

BILL ANALYSIS

S.B. 3029
By: Parker
Land & Resource Management
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that under current law, municipal utility districts are generally limited by statutory requirements that apply minimum acreage thresholds and contiguity standards when establishing defined areas for purposes of bond issuance and taxation. These limitations may prevent districts from structuring financing to match the location and scope of specific developments that are geographically separated. S.B. 3029 applies to the Far North Fort Worth Municipal Utility District No. 1 of Tarrant and Wise Counties and authorizes the district to establish and maintain defined areas or designated property—including noncontiguous tracts—for purposes of issuing bonds and levying taxes to fund infrastructure, facilities, or services that primarily benefit those areas. The bill provides the district with additional flexibility to structure financing in accordance with existing authority under Subchapter J, Chapter 54, Water Code.

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

S.B. 3029 amends the Special District Local Laws Code to authorize the Far North Fort Worth Municipal Utility District No. 1 of Tarrant and Wise Counties, notwithstanding a statutory acreage requirement, to establish and maintain defined areas or designated property of the district as provided by specified municipal utility district statutes, including the power to impose taxes and issue bonds in the defined area or designated property, to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole. The bill authorizes such a defined area to include a noncontiguous tract, notwithstanding any other law.

S.B. 3029 establishes that the district retains all rights, powers, privileges, authority, duties, and functions that it had before the bill's effective date.

S.B. 3029 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.