

By: Kitzman

H.B. No. 5413

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the powers and duties of the Waller County Municipal  
3 Utility District No. 2; providing authority to issue bonds;  
4 providing authority to impose assessments, fees, and taxes.

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

6 SECTION 1. Section 8236.103, Special District Local Laws  
7 Code, is amended by adding subsection (a-1) as follows:

8 (a-1) The district may design, acquire, construct, finance,  
9 issue bonds for, improve, operate, maintain, and convey to this  
10 state, a county, or a municipality for operation and maintenance  
11 macadamized, graveled, or paved roads, or improvements, including  
12 storm drainage, in aid of those roads.

13 SECTION 2. Subchapter C, Chapter 8236, Special District  
14 Local Laws Code, is amended by adding Section 8236.105 to read as  
15 follows:

16 Sec. 8236.105. DIVISION OF DISTRICT. (a) The board, on its  
17 own motion or on receipt of a petition signed by the owner or owners  
18 of a majority of the assessed value of the real property in the  
19 district, may adopt an order dividing the district.

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

22 (c) An order dividing the district shall:

23 (1) name any new district;

24 (2) include the metes and bounds description of the

1 territory of each of the districts;

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

3 and

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

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

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

10 (1) has never issued any bonds; and

11 (2) is not imposing ad valorem taxes.

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

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

1       (k) Any 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 prior to 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. Section 8236.103(b), (c), and (e) are repealed.

12       SECTION 4. The Waller County Municipal Utility District No.  
13 2 retains all the rights, powers, privileges, authority, duties,  
14 and functions that it had before the effective date of this Act.

15       SECTION 5. (a) The legislature validates and confirms all  
16 governmental acts and proceedings of the Waller County Municipal  
17 Utility District No. 2 that were taken before the effective date of  
18 this Act.

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

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

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

25       SECTION 6. (a) The legal notice of the intention to  
26 introduce this Act, setting forth the general substance of this  
27 Act, has been published as provided by law, and the notice and a

1 copy of this Act have been furnished to all persons, agencies,  
2 officials, or entities to which they are required to be furnished  
3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
4 Government Code.

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

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

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

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