BILL ANALYSIS

Senate Research Center 89R2068 MZM-D H.B. 303 By: Vasut (Hagenbuch) Local Government 5/9/2025 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas law classifies municipalities as home-rule, special-law, or general-law (Type A, B, or C), each with distinct governing structures, powers, and obligations. General-law municipalities with declining populations often struggle to meet requirements designed for larger cities.

For example, the Town of Quintana, incorporated as a Type A city, has seen its population drop from nearly 500 in 1890 to under 30 today. As a Type A city, it must elect a mayor and five aldermen, a requirement it struggles to fulfill. In contrast, Type C cities require only a mayor and two commissioners.

Current law allows Type A or B cities to reclassify as Type C with voter approval, but only if their population is between 501 and 4,999 (Type A) or 501 and 999 (Type B). This restriction prevents smaller cities like Quintana, with fewer than 501 residents, from reclassifying.

H.B. 303 amends Section 8.021(a), Local Government Code, to remove the 501-resident floor for Type A and B cities to incorporate as Type C cities so the Town of Quintana, and other similarly situated small communities across the state, can adjust their government to a Type C city as needed.

H.B. 303 amends current law relating to the authority of a Type A or Type B general-law municipality to change to a Type C general-law municipality.

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 8.021(a), Local Government Code, to authorize a Type A generallaw municipality containing 4,999 or fewer inhabitants, rather than 501 to 4,999 inhabitants, or a Type B general-law municipality containing 999 or fewer inhabitants, rather than 501 to 999 inhabitants, to change to a Type C general-law municipality.

SECTION 2. Effective date: upon passage or September 1, 2025.