

**BILL ANALYSIS**

Senate Research Center  
89R31997 MCF-D

C.S.H.B. 5680  
By: Holt (Nichols)  
Local Government  
5/22/2025  
Committee Report (Substituted)

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The bill author has informed the committee that an area located within Liberty County would benefit from the creation of a management district. H.B. 5680 seeks to provide for the creation of such a district.

(Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 5680 amends current law relating to the creation of the Bayou Belle Municipal Management District No. 1, grants a limited power of eminent domain, provides authority to issue bonds, and provides authority to impose assessments, fees, and taxes.

**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 Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 4021, as follows:

CHAPTER 4021. BAYOU BELLE MUNICIPAL MANAGEMENT DISTRICT NO. 1

Sets forth the standard language for the creation of Bayou Belle Municipal Management District No. 1 (district) in the Liberty County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 4021.0101-4021.0108);

Size, composition, appointment, compensation, and terms of the board of directors of the district, including the naming of the initial directors (Sections 4021.201-4021.0203);

Powers and duties of the district (Sections 4021.0301-4027.0311);

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Section 4021.0401-4021.0506); and

Dissolution of the district by the board of directors (Sections 4021.0901).

Authorizes the district to exercise the power of eminent domain in the manner provided by Section 49.222 (Eminent Domain), Water Code, subject to the limitations provided by Section 54.209 (Limitation on Use of Eminent Domain).

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirement of the constitution and laws of this state and rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) Provides that Section 4021.0311 (Eminent Domain), Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C (Powers and Duties), Chapter 4021, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 4021.0311 to read as follows:

Sec. 4021.0311. NO EMINENT DOMAIN. Prohibits the district from exercising the power of eminent domain.

SECTION 5. Effective date: upon passage or September 1, 2025.