BILL ANALYSIS

Senate Research Center 89R25302 MP-F H.B. 5695 By: Gerdes (Schwertner) Local Government 5/21/2025 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The bill author has informed the committee of the need for a municipal utility district to be created in Bastrop County for the benefit of certain undeveloped land. H.B. 5695 seeks to provide for the creation of the Sayers Ranch Municipal Utility District.

H.B. 5695 amends current law relating to the creation of the Sayers Ranch Municipal Utility District, 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 F, Title 6, Special District Local Laws Code, by adding Chapter 8022A, as follows:

CHAPTER 8022A. SAYERS RANCH MUNICIPAL UTILITY DISTRICT

Sets forth standard language for the creation of the Sayers Ranch Municipal Utility District (district). Sets forth standards, procedures, requirements, and criteria for:

Creation and approval of the district (Sections 8022A.0101-8022A.0106);

Size, composition, and election of the board of directors, including provisions related to initial temporary directors (Sections 8022A.0201-8022A.0202);

Powers and duties of the district (Sections 8022A.0301-8022A.0306); and

General financial provisions and authority to impose taxes and issue bonds (Sections 8022A.0401-8022A.0503).

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

SECTION 3. Provides that all requirements of the constitution and the 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. (a) Provides that, if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8022A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8022A.0307 to read as follows:

Sec. 8022A.0307. NO EMINENT DOMAIN POWER. Prohibits the district from exercising the power of eminent domain.

(b) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to authorizing the legislature to enact a general, local, or special law granting the power of eminent to an entity if certain criteria are met), Article I (Bill of Rights), Texas Constitution.

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