

BILL ANALYSIS

Senate Research Center
88R28021 MP-F

H.B. 5411
By: Kitzman (Kolkhorst)
Local Government
5/17/2023
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Twinwood Municipal Utility District No. 1 (district) was created in 1988 by the Texas Water Commission, predecessor to the Texas Commission on Environmental Quality. H.B. 5411 proposes to grant the district division powers and the power to undertake certain road projects.

Division powers allow a district to divide after it has been created. Division powers provide for flexibility in land planning over large tracts, allowing district boundaries to be established by the final land plan, rather than an arbitrary line at creation. Additionally, division powers allow for an advantageous tax structure for residents. Residents benefit by seeing their tax rates drop sooner in a smaller district.

Road infrastructure is necessary to promote the development of the area within the district.

The bill authorizes the district, subject to certain requirements, to issue bonds and other obligations and impose property taxes.

There is no known opposition to this legislation.

H.B. 5411 amends current law relating to the board of directors and powers and duties of the Twinwood Municipal Utility District No. 1, 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 8026A, as follows:

CHAPTER 8026A. TWINWOOD MUNICIPAL UTILITY DISTRICT NO. 1

Sets forth language for the creation of the Twinwood Municipal Utility District No. 1 (district). Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 8026A.0101-8026A.0104);

Size, composition, election, and terms of the board of directors of the district, including naming of temporary directors (Sections 8026A.0201-8026A.0202);

Powers and duties of the district (Sections 8026A.0301-8026A.0305); and

General financial provisions and authority to impose a tax and to issue bonds and obligations for the district (Sections 8026A.0401-8026A.0402).

SECTION 2. Provides that the district retains all the rights, powers, privileges, authority, duties, and functions that it had before the effective date of this Act.

SECTION 3. (a) Provides that the legislature validates and confirms all governmental acts and proceedings of the district that were taken before the effective date of this Act.

(b) Provides that this section does not apply to any matter that on the effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

(2) has been held invalid by a final court judgment.

SECTION 4. 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 5. Effective date: upon passage or September 1, 2023.