

BILL ANALYSIS

C.S.H.B. 5325
By: Gates
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Fort Bend Municipal Utility District No. 144 is an existing municipal utility district encompassing approximately 550 acres, most of which is within the corporate limits of the City of Rosenberg. The only undeveloped portion of the district is located within the City of Richmond's extraterritorial jurisdiction (ETJ). The district is unable to serve the undeveloped 35-acre tract due to jurisdictional boundary inconsistencies and other factors. C.S.H.B. 5325 seeks to exclude this 35-acre tract from the district so that services can be provided by a neighboring district wholly located within the City of Richmond's ETJ.

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

C.S.H.B. 5325 provides for the exclusion of a certain parcel of land, the metes and bounds of which are set out by the bill, from Fort Bend County Municipal Utility District No. 144. The bill establishes that the exclusion of this property does not diminish or impair the rights of the holders of any outstanding and unpaid bonds, warrants, or other certificates of indebtedness of the district and that the excluded property is not released from the payment of its pro rata share of the district's indebtedness. The bill requires the district to continue to levy taxes each year on the property excluded from the district at the same rate levied on other property of the district until the taxes collected from the excluded property equal the property's pro rata share of the indebtedness of the district on the bill's effective date and requires the taxes collected to be applied exclusively to the payment of the excluded property's pro rata share of the indebtedness. The owner of any part of the excluded property at any time may pay in full the owner's share of the pro rata share of the indebtedness of the district and the district may apply all or a portion of funds previously paid or advanced to the district by an owner of any part of the excluded property toward the payment of the owner's pro rata share of the indebtedness of the district.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 5325 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision absent from the introduced authorizing the district to apply all or a portion of funds previously paid or advanced to the district by an owner of any part of the excluded property toward the payment of the owner's pro rata share of the indebtedness of the district.