

AN ACT

relating to the powers and duties of the Waller County Municipal Utility District No. 3.

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

SECTION 1. Section 8237.103, Special District Local Laws Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) 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.

SECTION 2. Subchapter C, Chapter 8237, Special District Local Laws Code, is amended by adding Section 8237.105 to read as follows:

Sec. 8237.105. DIVISION OF DISTRICT. (a) 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.

(b) An order dividing the district may create one or more new districts and may provide for the continuation of the district.

(c) An order dividing the district shall:

(1) name any new district;

(2) include the metes and bounds description of the territory of each of the districts;

1 (3) appoint temporary directors for any new district;

2 and

3 (4) provide for the division of assets and liabilities
4 between the districts.

5 (d) The board may adopt an order dividing the district
6 before or after the date the board holds an election to confirm the
7 district's creation.

8 (e) The district may be divided only if the district:

9 (1) has never issued any bonds; and

10 (2) is not imposing ad valorem taxes.

11 (f) A new district created by the division of the district
12 may not, at the time the new district is created, contain any land
13 outside the area described by Section 2 of the Act enacting this
14 chapter.

15 (g) On or before the 30th day after the date of adoption of
16 an order dividing the district, the district shall file the order
17 with the Texas Commission on Environmental Quality and record the
18 order in the real property records of each county in which the
19 district is located.

20 (h) This chapter applies to any new district created by the
21 division of the district, and a new district has all the powers and
22 duties of the district.

23 (i) A new district created by the division of the district
24 shall hold a confirmation and directors' election.

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

1 (k) A new district created by the division of the district
2 must hold an election as required by this chapter to obtain voter
3 approval before the district may impose a maintenance tax or issue
4 bonds payable wholly or partly from ad valorem taxes.

5 (l) The district may continue to rely on confirmation,
6 directors', bond, and tax elections held before the division.

7 (m) Municipal consent to the creation of the district and to
8 the inclusion of land in the district acts as municipal consent to
9 the creation of any new district created by the division of the
10 district and to the inclusion of land in the new district.

11 SECTION 3. Sections [8237.103](#)(b), (c), and (e), Special
12 District Local Laws Code, are repealed.

13 SECTION 4. The Waller County Municipal Utility District
14 No. 3 retains all the rights, powers, privileges, authority,
15 duties, and functions that it had before the effective date of this
16 Act.

17 SECTION 5. (a) The legislature validates and confirms all
18 governmental acts and proceedings of the Waller County Municipal
19 Utility District No. 3 that were taken before the effective date of
20 this Act.

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

23 (1) is involved in litigation if the litigation
24 ultimately results in the matter being held invalid by a final court
25 judgment; or

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

27 SECTION 6. (a) The legal notice of the intention to

1 introduce this Act, setting forth the general substance of this
2 Act, has been published as provided by law, and the notice and a
3 copy of this Act have been furnished to all persons, agencies,
4 officials, or entities to which they are required to be furnished
5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6 Government Code.

7 (b) The governor, one of the required recipients, has
8 submitted the notice and Act to the Texas Commission on
9 Environmental Quality.

10 (c) The Texas Commission on Environmental Quality has filed
11 its recommendations relating to this Act with the governor, the
12 lieutenant governor, and the speaker of the house of
13 representatives within the required time.

14 (d) All requirements of the constitution and laws of this
15 state and the rules and procedures of the legislature with respect
16 to the notice, introduction, and passage of this Act are fulfilled
17 and accomplished.

18 SECTION 7. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 5412 was passed by the House on May 12, 2023, by the following vote: Yeas 103, Nays 37, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 5412 was passed by the Senate on May 24, 2023, by the following vote: Yeas 28, Nays 3.

Secretary of the Senate

APPROVED: _____

Date

Governor