HB 1300 Hilbert, Hamric, Brady

SUBJECT: Harris County review of Houston annexations

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 7 ayes — Saunders, Mowery, Alexander, Combs, Hamric, Krusee,

B. Turner

0 nays

2 absent — Hilderbran, Howard

WITNESSES: For — Cooper Slay, Houston Northwest Chamber of Commerce

Against — Bob Stout, Mitchell Energy and Development Corporation; Michael White, Greater Houston Partnership; Donna Kristaponis, City of

Houston

DIGEST: HB 1300 would prohibit Houston (a municipality with a population of 1.5

million or more) from annexing a strip of an area following a road,

highway, river, stream or other natural or constructed feature under certain

circumstances.

Annexation would be prohibited if the Harris County Commissioners Court resolved that the area to be annexed was primarily composed of

commercial property with high tax value and was a part of a larger area in

which a sense of community existed.

The commissioner's court would be required to adopt the resolution opposing the annexation before the completion of the annexation.

The findings of the commissioners court would be reviewed by an annexation review committee, which could affirm or reverse the commissioners court's findings. The review committee would be required to issue its decision within 60 days of the commissioner court's resolution.

The annexation review committee would be presided over by the county judge and would consist of a county commissioner designated by the commissioners court, a city council member designated by the city council,

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and appointees of the state representative and the state senator whose districts include the majority of the area proposed for annexation. The designations and appointments to the review committee would be made within 14 days of the adoption of the commissioners court's resolution. The county judge would call the committee to meet at place near the area proposed for annexation.

An appeal of the committee's decision could be made to a district court serving the county in which a majority of the area for the proposed annexation is located. The district court would not be able to substitute its judgment for that of the commissioners court or the review committee unless their decisions were arbitrary, capricious, unlawful, or not supported by substantial evidence.

If the finding of the commissioners court was reversed by the annexation review committee or by a court, the time during which the municipality was prevented from annexing the area as a result of the commissioners court resolution would not be included in computing the period within which the municipality must complete the annexation.

HB 1300 would apply only to annexations begun on or after the bill's effective date.

SUPPORTERS SAY:

The City of Houston can too easily increase its tax base by strip annexation at the expense of surrounding unincorporated areas. Strip annexation brings into the Houston valuable commercial property along highways, roads, rivers, canals and other natural and manmade features, but cuts out people in the communities near the annexed areas who had benefited from the property tax revenue that these properties provided.

To ensure that communities near Houston are not harmed by strip annexation of valuable commercial properties, HB 1300 would allow the Harris County Commissioners Court to review proposed strip annexations by the City of Houston. The commissioners court — which is elected by citizens of both the county and the city — would ensure that annexation decisions are in the best interest of all parties involved.

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OPPONENTS SAY:

HB 1300 would unnecessarily restrict Houston's annexation power. In every case where the city has "strip annexed" commercial property, it has offered to annex the communities around the commercial property, but the communities have declined. Houston uses its annexing powers responsibly, and there is no justification for singling it out.

HB 1300 would needlessly bring the county government into the annexation process. Although the bill provides a committee to review the county government's decisions, the composition of the review committee would ensure that the committee would not take into account the interests of the city as a whole. The resulting annexation decisions could result in the city being unable to raise revenues to provide services to its citizens.