

BILL ANALYSIS

C.S.H.B. 5412
By: Kitman
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Waller County Municipal Utility District No. 3 is currently authorized to provide certain services to land located within its boundaries. The district's powers need to be amended to authorize the district to undertake certain road projects and to provide for the division of the district. C.S.H.B. 5412 seeks to address this need by providing for this authority and division.

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. 5412 amends the Special District Local Laws Code to authorize the Waller County Municipal Utility District No. 3 to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to the state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads. The bill repeals provisions that do the following:

- require the district to employ or contract with a licensed engineer to certify whether a proposed road project meets the criteria for a thoroughfare, arterial, or collector road of the following:
 - a county in whose jurisdiction the proposed road project is located; or
 - a municipality in whose corporate limits or extraterritorial jurisdiction the proposed road project is located;
- authorize the district to finance, construct, or acquire a road that has been certified by the licensed engineer as a thoroughfare, arterial, or collector road, or any improvements in aid of the certified road; and
- authorize the district, with the consent of a municipality or county, to convey a completed road project to the municipality in whose corporate limits or extraterritorial jurisdiction the road project is located or to the county in which the road project is located.

C.S.H.B. 5412 authorizes the district's board of directors, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, to adopt an order dividing the district. The bill sets out provisions relating to such a division, including a provision conditioning a division on the district having never issued any bonds and the district not currently imposing property taxes.

C.S.H.B. 5412 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 such date.

C.S.H.B. 5412 repeals Sections 8237.103(b), (c), and (e), Special District Local Laws Code.

EFFECTIVE DATE

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

COMPARISON OF INTRODUCED AND SUBSTITUTE

C.S.H.B. 5412 differs from the introduced in minor or nonsubstantive ways by conforming to certain bill drafting conventions.