

2023 LEGISLATIVE UPDATE FOR DISTRICTS

(88TH Legislative Session)

Preliminary 6/19/23

HB 2815- Effective Immediately

Per Diems – The maximum per diems for directors has been increased. Instead of a maximum of \$150 a day, the Board can now by resolution authorize up to the amount of the per diem set by the Texas Ethics Commission for members of the legislature which currently is \$221 per day. For each director, the maximum amount of total per diems per year remains at \$7,500.

Personal Email Addresses - The personal email address of a director is confidential unless the district does not make available to the public an official email address for the director or the district. A “personal email” is defined as an email address that is not paid for by district money and not used primarily for the transaction of official business of the district.

Tax Rate Election - Section 49.23602 (c) is amended so that an election is not required if the adopted tax rate is less than or equal to the voter-approval tax rate. This is a clarification that will prevent unnecessary election expenses.

Notice to Purchaser Form - An exception is created for providing a notice to purchaser when the transfer of title is for the purpose of qualifying a director. This would apply during the developer-controlled stage when directors require ownership of property in a director’s lot to qualify. Revisions were made to the requirements for notices to purchasers. A more detailed breakdown of the purpose of bonds approved and issued is included. In addition, notice of a strategic partnership agreement is required. Notices to purchaser must also be posted on the district website.

HB 2816 – Effective 9/1/23

Notice to Purchaser Form -This bill also provides for changes to the notice to purchasers and requires posting of a notice to purchaser form on the district’s website. The changes are similar to those in HB 2815 above.

HB 3440 – Effective 9/1/23

Posting Agendas on District Website - In addition to notice of a board meeting, each agenda must be posted on the district’s website.

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HB 3507 – Effective 9/1/23

Bidding Procedures - The provisions of Chapter 49 of the Water Code related to competitive bids are modified. For contracts over \$25,000 but not more than \$150,000 the district must solicit written competitive bids on uniform written specifications from at least three bidders. This is an increase from the prior range of \$25,000 to \$75,000. For contracts over \$150,000 the district must go through the expensive public advertising process to receive sealed bids. Previously the district needed to go to public bids for contracts over \$75,000.

SB 1246 – Effective Immediately

Public Investments - Changes were made to the public investment act which will require review of the district's investment policy.

SB 2350 – Effective Immediately, SB 1999 – Effective 1/1/24, SB 539 – Effective 1/1/24, HB 4456 – Effective 1/1/24, HB 3273 – Effective 1/1/24

Tax Procedures - These bills have modified some of the tax calculation provisions and procedures for setting the district's tax rate. Also, the county must create a delinquent tax roll for the district which includes information as to whether or not taxes are deferred or abated.

HB 2626 and HB 3372 – Both Effective 9/1/23

Candidate and Office Holder Reports – Campaign Finance Reports filed with the district during election years must now be posted on the district's website. Credit card contributions are addressed in HB 3372.

SB 232 – Effective 9/1/23

Removal of Director from Office for Certain Criminal Offenses – A director will automatically be removed from office after entering a plea of guilty or nolo contendere, after receiving deferred adjudication or after being convicted of one of the crimes listed. Such crimes include bribery, theft of public money, perjury, coercion of a public servant or voter, tampering with governmental record, misuse of official information, abuse of official capacity and conspiracy or attempt to commit any of those crimes.

SB 271 – Effective 9/1/23

Report of Security Incident – Districts are now required to comply with formal reporting requirements for security incidents. Previously the law only applied to state agencies.

HB 3810 – Effective 9/1/23

Immediate Notice to TCEQ for Water Outage – Immediate notice to the TCEQ is now required for an unplanned condition that caused an outage in the district’s public water supply or system such that a do-not-use advisory, do-not-consume advisory or boil water notice is issued.

HB 1748 – Effective 9/1/23

Facsimile Signatures on Bonds – This bill will allow facsimile signatures of district officials and the comptroller on bonds and other public securities.

SB 1778 – Effective 9/1/23

Initiation, Transfer or Termination of Service – This bill allows for the initiation, transfer or termination of water or sewer service upon receipt of a customer’s request by mail, telephone, through an internet website or through another electronic transmission.

SB 943 – Effective 9/1/23

Internet Publication of Newspaper Notices – This bill provides for republication of newspaper notices on newspaper websites and the website of the Texas Press Association website.