

BILL ANALYSIS

H.B. 1916
By: Holland
Land & Resource Management
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In Texas, conservation and reclamation districts are a type of special district established for the purpose of regulating the resources in a service area. These special districts include municipal utility districts (MUDs), water control and improvement districts (WCIDs), and others. Typically created by either the legislature or by the Texas Commission on Environmental Quality (TCEQ), these districts have the authority to impose taxes and issue bonds. While most of these districts are created by the legislature or the TCEQ, there is little oversight over their issuance of bonds and how funds are spent on their improvement projects. This may result in bonds being issued without the support of the taxpayers who will service the debt, publicly financed projects being mismanaged, and little opportunity for public input. The lack of local input may result in bonds being issued for projects that cannot be supported by current or planned local infrastructure. There is a need for local feedback over the issuance and use of bonds by certain districts. H.B. 1916 requires certain conservation and reclamation districts to receive written approval from a county commissioners court to issue bonds for a district improvement project or to finalize plans for certain district improvement projects that are funded by bonds. This only applies to districts in counties with a population of 100,000 or more and a total area that is less than 250 square miles.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1916 amends the Water Code to require certain conservation and reclamation districts that are located in a county with both a population of 100,000 or more and a total area that is less than 250 square miles to obtain the written approval of the county commissioners court before doing the following:

- issuing bonds for a district improvement project; or
- finalizing the plans and specifications for a district improvement project that is financed by bonds or related to:
 - the use of land outside a municipality's corporate limits;
 - an easement granted by the county; or
 - a right-of-way of a road or highway.

The bill applies only to an applicable district that issues bonds or finalizes plans and specifications for an improvement project on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2023.