

BILL ANALYSIS

Senate Research Center
88R26611 ANG-F

H.B. 2816
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Local Government
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current statute on procedures regarding sending notices to property buyers in water districts has not been updated in over ten years. It is important that we address this because a lack of clarity and recency means that homeowners and residents within water districts can be misled. It also harms the efficiency of the parties involved, especially those with time-sensitive matters.

H.B. 2816 increases the accessibility and effectiveness of current policy by modernizing information about the notices given to property buyers in water districts. The bill does so firstly, by correcting and updating information about tax rates, fees, and authority over public services like parks and roads. The bill utilizes the Internet by mandating that the bill be posted on the website used by the district and removes the necessity of the board members when creating maps and boundaries.

Lastly, H.B. 2816 specifies types of districts applicable to this statute and amends outdated definitions. This bill is necessary to increase the organization of relevant administrative processes.

H.B. 2816 amends current law relating to notice provided to purchasers of property and information filed with the county clerk by certain special districts.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 49.452, Water Code, by amending Subsection (a) and adding Subsections (a-1) and (a-2), as follows:

(a) Defines "district."

(a-1) Requires a person who proposes to sell or convey real property located in a district to give to the purchaser the written notice as provided by Section 49.452 (Notice to Purchasers) and Section 49.4521.

(a-2) Provides that the provisions of this section are not applicable to, rather than prohibiting the provisions of this section from being applicable to certain transfers of title, including for the purpose of qualifying a director. Makes nonsubstantive changes.

SECTION 2. Amends Subchapter M, Chapter 49, Water Code, by adding Section 49.4521, as follows:

Sec. 49.4521. PRESCRIBED NOTICE TO PURCHASERS. (a) Requires that a notice to a purchaser provided under Section 49.452 include:

(1) a title caption in a certain font style. Sets forth the required language of the notice; and

(2) certain statements, as applicable to the district. Sets forth the required language of the statements.

(b) Requires the district to omit or edit for accuracy statements not applicable to the district, as determined by the district.

(c) Requires that the notice be dated and executed by the seller and the purchaser.

(d) Requires the district, if the law is amended and causes inaccuracies in the content of the notice, to revise the content of the notice to accurately reflect current law.

SECTION 3. Amends Section 49.453, Water Code, by adding Subsection (e), to require a district required to maintain an Internet website or have access to a generally accessible Internet website under Section 26.18 (Posting of Tax Rate and Budget Information by Taxing Unit on Website), Tax Code, to post or create a process for posting the district's notice to purchasers under Section 49.4521 on the applicable Internet website.

SECTION 4. Amends Section 49.455(c), Water Code, to delete existing text requiring that the map or plat required by Section 49.455 (Filing Information) be signed by a majority of the members of the board and by each such officer affirmed and acknowledged before it is filed with the county clerk, and each amendment made to map to also be signed by the members of the board and by each such officer affirmed and acknowledged before it is filed with the county clerk.

SECTION 5. Amends Section 3919.205(d), Special District Local Laws Code, to require the district to generate and implement a program to provide notice modeled on the notice described by Section 49.4521, rather than Section 49.452(c) (relating to requiring that the prescribed notice for districts located in whole or in part within the corporate boundaries of a municipality be executed by the seller and contain certain language) Water Code, to a prospective purchaser of property in the district of the assessments that have been approved and are imposed by the district.

SECTION 6. Repealers: Sections 49.452(b) (relating to requiring that the prescribed notice for districts located in whole or in part in the extraterritorial jurisdiction of one or more home-rule municipalities and not located within the corporate boundaries of a municipality be executed by the seller and contain certain required language on the notice) and (c) (relating to requiring that the prescribed notice for districts located in whole or in part within the corporate boundaries of a municipality be executed by the seller and contain certain required language on the notice), Water Code.

Repealers: Sections 49.452(d) (relating to requiring that the prescribed notice for districts that are not located in whole or in part within the corporate boundaries of a municipality or the extraterritorial jurisdiction of one or more home-rule municipalities be executed by the seller and contain certain required language on the notice) and (e) (relating to requiring the district, if the law relating to annexation or district dissolution is amended and causes inaccuracies in the content of the notices, to revise the content of the notices to accurately reflect current law), Water Code.

Repealers: Sections 49.455(f) (relating to requiring any person who affirms the corrections and accuracy of and acknowledges an information form, map, or plat, or any amendment to an information form, map, or plat that includes information that is inaccurate or incorrect to be guilty of a misdemeanor and to be fined not less than \$100 nor more than \$1,000 for each violation) and (h) (relating to requiring any member of a governing board who wilfully fails or refuses to join in filing an information form, map, or plat or an amendment to an information form, map, or plat to be guilty of a misdemeanor and to be fined not less than \$100 nor more than \$1,000 for each violation), Water Code.

SECTION 7. (a) Makes application of Section 49.452, Water Code, as amended by this Act, and Section 49.4521, Water Code, as added by this Act, prospective.

(b) Makes application of Section 49.455, Water Code, as amended by this Act, prospective.

SECTION 8. Effective date: September 1, 2023.