

1 AN ACT

2 relating to the powers and duties of the Lerin Hills Municipal
3 Utility District of Kendall County; providing authority to issue
4 bonds and impose 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 8001 to read as follows:

8 CHAPTER 8001. LERIN HILLS MUNICIPAL UTILITY DISTRICT OF KENDALL
9 COUNTY

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8001.001. DEFINITION. In this chapter, "district"
12 means the Lerin Hills Municipal Utility District of Kendall County.

13 Sec. 8001.002. NATURE AND PURPOSES OF DISTRICT. (a) The
14 district is a municipal utility district created under Section 59,
15 Article XVI, Texas Constitution.

16 (b) The district is essential to accomplish the purposes of:
17 (1) a municipal utility district as provided by
18 general law and Section 59, Article XVI, Texas Constitution; and
19 (2) Section 52, Article III, Texas Constitution, that
20 relate to the construction, acquisition, improvement, operation,
21 or maintenance of macadamized, graveled, or paved roads, or
22 improvements, including storm drainage, in aid of those roads.

23 SUBCHAPTER B. POWERS AND DUTIES

24 Sec. 8001.051. GENERAL POWERS AND DUTIES. The district has

1 the powers and duties necessary to accomplish the purposes
2 described by Section 8001.002.

3 Sec. 8001.052. MUNICIPAL UTILITY DISTRICT POWERS AND
4 DUTIES. The district has the powers and duties provided by the
5 general law of this state, including Chapters 49 and 54, Water Code,
6 applicable to municipal utility districts created under Section 59,
7 Article XVI, Texas Constitution.

8 Sec. 8001.053. AUTHORITY FOR ROAD PROJECTS. Under Section
9 52, Article III, Texas Constitution, the district may design,
10 acquire, construct, finance, issue bonds for, improve, operate,
11 maintain, and convey to this state, a county, or a municipality for
12 operation and maintenance macadamized, graveled, or paved roads, or
13 improvements, including storm drainage, in aid of those roads.

14 Sec. 8001.054. ROAD STANDARDS AND REQUIREMENTS. (a) A
15 road project must meet all applicable construction standards,
16 zoning and subdivision requirements, and regulations of each
17 municipality in whose corporate limits or extraterritorial
18 jurisdiction the road project is located.

19 (b) If a road project is not located in the corporate limits
20 or extraterritorial jurisdiction of a municipality, the road
21 project must meet all applicable construction standards,
22 subdivision requirements, and regulations of each county in which
23 the road project is located.

24 (c) If the state will maintain and operate the road, the
25 Texas Transportation Commission must approve the plans and
26 specifications of the road project.

1 SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

2 Sec. 8001.101. AUTHORITY TO ISSUE BONDS AND OTHER
3 OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds
4 or other obligations payable wholly or partly from ad valorem
5 taxes, impact fees, revenue, contract payments, grants, or other
6 district money, or any combination of those sources, to pay for a
7 road project authorized by Section 8001.053.

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

12 (c) At the time of issuance, the total principal amount of
13 bonds or other obligations issued or incurred to finance road
14 projects and payable from ad valorem taxes may not exceed
15 one-fourth of the assessed value of the real property in the
16 district.

17 Sec. 8001.102. TAXES FOR BONDS. At the time the district
18 issues bonds payable wholly or partly from ad valorem taxes, the
19 district shall provide for the annual imposition of a continuing
20 direct ad valorem tax, without limit as to rate or amount, while all
21 or part of the bonds are outstanding as required and in the manner
22 provided by Sections 54.601 and 54.602, Water Code.

23 SECTION 2. The Lerin Hills Municipal Utility District of
24 Kendall County retains all the rights, powers, privileges,
25 authority, duties, and functions that it had before the effective
26 date of this Act.

27 SECTION 3. (a) The legislature validates and confirms all

1 acts and proceedings of the board of directors of the Lerin Hills
2 Municipal Utility District of Kendall County that were taken before
3 the effective date of this Act.

4 (b) Subsection (a) of this section does not apply to any
5 matter that on the effective date of this Act:

6 (1) is involved in litigation if the litigation
7 ultimately results in the matter being held invalid by a final
8 judgment of a court; or

9 (2) has been held invalid by a final judgment of a
10 court.

11 SECTION 4. (a) The legal notice of the intention to
12 introduce this Act, setting forth the general substance of this
13 Act, has been published as provided by law, and the notice and a
14 copy of this Act have been furnished to all persons, agencies,
15 officials, or entities to which they are required to be furnished
16 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
17 Government Code.

18 (b) The governor, one of the required recipients, has
19 submitted the notice and Act to the Texas Commission on
20 Environmental Quality.

21 (c) The Texas Commission on Environmental Quality has filed
22 its recommendations relating to this Act with the governor, the
23 lieutenant governor, and the speaker of the house of
24 representatives within the required time.

25 (d) All requirements of the constitution and laws of this
26 state and the rules and procedures of the legislature with respect
27 to the notice, introduction, and passage of this Act are fulfilled

1 and accomplished.

2 SECTION 5. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2263 passed the Senate on
May 4, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 2263 passed the House on
May 24, 2017, by the following vote: Yeas 137, Nays 9, two
present not voting.

Chief Clerk of the House

Approved:

Date

Governor