

BILL ANALYSIS

Senate Research Center
89R15710 JTZ-F

H.B. 5686
By: Metcalf (Creighton)
Local Government
5/20/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The bill author has informed the committee that an area located within Montgomery County would benefit from the creation of a management district. H.B. 5686 seeks to provide for the creation of such a district.

H.B. 5686 amends current law relating to the creation of the Montgomery County Management District No. 3, 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 4017, as follows

CHAPTER 4017. MONTGOMERY COUNTY MANAGEMENT DISTRICT NO. 3

Sets forth standard language for the creation of the Montgomery County Municipal Management District No. 3 (district). Sets forth standards, procedures, requirements, and criteria for:

General provisions, creation, purpose, approval, initial district territory, eligibility for inclusion in special zones, and applicability of municipal management districts law to the district (Sections 4017.0101-4017.0108);

Size, composition, appointment, and terms of the board of directors of the district (board), including the naming of the initial directors (Sections 4017.0201-4015.0203);

Powers and duties of the district (Sections 4017.0301-4015.0310);

Assessments (Sections 4017.0401-4017.0402);

General financial provisions and authority to impose a tax and issue bonds and obligations for the district (Sections 4017.0501-4015.0606);

Division of the district into multiple districts (Sections 4017.0701-4017.0706);

Establishment, elections, taxes, and bods for defined areas (Sections 4017.0801-4017.0805); and

Dissolution of the district by the board (Sections 4017.0901).

Prohibits the district from exercising the power of eminent domain.

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

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

SECTION 4. Effective date: upon passage or September 1, 2025.