

**BILL ANALYSIS**

C.S.H.B. 5411  
By: Kitman  
Land & Resource Management  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

Twinwood Municipal Utility District No. 1 is currently authorized to provide certain services to land located within district boundaries. There is a need to designate temporary directors for the district and to authorize the district to undertake certain road projects and to provide for division of the district. C.S.H.B. 5411 seeks to address this need by designating temporary directors for the district and amending the powers of the district.

**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. 5411 amends the Special District Local Laws Code to establish provisions relating to the Twinwood Municipal Utility District No. 1 and establishes that the district is created to serve a public purpose and benefit. The bill provides for the appointment of temporary directors and requires the directors to hold an election to elect permanent directors and confirm the creation of the district. The bill grants the district the power to undertake certain road projects and to adopt an order dividing the district. The bill authorizes the district, subject to certain requirements, to issue bonds and other obligations and impose property taxes. The bill establishes that the district retains all the rights, powers, privileges, authority, duties, and functions that it had before the bill's effective date. The bill provides for the validation and confirmation of certain district actions and proceedings taken before the bill's effective date. The bill establishes that all requirements with respect to the notice, introduction, and passage of the bill are fulfilled and accomplished.

**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. 5411 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 not present in the introduced requiring the temporary directors to hold an election to confirm the creation of the district and to elect five permanent directors.

The substitute includes a provision not present in the introduced establishing that the district is created to serve a public purpose and benefit.

Both the introduced and the substitute provide for the election of permanent members. However, the introduced provides for their election under Water Code provisions generally applicable to all districts, and the substitute provides for their election under the bill's provisions.

Both the introduced and the substitute prohibit a new district created by the division of the district from containing any land outside the territory of the district as it existed on January 1, 2023. However, the introduced specified that this prohibition relates to territory of the original district, and the substitute does not.

Both the introduced and the substitute authorize the district to issue bonds or other obligations payable from certain sources of revenue. However, the introduced included impact fees as one such source, and the substitute does not.