

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 6. WATER AND WASTEWATER

SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

CHAPTER 8096. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 164

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8096.0101. DEFINITIONS. In this chapter:

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

(2) "District" means the Montgomery County Municipal Utility District No. 164.

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. [2481](#)), Sec. 1, eff. May 28, 2019.

Sec. 8096.0102. NATURE AND PURPOSES OF DISTRICT. (a) The district is a municipal utility district created under Section [59](#), Article XVI, Texas Constitution.

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

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

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

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. [2481](#)), Sec. 1, eff. May 28, 2019.

SUBCHAPTER B. POWERS AND DUTIES

Sec. 8096.0201. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. [2481](#)), Sec. 1, eff. May 28, 2019.

Sec. 8096.0202. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the

general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. 2481), Sec. 1, eff. May 28, 2019.

Sec. 8096.0203. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. 2481), Sec. 1, eff. May 28, 2019.

Sec. 8096.0204. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

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

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

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. 2481), Sec. 1, eff. May 28, 2019.

Sec. 8096.0205. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

- (1) has never issued any bonds; and
- (2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and

duties of the district.

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area of the district as it existed on January 1, 2019.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section [49.102](#), Water Code, to confirm the creation of the district.

(f) An order dividing the district shall:

- (1) name each new district;
 - (2) include the metes and bounds description of the territory of each new district;
 - (3) appoint temporary directors for each new district;
- and
- (4) provide for the division of assets and liabilities between or among the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section [49.102](#), Water Code.

(i) If the creation of the new district is confirmed, the new district shall provide the election date and results to the Texas Commission on Environmental Quality.

(j) Any new district created by the division of the district must hold an election as required by Section [49.107](#), Water Code, and this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(k) Municipal consent to the creation of the district and to the inclusion of land in the district acts as municipal consent to the creation of any new district created by the division of the

district and to the inclusion of land in the new district.

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. [2481](#)), Sec. 1, eff. May 28, 2019.

SUBCHAPTER C. BONDS AND OTHER OBLIGATIONS

Sec. 8096.0301. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS FOR ROAD PROJECTS. (a) The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for a road project authorized by Section [8096.0203](#).

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

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

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. [2481](#)), Sec. 1, eff. May 28, 2019.

Sec. 8096.0302. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections [54.601](#) and [54.602](#), Water Code.

Added by Acts 2019, 86th Leg., R.S., Ch. 247 (S.B. [2481](#)), Sec. 1, eff. May 28, 2019.