BILL ANALYSIS

H.B. 5686 By: Metcalf Intergovernmental Affairs Committee Report (Unamended)

BACKGROUND AND PURPOSE

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.

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

H.B. 5686 amends the Special District Local Laws Code to create the Montgomery County Management District No. 3 to provide certain improvements, projects, and services for public use and benefit. The bill provides for, among other provisions, the addition and exclusion of district land, the division and dissolution of the district, and taxes and obligations for certain defined areas and designated property subject to voter approval at an election in the defined area. The district's powers and duties include, subject to certain requirements, the authority to issue obligations and impose assessments as well as sales and use, property, and operation and maintenance taxes. The bill prohibits the district from exercising the power of eminent domain.

H.B. 5686 establishes that all applicable requirements relating to the following have been fulfilled and accomplished with respect to the bill:

- the legal notice of intention to introduce;
- governor action;
- Texas Commission on Environmental Quality recommendations; and
- the state constitution and laws and legislative rules and procedures.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.