for, improve, operate,
18 maintain, and convey to this state, a county, or a municipality for
19 operation and maintenance macadamized, graveled, or paved roads, or
20 improvements, including storm drainage and landscaping, in aid of
21 those roads.

22 Sec. 7979.054. ROAD STANDARDS AND REQUIREMENTS. (a) A road
23 project must meet all applicable construction standards, zoning and
24 subdivision requirements, and regulations of each municipality in
25 whose corporate limits or extraterritorial jurisdiction the road
26 project is located.

27 (b) If a road project is not located in the corporate limits

1 or extraterritorial jurisdiction of a municipality, the road
2 project must meet all applicable construction standards,
3 subdivision requirements, and regulations of each county in which
4 the road project is located.

5 (c) If the state will maintain and operate the road, the
6 Texas Transportation Commission must approve the plans and
7 specifications of the road project.

8 Sec. 7979.055. STRATEGIC PARTNERSHIP AGREEMENT. The
9 district may negotiate and enter into a written strategic
10 partnership agreement with:

11 (1) a municipality under Section [43.0751](#), Local
12 Government Code; and

13 (2) a municipality that provides water and wastewater
14 services to the district.

15 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

16 Sec. 7979.101. ELECTIONS REGARDING TAXES OR BONDS. (a) The
17 district may issue, without an election, bonds and other
18 obligations secured by:

19 (1) revenue other than ad valorem taxes; or

20 (2) contract payments described by Section 7979.103.

21 (b) The district must hold an election in the manner
22 provided by Chapters [49](#) and [54](#), Water Code, to obtain voter approval
23 before the district may impose an ad valorem tax or issue bonds
24 payable from ad valorem taxes.

25 (c) The district may not issue bonds payable from ad valorem
26 taxes to finance a road project unless the issuance is approved by a
27 vote of a two-thirds majority of the district voters voting at an

1 election held for that purpose.

2 Sec. 7979.102. OPERATION AND MAINTENANCE TAX. (a) If
3 authorized at an election held under Section 7979.101, the district
4 may impose an operation and maintenance tax on taxable property in
5 the district in accordance with Section 49.107, Water Code.

6 (b) The board shall determine the tax rate. The rate may not
7 exceed the rate approved at the election.

8 Sec. 7979.103. CONTRACT TAXES. (a) In accordance with
9 Section 49.108, Water Code, the district may impose a tax other than
10 an operation and maintenance tax and use the revenue derived from
11 the tax to make payments under a contract after the provisions of
12 the contract have been approved by a majority of the district voters
13 voting at an election held for that purpose.

14 (b) A contract approved by the district voters may contain a
15 provision stating that the contract may be modified or amended by
16 the board without further voter approval.

17 SUBCHAPTER D. ASSESSMENTS; APPLICABILITY OF IMPACT FEES AND
18 ASSESSMENTS

19 Sec. 7979.151. PETITION REQUIRED FOR FINANCING
20 RECREATIONAL FACILITIES, IMPROVEMENTS, AND SERVICES WITH
21 ASSESSMENTS. (a) The board may finance the construction or
22 maintenance of a recreational facility or improvement or finance
23 the provision of a recreational service with assessments on
24 commercial or residential property, or both, under this subchapter,
25 but only if:

26 (1) a written petition requesting that facility,
27 improvement, or service has been filed with the board; and

1 (2) the board holds a hearing on the proposed
2 assessments.

3 (b) The petition must be signed by the owners of a majority
4 of the assessed value of real property in the district subject to
5 assessment according to the most recent certified tax appraisal
6 roll for the county.

7 Sec. 7979.152. METHOD OF NOTICE FOR HEARING. The district
8 shall mail notice of the hearing to each property owner in the
9 district who will be subject to the assessment at the current
10 address to be assessed as reflected on the tax rolls. The district
11 may mail the notice by certified or first class United States mail.
12 The board shall determine the method of notice.

13 Sec. 7979.153. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) An
14 assessment or a reassessment imposed under this subchapter by the
15 district, penalties and interest on an assessment or reassessment,
16 an expense of collection, and reasonable attorney's fees incurred
17 by the district:

18 (1) are a first and prior lien against the property
19 assessed;

20 (2) are superior to any other lien or claim other than
21 a lien or claim for county, school district, or municipal ad valorem
22 taxes; and

23 (3) are the personal liability of and a charge against
24 the owners of the property even if the owners are not named in the
25 assessment proceedings.

26 (b) The lien is effective from the date of the board's
27 resolution imposing the assessment until the date the assessment is

1 paid. The board may enforce the lien in the same manner that the
2 board may enforce an ad valorem tax lien against real property.

3 (c) The board may make a correction to or deletion from the
4 assessment roll that does not increase the amount of assessment of
5 any parcel of land without providing notice and holding a hearing in
6 the manner required for additional assessments.

7 Sec. 7979.154. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
8 ASSESSMENTS. The district may not impose an impact fee or
9 assessment on the property, including the equipment,
10 rights-of-way, facilities, or improvements, of:

11 (1) an electric utility or a power generation company
12 as defined by Section 31.002, Utilities Code;

13 (2) a gas utility as defined by Section 101.003 or
14 121.001, Utilities Code;

15 (3) a telecommunications provider as defined by
16 Section 51.002, Utilities Code; or

17 (4) a person who provides to the public cable
18 television or advanced telecommunications services.

19 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

20 Sec. 7979.201. AUTHORITY TO ISSUE BONDS AND OTHER
21 OBLIGATIONS. The district may issue bonds or other obligations
22 payable wholly or partly from ad valorem taxes, impact fees,
23 revenue, contract payments, grants, or other district money, or any
24 combination of those sources, to pay for any authorized district
25 purpose.

26 Sec. 7979.202. TAXES FOR BONDS. At the time the district
27 issues bonds payable wholly or partly from ad valorem taxes, the

1 board shall provide for the annual imposition of a continuing
2 direct ad valorem tax, without limit as to rate or amount, while all
3 or part of the bonds are outstanding as required and in the manner
4 provided by Sections 54.601 and 54.602, Water Code.

5 Sec. 7979.203. BONDS FOR ROAD PROJECTS. At the time of
6 issuance, the total principal amount of bonds or other obligations
7 issued or incurred to finance road projects and payable from ad
8 valorem taxes may not exceed one-fourth of the assessed value of the
9 real property in the district.

10 SECTION 2. (a) All governmental and proprietary actions
11 and proceedings of the Anthem Municipal Utility District taken
12 before the effective date of this Act are validated, ratified, and
13 confirmed in all respects as of the dates on which they occurred.

14 (b) This section does not apply to any matter that on the
15 effective date of this Act:

16 (1) is involved in litigation if the litigation
17 ultimately results in the matter being held invalid by a final court
18 judgment; or

19 (2) has been held invalid by a final court judgment.

20 SECTION 3. (a) The legal notice of the intention to
21 introduce this Act, setting forth the general substance of this
22 Act, has been published as provided by law, and the notice and a
23 copy of this Act have been furnished to all persons, agencies,
24 officials, or entities to which they are required to be furnished
25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
26 Government Code.

27 (b) The governor, one of the required recipients, has

1 submitted the notice and Act to the Texas Commission on
2 Environmental Quality.

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

7 (d) All requirements of the constitution and laws of this
8 state and the rules and procedures of the legislature with respect
9 to the notice, introduction, and passage of this Act are fulfilled
10 and accomplished.

11 SECTION 4. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 4270 was passed by the House on May 19, 2017, by the following vote: Yeas 137, Nays 7, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 4270 was passed by the Senate on May 24, 2017, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor