

BILL ANALYSIS

H.B. 5689
By: Hayes
Intergovernmental Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Cole Ranch Improvement District No. 1 of Denton County, Texas, was created in 2019 by the Texas Legislature. H.B. 5689 seeks to clarify limitations on the district's authority to issue bonds secured by property taxes or by contract payments.

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. 5689 amends the Special District Local Laws Code to specify that the statutory provision that caps the principal amount of bonds issued by the Cole Ranch Improvement District No. 1 of Denton County, Texas, in aggregate at 10 percent of the assessed value of all real property in the district applies to bonds secured by property taxes. The bill caps the outstanding principal amount of bonds secured by qualifying contract payments issued by the district without an election in the aggregate at an amount equal to 10 percent of the assessed value of all real property in all districts making payments under the contract.

H.B. 5689 establishes that the legislature validates and confirms all governmental acts and proceedings of the district that were taken before the bill's effective date. This provision does not apply to any matter that on the bill's effective date:

- is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or
- has been held invalid by a final court judgment.

H.B. 5689 establishes that the district retains all the rights, powers, privileges, authority, duties, and functions that it had before the bill's effective date.

H.B. 5689 establishes that all applicable requirements relating to the following have been fulfilled and accomplished with respect to the bill:

- the legal notice of intention;
- governor action;
- the recommendations of the Texas Commission on Environmental Quality; 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.