

BILL ANALYSIS

C.S.S.B. 715
By: Campbell
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note the need for greater transparency and property owner participation in the municipal annexation process. C.S.S.B. 715 seeks to address these issues by amending the law regarding municipal annexation.

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

C.S.S.B. 715 amends the Local Government Code to revise provisions relating to municipal annexation.

General Authority to Annex Provisions

C.S.S.B. 715 makes existing general annexation authority provisions applicable only to a municipality wholly located in one or more counties each with a population of less than 500,000 and expressly inapplicable to such a municipality if it proposes to annex an area in a county with a population of 500,000 or more, except that the applicability of a provision regarding the general authority of a home-rule municipality to annex area and take other actions regarding boundaries is unchanged and certain provisions apply to a municipality wholly located in one or more counties each with a population of less than 500,000, such a municipality that proposes to annex an area in a county with a population of 500,000 or more, and a municipality wholly or partly located in a county with a population of 500,000 or more. The bill specifies those provisions as:

- a provision authorizing the governing body of a Type A general-law municipality by ordinance to annex area that the municipality owns;
- a provision authorizing the annexation by ordinance of any navigable stream adjacent to the municipality and within the municipality's extraterritorial jurisdiction;
- a provision authorizing adjacent municipalities to make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width;
- provisions relating to the authority of a municipality to annex area qualified for agricultural or wildlife management use or as timber land; and
- a provision prohibiting a municipality with a population of more than 175,000 located in a county that contains an international border and borders the Gulf of Mexico from

annexing an area that would cause another municipality to be entirely surrounded by the corporate limits or extraterritorial jurisdiction of the annexing municipality.

C.S.S.B. 715 removes from the provision authorizing the annexation of any navigable stream adjacent to the municipality and within the municipality's extraterritorial jurisdiction the restriction that the annexing municipality is a general-law municipality. The bill specifies that such an annexation or an annexation of area by a Type A general-law municipality that owns the area occurs under procedures prescribed for areas exempted from a municipal annexation plan.

C.S.S.B. 715 changes the applicability of a provision authorizing a municipality to annex area only in its extraterritorial jurisdiction unless the municipality owns the area from being applicable to annexations taking place under provisions relating to a municipal annexation plan to being applicable to annexations taking place under general annexation authority provisions that apply to a municipality wholly located in one or more counties each with a population of less than 500,000, such a municipality that proposes to annex an area in a county with a population of 500,000 or more, and a municipality wholly or partly located in a county with a population of 500,000 or more.

Provisions Relating to a Municipal Annexation Plan

C.S.S.B. 715 makes statutory provisions relating to the annexation procedure for an area annexed under a municipal annexation plan applicable only to a municipality wholly located in one or more counties each with a population of less than 500,000. The bill expressly makes such provisions inapplicable, unless otherwise specifically provided by municipal annexation provisions, to a municipality wholly or partly located in a county with a population of 500,000 or more and a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more. The bill repeals provisions that generally prohibit a municipality with a population of 1.6 million or more from annexing an area that is less than 1,500 feet wide at any point and require at least 1,500 feet of the perimeter of the area annexed by such a municipality to be coterminous with the boundary of the municipal area of the municipality. The bill removes the authorization for a person residing or owning land in an annexed area in a municipality with a population of 1.6 million or more to enforce a service plan by petitioning the municipality for a change in policy or procedures and repeals certain provisions that relate to the provision of services to an annexed area by a municipality with a population of 1.5 million or more, that prohibit a municipality with a population of 1.6 million or more from imposing certain fees in an annexed area to maintain the level of services that existed in the area before annexation, and that relate to service plans completed by certain municipalities in a county with a population of more than one million and less than 1.5 million that have adopted municipal civil service for firefighters and police officers and directly employ firefighters. The bill also repeals provisions that relate to the duties of a municipality with a population of more than 1.6 million that includes within its boundaries annexed areas without water service, sewer service, or both.

Provisions Relating to an Area Exempted from a Municipal Annexation Plan

C.S.S.B. 715 makes statutory provisions relating to the annexation procedure for an area exempted from a municipal annexation plan applicable only to an area that is proposed for annexation by a municipality wholly located in one or more counties each with a population of less than 500,000. The bill expressly makes such provisions inapplicable, unless otherwise specifically provided by municipal annexation provisions, to an area that is proposed for annexation by a municipality wholly or partly located in a county with a population of 500,000 or more or by a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more. The bill removes an authorization for the governing body of a municipality with a population of 1.6 million or more to provide that an annexation take effect on any date within 90

days after the date of the adoption of the ordinance providing for the annexation.

Annexation Provisions Relating to a Municipality Wholly or Partly Located in a County with a Population of 500,000 or More

C.S.S.B. 715 sets out annexation provisions applicable only to a municipality wholly or partly located in a county with a population of 500,000 or more and to a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more. The bill authorizes a municipality to annex an area that is noncontiguous to the boundaries of the municipality if the area is in the municipality's extraterritorial jurisdiction. The bill sets out provisions relating to the provision of certain services to an annexed area that are applicable only to a municipality that includes solid waste collection services in the list of services that will be provided in the area proposed for annexation on or before the second anniversary of the effective date of the annexation of the area under an applicable written agreement or resolution.

C.S.S.B. 715 authorizes a municipality to annex an area if each owner of land in the area requests the annexation and provides for a written agreement regarding services and for public hearings with respect to such an annexation.

C.S.S.B. 715 authorizes a municipality to annex an area with a population of less than 200 only if the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the registered voters of the area. The bill establishes procedures for such an annexation and provides for the adoption of a resolution by the municipality's governing body, notice of a proposed annexation, a public hearing, petition requirements and results, and voter approval by municipal residents on petition.

C.S.S.B. 715 authorizes a municipality to annex an area with a population of 200 or more only if the municipality holds an election in the area proposed to be annexed at which the qualified voters of the area may vote on the question of the annexation and a majority of the votes received at the election approve the annexation and, if the registered voters of the area do not own more than 50 percent of the land in the area, the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area. The bill establishes procedures for such an annexation and provides for the adoption of a resolution by the municipality's governing body, notice of a proposed annexation, public hearings, a petition for property owner consent if applicable, election requirements, election and petition results, and voter approval by municipal residents on petition.

C.S.S.B. 715 establishes that its provisions relating to the annexation of an area on the request of the landowners, the annexation of an area with a population of less than 200, and the annexation of an area with a population of at least 200 do not affect the procedures described by certain provisions regarding strategic planning relating to military bases and defense facilities applicable to a defense community.

C.S.S.B. 715 authorizes a municipality, with respect to an industrial district designated by the municipality's governing body in the municipality's extraterritorial jurisdiction, to annex all or part of the district under the requirements applicable to a municipality wholly located in one or more counties each with a population of less than 500,000.

Other Provisions

C.S.S.B. 715 revises provisions relating to strategic partnerships for the continuation of certain districts with regard to applicable procedures for an annexation under those provisions. The bill restricts the authorization for a general-law municipality to annex a municipally owned reservoir without the consent of any owners or residents of the area and the authorization for a municipality to annex a municipally owned airport without such consent to a municipality

wholly located in one or more counties each with a population of less than 500,000 and, if there are no owners other than the municipality or residents of the area, a municipality wholly or partly located in a county with a population of 500,000 or more and a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more. The bill specifies that such an annexation occurs under the procedures applicable to a municipality wholly located in one or more counties each with a population of less than 500,000.

C.S.S.B. 715 replaces the authorization for a home-rule municipality that has a population of less than 11,000 and is located primarily in a county with a population of more than 3.3 million to annex a noncontiguous municipally owned airport without the consent of the owners or residents of the area with the authorization for such a municipality to annex such an airport under the requirements applicable to a municipality wholly or partly located in a county with a population of 500,000 or more. The bill repeals certain provisions that relate to such an annexation.

C.S.S.B. 715 restricts the authority granted to a general-law municipality with a population of 500 or more to annex, by ordinance and without the consent of any person, the part of a street, highway, alley, or other public or private way that is adjacent and runs parallel to the boundaries of the municipality to such a municipality wholly located in one or more counties each with a population of less than 500,000. The bill restricts the authority granted to certain small general-law municipalities to annex, by ordinance and without the consent of any person, a public street, highway, road, or alley adjacent to the municipality to such a municipality wholly located in a county with a population of less than 500,000.

C.S.S.B. 715 authorizes a municipality wholly or partly located in a county with a population of 500,000 or more to annex by ordinance a road or the right-of-way of a road on request of the owner of the road or right-of-way or the governing body of the political subdivision that maintains the road or right-of-way under the procedures applicable to a municipality wholly located in one or more counties each with a population of less than 500,000. The bill requires a general-law municipality with a population of 500 or more wholly located in one or more counties each with a population of less than 500,000 and certain small general-law municipalities wholly located in a county with a population of less than 500,000 to comply with this provision if the municipality proposes to annex a road or right-of-way in a county with a population of 500,000 or more.

C.S.S.B. 715 prohibits a municipality wholly or partly located in a county with a population of 500,000 or more or a municipality wholly located in one or more counties each with a population of 500,000 or less that proposes to annex an area in a county with a population of 500,000 or more from annexing an area for the limited purposes of applying its planning, zoning, health, and safety ordinances in the area, with certain exceptions. This prohibition applies beginning September 1, 2017.

C.S.S.B. 715 makes changes to provisions providing for the disannexation of an annexed area based on a municipality's failure to provide services to reflect the annexation procedures set out by the bill for municipalities wholly or partly located in a county with a population of 500,000 or more and municipalities wholly located in one or more counties each with a population of less than 500,000 that propose to annex an area in a county with a population of 500,000 or more. The bill makes changes to provisions relating to the alteration of the annexation status of certain municipal utility districts.

C.S.S.B. 715 repeals provisions that require a municipality to apply for preclearance under the federal Voting Rights Act of 1965 of any voting change resulting from an annexation or proposed annexation from the U.S. Department of Justice.

C.S.S.B. 715 amends the Special District Local Laws Code to make conforming changes.

C.S.S.B. 715 applies only to the annexation of an area that is not final on the bill's effective date. The bill provides for the effect of certain repeals.

Repealers

C.S.S.B. 715 repeals the following provisions of the Local Government Code:

- Section 43.036
- Section 43.0546
- Sections 43.056(d), (h), and (p)
- Section 43.0565
- Section 43.0567
- Sections 43.1025(e) and (g)
- Section 43.906

C.S.S.B. 715 repeals Section 5.701(n)(6), Water Code.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 715 may differ from the engrossed in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the engrossed and committee substitute versions of the bill.

SENATE ENGROSSED

SECTION 1. Subchapter A, Chapter 43, Local Government Code, is amended by adding Section 43.003 to read as follows:

Sec. 43.003. LIMITED PURPOSE ANNEXATION GENERALLY PROHIBITED; EXCEPTION. (a) Except as provided by Section 43.0751, beginning September 1, 2017, a municipality may not annex an area for the limited purposes of applying its planning, zoning, health, and safety ordinances in the area. (b) This section supersedes any municipal charter provision that conflicts with this section.

SECTION 2. Section 43.021, Local Government Code, is amended to read as follows:

Sec. 43.021. AUTHORITY OF HOME-RULE MUNICIPALITY TO ANNEX AREA AND TAKE OTHER ACTIONS REGARDING BOUNDARIES.

HOUSE COMMITTEE SUBSTITUTE

No equivalent provision. (*But see SECTION 37 below.*)

SECTION 1. Section 43.021, Local Government Code, is transferred to Subchapter A, Chapter 43, Local Government Code, redesignated as Section 43.003, Local Government Code, and amended to read as follows:

Sec. 43.003 [43.021]. AUTHORITY OF HOME-RULE MUNICIPALITY TO ANNEX AREA AND TAKE OTHER ACTIONS REGARDING BOUNDARIES.

A home-rule municipality may take the following actions according to rules as may be provided by the charter of the municipality and not inconsistent with the requirements [~~procedural rules~~] prescribed by this chapter:

- (1) fix the boundaries of the municipality;
- (2) extend the boundaries of the municipality and annex area adjacent to the municipality; and
- (3) exchange area with other municipalities.

No equivalent provision.

SECTION 3. Section 43.051, Local Government Code, is transferred to Subchapter B, Chapter 43, Local Government Code, redesignated as Section 43.0211, Local Government Code, and amended to read as follows:

Sec. 43.0211 [~~43.051~~]. AUTHORITY TO ANNEX LIMITED TO EXTRATERRITORIAL JURISDICTION. A municipality may annex area only in the municipality's [~~its~~] extraterritorial jurisdiction unless the municipality owns the area.

SECTION 4. Section 43.054, Local Government Code, is transferred to Subchapter B, Chapter 43, Local Government Code, redesignated as Section 43.02115, Local Government Code, and amended to read as follows:

Sec. 43.02115 [~~43.054~~]. WIDTH

A home-rule municipality may take the following actions according to rules as may be provided by the charter of the municipality and not inconsistent with the requirements [~~procedural rules~~] prescribed by this chapter:

- (1) fix the boundaries of the municipality;
- (2) extend the boundaries of the municipality and annex area adjacent to the municipality; and
- (3) exchange area with other municipalities.

SECTION 2. Chapter 43, Local Government Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. GENERAL AUTHORITY TO ANNEX

Sec. 43.011. APPLICABILITY. This subchapter applies to:

- (1) a municipality wholly located in one or more counties each with a population of less than 500,000; and
- (2) notwithstanding Subchapter C-4 or C-5:
 - (A) a municipality wholly or partly located in a county with a population of 500,000 or more; and
 - (B) a municipality described by Subdivision (1) that proposes to annex area in a county with a population of 500,000 or more.

SECTION 5. Section 43.051, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, and redesignated as Section 43.014, Local Government Code, to read as follows:

Sec. 43.014 [~~43.051~~]. AUTHORITY TO ANNEX LIMITED TO EXTRATERRITORIAL JURISDICTION. A municipality may annex area only in its extraterritorial jurisdiction unless the municipality owns the area.

SECTION 14. Section 43.054(a), Local Government Code, is amended to read as follows:

REQUIREMENTS.

(a) A municipality [~~with a population of less than 1.6 million~~] may not annex a publicly or privately owned area, including a strip of area following the course of a road, highway, river, stream, or creek, unless the width of the area at the area's [its] narrowest point is at least 1,000 feet.

(b) The prohibition established by Subsection (a) does not apply if:

(1) the boundaries of the municipality are contiguous to the area on at least two sides;

(2) the annexation is initiated on the request [written petition] of the owners or on the written petition of a majority of the registered [qualified] voters of the area; or

(3) the area abuts or is contiguous to another jurisdictional boundary.

~~[(c) Notwithstanding Subsection (a), a municipality with a population of 21,000 or more located in a county with a population of 100,000 or more may annex a publicly owned strip or similar area following the course of a road or highway for the purpose of annexing territory contiguous to the strip or area if the territory contiguous to the strip or area was formerly used or was to be used in connection with or by a superconducting super collider high energy research facility.]~~

(a) A municipality [~~with a population of less than 1.6 million~~] may not annex a publicly or privately owned area, including a strip of area following the course of a road, highway, river, stream, or creek, unless the width of the area at its narrowest point is at least 1,000 feet.

SECTION 5. Subchapter B, Chapter 43, Local Government Code, is amended by adding Section 43.0212 to read as follows:

Sec. 43.0212. AUTHORITY OF MUNICIPALITY TO ANNEX AREA ON REQUEST OF OWNERS. (a)

Notwithstanding Subchapter C or C-1, a municipality may annex an area if each owner of land in the area requests the annexation.

(b) If a municipality elects to annex an area under this section, the governing body of the municipality must first negotiate and enter into a written agreement for the provision of services in the area with the owners of land in the area. The municipality is not required to provide a service that is not included in the agreement.

(c) Before a municipality may annex an area under this section, the governing body of the municipality must conduct at least two public hearings. The hearings must be conducted not less than 10 business days apart. During the first public hearing, the

No equivalent provision. (But see Subchapter C-3 in SECTION 24 below.)

governing body must provide persons interested in the annexation the opportunity to be heard. During the final public hearing, the governing body may adopt an ordinance annexing the area.

SECTION 6. Section 43.0235(a), Local Government Code, is amended to read as follows:

(a) A general-law municipality may annex an area in which 50 percent or more of the property in the area to be annexed is primarily used for a commercial or industrial purpose only if the municipality:

(1) is otherwise authorized by this chapter [~~subchapter~~] to annex the area and complies with the requirements prescribed under that authority; and

(2) obtains the written consent of the owners of a majority of the property in the area to be annexed.

SECTION 7. Section 43.026, Local Government Code, is amended to read as follows:

Sec. 43.026. AUTHORITY OF TYPE A GENERAL-LAW MUNICIPALITY TO ANNEX AREA IT OWNS. Notwithstanding Subchapter C or C-1, the [~~The~~] governing body of a Type A general-law municipality by ordinance may annex area that the municipality owns. The ordinance must describe the area by metes and bounds and must be entered in the minutes of the governing body.

SECTION 8. Section 43.027, Local Government Code, is amended to read as follows:

Sec. 43.027. AUTHORITY OF GENERAL-LAW MUNICIPALITY TO ANNEX NAVIGABLE STREAM. Notwithstanding Subchapter C or C-1, the [~~The~~] governing body of a general-law

No equivalent provision.

SECTION 3. Section 43.026, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.012, Local Government Code, and amended to read as follows:

Sec. 43.012 [~~43.026~~]. AUTHORITY OF TYPE A GENERAL-LAW MUNICIPALITY TO ANNEX AREA IT OWNS. The governing body of a Type A general-law municipality by ordinance may annex area that the municipality owns under the procedures prescribed by Subchapter C-1. The ordinance must describe the area by metes and bounds and must be entered in the minutes of the governing body.

SECTION 4. Section 43.027, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.013, Local Government Code, and amended to read as follows:

Sec. 43.013 [~~43.027~~]. AUTHORITY OF [~~GENERAL-LAW~~] MUNICIPALITY TO ANNEX NAVIGABLE STREAM. The governing body of a [~~general-law~~] municipality by ordinance may annex any

municipality by ordinance may annex any navigable stream adjacent to the municipality and within the municipality's extraterritorial jurisdiction.

navigable stream adjacent to the municipality and within the municipality's extraterritorial jurisdiction under the procedures prescribed by Subchapter C-1.

SECTION 9. Section 43.029, Local Government Code, is amended by amending Subsection (c) and adding Subsections (d), (e), (f), and (g) to read as follows:

No equivalent provision.

(c) Notwithstanding Subchapter C or C-1, the [The] board of trustees of a public school occupying the area may petition the governing body of the municipality in writing to annex the area under the procedures provided by this section. [Sections 43.028(c) (f) apply to the petition and annexation under this section in the same manner in which they apply to the petition and annexation under that section.]

(d) The petition must describe the area by metes and bounds and must be acknowledged in the manner required for deeds by each person having an interest in the area.

(e) After the 5th day but on or before the 30th day after the date the petition is filed, the governing body shall hear the petition and the arguments for and against the annexation and shall grant or refuse the petition as the governing body considers appropriate.

(f) If the governing body grants the petition, the governing body by ordinance may annex the area. On the effective date of the ordinance, the area becomes a part of the municipality.

(g) If the petition is granted and the ordinance is adopted, a certified copy of the ordinance together with a copy or duplicate of the petition shall be filed in the office of the county clerk of the county in which the municipality is located.

SECTION 10. Section 43.031, Local Government Code, is amended to read as follows:

SECTION 6. Section 43.031, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, and redesignated as Section 43.015, Local Government Code, to read as follows:

Sec. 43.031. AUTHORITY OF ADJACENT MUNICIPALITIES TO CHANGE BOUNDARIES BY AGREEMENT. Notwithstanding

Sec. 43.015 [43.031]. AUTHORITY OF ADJACENT MUNICIPALITIES TO CHANGE BOUNDARIES BY AGREEMENT. Adjacent municipalities

Subchapter C or C-1, adjacent [~~Adjacent~~] municipalities may make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width.

may make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width.

No equivalent provision.

SECTION 7. Section 43.035, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.016, Local Government Code, and amended to read as follows:

Sec. 43.016 [~~43.035~~]. AUTHORITY OF MUNICIPALITY TO ANNEX AREA QUALIFIED FOR AGRICULTURAL OR WILDLIFE MANAGEMENT USE OR AS TIMBER LAND. (a) This section applies only to an area:

(1) eligible to be the subject of a development agreement under Subchapter G, Chapter 212; and

(2) appraised for ad valorem tax purposes as land for agricultural or wildlife management use under Subchapter C or D, Chapter 23, Tax Code, or as timber land under Subchapter E of that chapter.

(b) A municipality may not annex an area to which this section applies unless:

(1) the municipality offers to make a development agreement with the landowner under Section 212.172 that would:

(A) guarantee the continuation of the extraterritorial status of the area; and

(B) authorize the enforcement of all regulations and planning authority of the municipality that do not interfere with the use of the area for agriculture, wildlife management, or timber; and

(2) the landowner declines to make the agreement described by Subdivision (1).

(c) For purposes of Section 43.003(2) [~~43.021(2)~~] or another law, including a municipal charter or ordinance, relating to municipal authority to annex an area adjacent to the municipality, an area adjacent or contiguous to an area that is the subject of a development agreement described by Subsection (b)(1) is considered adjacent or contiguous to the municipality.

(d) A provision of a development agreement described by Subsection (b)(1) that restricts or otherwise limits the annexation of all or part of the area that is the subject of the agreement is void if the

landowner files any type of subdivision plat or related development document for the area with a governmental entity that has jurisdiction over the area, regardless of how the area is appraised for ad valorem tax purposes.

(e) A development agreement described by Subsection (b)(1) is not a permit for purposes of Chapter 245.

No equivalent provision.

SECTION 8. Section 43.037, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, and redesignated as Section 43.017, Local Government Code, to read as follows:

Sec. 43.017 [~~43.037~~]. PROHIBITION AGAINST ANNEXATION TO SURROUND MUNICIPALITY IN CERTAIN COUNTIES. A municipality with a population of more than 175,000 located in a county that contains an international border and borders the Gulf of Mexico may not annex an area that would cause another municipality to be entirely surrounded by the corporate limits or extraterritorial jurisdiction of the annexing municipality.

No equivalent provision.

SECTION 9. The heading to Subchapter B, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER B. GENERAL AUTHORITY TO ANNEX; MUNICIPALITIES WHOLLY LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

No equivalent provision.

SECTION 10. Subchapter B, Chapter 43, Local Government Code, is amended by adding Section 43.0205 to read as follows:

Sec. 43.0205. APPLICABILITY. (a) Except as provided by Subsection (b), this subchapter applies only to a municipality wholly located in one or more counties each with a population of less than 500,000.

(b) This subchapter does not apply to a municipality described by Subsection (a) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 11. The heading to Subchapter C, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER C. ANNEXATION OF AREAS WITH A POPULATION OF LESS THAN 200 [~~PROCEDURE FOR AREAS ANNEXED UNDER MUNICIPAL ANNEXATION PLAN~~]

SECTION 12. Subchapter C, Chapter 43, Local Government Code, is amended by adding Sections 43.0511 through 43.0518 to read as follows:

Sec. 43.0511. AUTHORITY TO ANNEX. A municipality may annex an area with a population of less than 200 only if the municipality obtains consent to annex the area through a petition signed by:

- (1) more than 50 percent of the registered voters of the area; and
- (2) if the registered voters of the area do not own more than 50 percent of the land in the area, more than 50 percent of the owners of land in the area.

Sec. 43.0512. RESOLUTION. The governing body of the municipality that proposes to annex an area under this subchapter must adopt a resolution that includes:

- (1) a statement of the municipality's intent to annex the area;
- (2) a detailed description and map of the area to be annexed; and
- (3) a description of the services to be provided by the municipality in the area after the annexation, including, as applicable:
 - (A) police protection;
 - (B) fire protection;
 - (C) emergency medical services;
 - (D) solid waste collection;
 - (E) operation and maintenance of water and wastewater facilities in the annexed area;
 - (F) operation and maintenance of roads and streets, including road and street lighting;
 - (G) operation and maintenance of parks, playgrounds, and swimming pools; and
 - (H) operation and maintenance of any other publicly owned facility, building, or service.

Sec. 43.0513. NOTICE OF PROPOSED ANNEXATION. Not later than the seventh day after the date the governing body of the municipality adopts the resolution under

SECTION 11. The heading to Subchapter C, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER C. ANNEXATION PROCEDURE FOR AREAS ANNEXED UNDER MUNICIPAL ANNEXATION PLAN: MUNICIPALITIES WHOLLY LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

No equivalent provision. (*But see Subchapter C-4 in SECTION 24 below.*)

Section 43.0512, the municipality must mail to each resident in the area proposed to be annexed notification of the proposed annexation that includes:

(1) notice of the public hearing required by Section 43.0514;

(2) an explanation of the 60-day petition period described by Section 43.0515; and

(3) a description of the services to be provided by the municipality in the area after the annexation.

Sec. 43.0514. PUBLIC HEARING. The governing body of a municipality must conduct at least one public hearing on the proposed annexation at which members of the public are given an opportunity to be heard. The governing body must conduct the hearing not earlier than the 21st day and not later than the 30th day after the date the governing body adopts the resolution under Section 43.0512.

Sec. 43.0515. PETITION. (a) The petition required by Section 43.0511 may be signed only by a registered voter of the area proposed to be annexed or an owner of land in the area. The petition must provide for the person signing to state whether the person is signing as a registered voter of the area, as an owner of land in the area, or as both.

(b) The municipality may collect signatures on the petition only during the period beginning on the 31st day after the date the governing body of the municipality adopts the resolution under Section 43.0512 and ending on the 90th day after the date the resolution is adopted.

(c) The petition must clearly state that a person signing the petition is consenting to the proposed annexation.

(d) The petition must include a map of and describe the area proposed to be annexed.

(e) The municipality must collect petition signatures in person, except that the municipality may provide for an owner of land in the area who is not a resident of the area to sign the petition electronically.

(f) Chapter 277, Election Code, applies to a petition under this section.

Sec. 43.0516. RESULTS OF PETITION. (a) When the petition period prescribed by Section 43.0515 ends, the petition shall be verified by the municipal secretary or other person responsible for verifying signatures. The municipality must notify the residents

of the area proposed to be annexed of the results of the petition.

(b) If the municipality does not obtain the number of signatures on the petition required to annex the area, the municipality may not annex the area and may not adopt another resolution under Section 43.0512 to annex any part of the area until the first anniversary of the date the petition period ended.

(c) If the municipality obtains the number of signatures on the petition required to annex the area, the municipality may annex the area after:

(1) providing notice under Subsection (a);

(2) conducting a public hearing at which members of the public are given an opportunity to be heard; and

(3) conducting a final hearing not earlier than the 10th day after the date of the public hearing under Subdivision (2) at which the ordinance annexing the area may be adopted.

Sec. 43.0517. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON PETITION.

If a petition protesting the annexation of an area under this subchapter is signed by a number of registered voters of the municipality proposing the annexation equal to at least 50 percent of the number of voters who voted in the most recent municipal election and is received by the municipal secretary before the date the petition period prescribed by Section 43.0515 ends, the municipality may not complete the annexation of the area without approval of a majority of the voters of the municipality voting at an election called and held for that purpose.

Sec. 43.0518. RETALIATION FOR ANNEXATION DISAPPROVAL PROHIBITED.

(a) The disapproval of the proposed annexation of an area under this subchapter does not affect any existing legal obligation of the municipality proposing the annexation to continue to provide governmental services in the area, including water or wastewater services.

(b) The municipality may not initiate a rate proceeding solely because of the disapproval of a proposed annexation of an area under this subchapter.

No equivalent provision.

SECTION 12. Subchapter C, Chapter 43,

Local Government Code, is amended by adding Section 43.0505 to read as follows:
Sec. 43.0505. APPLICABILITY. (a) Except as provided by Subsection (b), this subchapter applies only to a municipality wholly located in one or more counties each with a population of less than 500,000.
(b) Unless otherwise specifically provided by this chapter, this subchapter does not apply to:
(1) a municipality wholly or partly located in a county with a population of 500,000 or more; or
(2) a municipality described by Subsection (a) that proposes to annex an area in a county with a population of 500,000 or more.

No equivalent provision.

SECTION 13. Section 43.052(h), Local Government Code, is amended to read as follows:

(h) This section does not apply to an area proposed for annexation if:

- (1) the area contains fewer than 100 separate tracts of land on which one or more residential dwellings are located on each tract;
- (2) the area will be annexed by petition of more than 50 percent of the real property owners in the area proposed for annexation or by vote or petition of the qualified voters or real property owners as provided by Subchapter B;
- (3) the area is or was the subject of:
 - (A) an industrial district contract under Section 42.044; or
 - (B) a strategic partnership agreement under Section 43.0751;
- (4) the area is located in a colonia, as that term is defined by Section 2306.581, Government Code;
- (5) the area is annexed under Section 43.012, 43.013, 43.015 [~~43.026, 43.027~~], or 43.029[~~, or 43.031~~];
- (6) the area is located completely within the boundaries of a closed military installation; or
- (7) the municipality determines that the annexation of the area is necessary to protect the area proposed for annexation or the municipality from:
 - (A) imminent destruction of property or injury to persons; or
 - (B) a condition or use that constitutes a

public or private nuisance as defined by background principles of nuisance and property law of this state.

No equivalent provision.

SECTION 15. Section 43.056(1), Local Government Code, is amended to read as follows:

(1) A service plan is valid for 10 years. Renewal of the service plan is at the discretion of the municipality. ~~[A person residing or owning land in an annexed area in a municipality with a population of 1.6 million or more may enforce a service plan by petitioning the municipality for a change in policy or procedures to ensure compliance with the service plan. If the municipality fails to take action with regard to the petition, the petitioner may request arbitration of the dispute under Section 43.0565.]~~ A person residing or owning land in an annexed area ~~[in a municipality with a population of less than 1.6 million]~~ may enforce a service plan by applying for a writ of mandamus not later than the second anniversary of the date the person knew or should have known that the municipality was not complying with the service plan. If a writ of mandamus is applied for, the municipality has the burden of proving that the services have been provided in accordance with the service plan in question. If a court issues a writ under this subsection, the court:

- (1) must provide the municipality the option of disannexing the area within a reasonable period specified by the court;
- (2) may require the municipality to comply with the service plan in question before a reasonable date specified by the court if the municipality does not disannex the area within the period prescribed by the court under Subdivision (1);
- (3) may require the municipality to refund to the landowners of the annexed area money collected by the municipality from those landowners for services to the area that were not provided;
- (4) may assess a civil penalty against the municipality, to be paid to the state in an amount as justice may require, for the period in which the municipality is not in compliance with the service plan;
- (5) may require the parties to participate in mediation; and

(6) may require the municipality to pay the person's costs and reasonable attorney's fees in bringing the action for the writ.

No equivalent provision.

SECTION 16. Section 43.0562(a), Local Government Code, is amended to read as follows:

(a) After holding the hearings as provided by Section 43.0561:

(1) [~~if a municipality has a population of less than 1.6 million,~~] the municipality and the property owners of the area proposed for annexation shall negotiate for the provision of services to the area after annexation or for the provision of services to the area in lieu of annexation under Section 43.0563; or

(2) if a municipality proposes to annex a special district, as that term is defined by Section 43.052, the municipality and the governing body of the district shall negotiate for the provision of services to the area after annexation or for the provision of services to the area in lieu of annexation under Section 43.0751.

No equivalent provision.

SECTION 17. Section 43.0563(a), Local Government Code, is amended to read as follows:

(a) The governing body of a municipality [~~with a population of less than 1.6 million~~] may negotiate and enter into a written agreement for the provision of services and the funding of the services in an area with:

(1) representatives designated under Section 43.0562(b), if the area is included in the municipality's annexation plan; or

(2) an owner of an area within the extraterritorial jurisdiction of the municipality if the area is not included in the municipality's annexation plan.

SECTION 13. The heading to Subchapter C-1, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER C-1. ANNEXATION OF AREAS WITH A POPULATION OF AT LEAST 200 [~~PROCEDURE FOR AREAS EXEMPTED FROM MUNICIPAL ANNEXATION PLAN~~]

SECTION 18. The heading to Subchapter C-1, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER C-1. ANNEXATION PROCEDURE FOR AREAS EXEMPTED FROM MUNICIPAL ANNEXATION PLAN: MUNICIPALITIES WHOLLY LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

SECTION 14. Subchapter C-1, Chapter 43, Local Government Code, is amended by adding Sections 43.0611 through 43.0619 to read as follows:

Sec. 43.0611. AUTHORITY TO ANNEX.

A municipality may annex an area with a population of 200 or more only if the following conditions are met, as applicable:

(1) the municipality holds an election in the area proposed to be annexed at which the qualified voters of the area may vote on the question of the annexation, and a majority of the votes received at the election approve the annexation; and

(2) if the registered voters of the area do not own more than 50 percent of the land in the area, the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area.

Sec. 43.0612. RESOLUTION. The governing body of the municipality that proposes to annex an area under this subchapter must adopt a resolution that includes:

(1) a statement of the municipality's intent to annex the area;

(2) a detailed description and map of the area to be annexed; and

(3) a description of the services to be provided by the municipality in the area after the annexation, including, as applicable:

(A) police protection;

(B) fire protection;

(C) emergency medical services;

(D) solid waste collection;

(E) operation and maintenance of water and wastewater facilities in the annexed area;

(F) operation and maintenance of roads and streets, including road and street lighting;

(G) operation and maintenance of parks, playgrounds, and swimming pools; and

(H) operation and maintenance of any other publicly owned facility, building, or service.

Sec. 43.0613. NOTICE OF PROPOSED ANNEXATION. Not later than the seventh day after the date the governing body of the municipality adopts the resolution under Section 43.0612, the municipality must mail to each property owner in the area proposed to be annexed notification of the proposed annexation that includes:

(1) notice of the public hearing required by Section 43.0614;

No equivalent provision. (But see Subchapter C-5 in SECTION 24 below.)

- (2) notice that an election on the question of annexing the area will be held; and
- (3) a description of the services to be provided by the municipality in the area after the annexation.

Sec. 43.0614. PUBLIC HEARINGS. (a) The governing body of a municipality must conduct at least two public hearings on the proposed annexation at which members of the public are given an opportunity to be heard.

(b) The governing body must conduct the first public hearing not earlier than the 21st day and not later than the 30th day after the date the governing body adopts the resolution under Section 43.0612.

(c) The governing body must conduct the second public hearing not earlier than the 31st day and not later than the 90th day after the date the governing body adopts a resolution under Section 43.0612.

Sec. 43.0615. PROPERTY OWNER CONSENT REQUIRED FOR CERTAIN AREAS. (a) If the registered voters in the area proposed to be annexed do not own more than 50 percent of the land in the area, the municipality must obtain consent to the annexation through a petition signed by more than 50 percent of the owners of land in the area in addition to the election required by this subchapter.

(b) The municipality must obtain the consent required by this section through the petition process prescribed by Section 43.0515, and the petition must be verified in the manner provided by Section 43.0516(a).

Sec. 43.0616. ELECTION. (a) A municipality shall order an election on the question of annexing an area to be held on the first uniform election date that falls on or after:

(1) the 90th day after the date the governing body of the municipality adopts the resolution under Section 43.0612; or

(2) if the consent of the owners of land in the area is required under Section 43.0615, the 78th day after the date the petition period to obtain that consent ends.

(b) An election under this section shall be held in the same manner as general elections of the municipality. The municipality shall pay for the costs of holding the election.

Sec. 43.0617. RESULTS OF ELECTION AND PETITION. (a) Following an election held under this subchapter, the

municipality must notify the residents of the area proposed to be annexed of the results of the election and, if applicable, of the petition required by Section 43.0615.

(b) If at the election held under this subchapter a majority of qualified voters do not approve the proposed annexation, or if the municipality is required to petition owners of land in the area under Section 43.0615 and does not obtain the required number of signatures, the municipality may not annex the area and may not adopt another resolution under Section 43.0612 to annex any part of the area until the first anniversary of the date of the adoption of the resolution.

(c) If at the election held under this subchapter a majority of qualified voters approve the proposed annexation, and if the municipality, as applicable, obtains the required number of petition signatures under Section 43.0615, the municipality may annex the area after:

- (1) providing notice under Subsection (a);
- (2) conducting a public hearing at which members of the public are given an opportunity to be heard; and
- (3) conducting a final hearing not earlier than the 10th day after the date of the public hearing under Subdivision (2) at which the ordinance annexing the area may be adopted.

Sec. 43.0618. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON PETITION.

If a petition protesting the annexation of an area under this subchapter is signed by a number of registered voters of the municipality proposing the annexation equal to at least 50 percent of the number of voters who voted in the most recent municipal election and is received by the municipal secretary before the date the election required by this subchapter is held, the municipality may not complete the annexation of the area without approval of a majority of the voters of the municipality voting at a separate election called and held for that purpose.

Sec. 43.0619. RETALIATION FOR ANNEXATION DISAPPROVAL PROHIBITED.

(a) The disapproval of the proposed annexation of an area under this subchapter does not affect any existing legal obligation of the municipality proposing the annexation to continue to provide

governmental services in the area, including water or wastewater services.

(b) The municipality may not initiate a rate proceeding solely because of the disapproval of a proposed annexation of an area under this subchapter.

SECTION 15. Section 43.071(e), Local Government Code, is amended to read as follows:

(e) Subsections (b) and (c) [~~(b)-(d)~~] do not apply to the annexation of:

(1) an area within a water or sewer district if:

(A) the governing body of the district consents to the annexation;

(B) the owners in fee simple of the area to be annexed consent to the annexation; and

(C) the annexed area does not exceed 525 feet in width at its widest point;

(2) a water or sewer district that has a noncontiguous part that is not within the extraterritorial jurisdiction of the municipality; or

(3) a part of a special utility district created or operating under Chapter 65, Water Code.

No equivalent provision.

No equivalent provision.

SECTION 19. Section 43.061, Local Government Code, is amended to read as follows:

Sec. 43.061. APPLICABILITY. (a) Except as provided by Subsection (b), this [This] subchapter applies only to an area that is proposed for annexation by a municipality wholly located in one or more counties each with a population of less than 500,000 and that is not required to be included in a municipal annexation plan under Section 43.052(h) [43.052].

(b) Unless otherwise specifically provided by this chapter, this subchapter does not apply to an area that is proposed for annexation by:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; or

(2) a municipality described by Subsection (a) that proposes to annex an area in a county with a population of 500,000 or more.

No equivalent provision.

SECTION 20. Section 43.062(a), Local Government Code, is amended to read as

follows:

(a) Sections ~~[43.051,]~~ 43.054, 43.0545, 43.055, ~~[43.0565, 43.0567,]~~ and 43.057 apply to the annexation of an area to which this subchapter applies.

No equivalent provision.

SECTION 21. Section 43.064, Local Government Code, is amended to read as follows:

Sec. 43.064. PERIOD FOR COMPLETION OF ANNEXATION[; ~~EFFECTIVE DATE~~]. ~~[(a)]~~ The annexation of an area must be completed within 90 days after the date the governing body institutes the annexation proceedings or those proceedings are void. Any period during which the municipality is restrained or enjoined by a court from annexing the area is not included in computing the 90-day period.

~~[(b) Notwithstanding any provision of a municipal charter to the contrary, the governing body of a municipality with a population of 1.6 million or more may provide that an annexation take effect on any date within 90 days after the date of the adoption of the ordinance providing for the annexation.]~~

No equivalent provision.

SECTION 22. Chapter 43, Local Government Code, is amended by adding Subchapter C-2 to read as follows:

SUBCHAPTER C-2. GENERAL ANNEXATION AUTHORITY AND PROCEDURES: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.066. APPLICABILITY. This subchapter applies only to:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(2) a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more.

Sec. 43.0661. AUTHORITY TO ANNEX NONCONTIGUOUS AREAS. A municipality may annex an area that is noncontiguous to the boundaries of the municipality if the area is in the

municipality's extraterritorial jurisdiction.
Sec. 43.0662. PROVISION OF CERTAIN SERVICES TO ANNEXED AREA. (a) This section applies only to a municipality that includes solid waste collection services in the list of services that will be provided in the area proposed for annexation on or before the second anniversary of the effective date of the annexation of the area under a written agreement under Section 43.0672 or a resolution under Section 43.0682 or 43.0692.

(b) A municipality is not required to provide solid waste collection services to a person who continues to use the services of a privately owned solid waste management service provider as provided by Subsection (c).

(c) Before the second anniversary of the effective date of the annexation of an area, a municipality may not:

(1) prohibit the collection of solid waste in the area by a privately owned solid waste management service provider; or

(2) impose a fee for solid waste management services on a person who continues to use the services of a privately owned solid waste management service provider.

Sec. 43.0664. EFFECT ON OTHER LAW. Subchapters C-3 through C-5 do not affect the procedures described by Section 397.005 or 397.006 applicable to a defense community as defined by Section 397.001.

No equivalent provision.

SECTION 23. Section 43.030, Local Government Code, is transferred to Subchapter C-2, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.0663, Local Government Code, and amended to read as follows:

Sec. 43.0663 [43.030]. AUTHORITY OF MUNICIPALITY WITH POPULATION OF 74,000 TO 99,700 IN URBAN COUNTY TO ANNEX SMALL, SURROUNDED GENERAL-LAW MUNICIPALITY. (a) Notwithstanding Subchapter C-4 or C-5, a [A] municipality that has a population of 74,000 to 99,700, that is located wholly or partly in a county with a population of more than 1.8 million, and that completely surrounds and is contiguous to a general-law municipality

with a population of less than 600, may annex the general-law municipality as provided by this section.

(b) The governing body of the smaller municipality may adopt an ordinance ordering an election on the question of consenting to the annexation of the smaller municipality by the larger municipality. The governing body of the smaller municipality shall adopt the ordinance if it receives a petition to do so signed by a number of qualified voters of the municipality equal to at least 10 percent of the number of voters of the municipality who voted in the most recent general election. If the ordinance ordering the election is to be adopted as a result of a petition, the ordinance shall be adopted within 30 days after the date the petition is received.

(c) The ordinance ordering the election must provide for the submission of the question at an election to be held on the first uniform election date prescribed by Chapter 41, Election Code, that occurs after the 30th day after the date the ordinance is adopted and that affords enough time to hold the election in the manner required by law.

(d) Within 10 days after the date on which the election is held, the governing body of the smaller municipality shall canvass the election returns and by resolution shall declare the results of the election. If a majority of the votes received is in favor of the annexation, the secretary of the smaller municipality or other appropriate municipal official shall forward by certified mail to the secretary of the larger municipality a certified copy of the resolution.

(e) The larger municipality, within 90 days after the date the resolution is received, must complete the annexation by ordinance in accordance with its municipal charter or the general laws of the state. If the annexation is not completed within the 90-day period, any annexation proceeding is void and the larger municipality may not annex the smaller municipality under this section. However, the failure to complete the annexation as provided by this subsection does not prevent the smaller municipality from holding a new election on the question to enable the larger municipality to annex the smaller municipality as provided by this section.

(f) If the larger municipality completes the annexation within the prescribed period, the incorporation of the smaller municipality is abolished. The records, public property, public buildings, money on hand, credit accounts, and other assets of the smaller municipality become the property of the larger municipality and shall be turned over to the officers of that municipality. The offices in the smaller municipality are abolished and the persons holding those offices are not entitled to further remuneration or compensation. All outstanding liabilities of the smaller municipality are assumed by the larger municipality.

(g) In the annexation ordinance, the larger municipality shall adopt, for application in the area zoned by the smaller municipality, the identical comprehensive zoning ordinance that the smaller municipality applied to the area at the time of the election. Any attempted annexation of the smaller municipality that does not include the adoption of that comprehensive zoning ordinance is void. That comprehensive zoning ordinance may not be repealed or amended for a period of 10 years unless the written consent of the landowners who own at least two-thirds of the surface land of the annexed smaller municipality is obtained.

(h) If the annexed smaller municipality has on hand any bond funds for public improvements that are not appropriated or contracted for, the funds shall be kept in a separate special fund to be used only for public improvements in the area for which the bonds were voted.

(i) On the annexation, all claims, fines, debts, or taxes due and payable to the smaller municipality become due and payable to the larger municipality and shall be collected by it. If taxes for the year in which the annexation occurs have been assessed in the smaller municipality before the annexation, the amounts assessed remain as the amounts due and payable from the inhabitants of the smaller municipality for that year.

(j) This section does not affect a charter provision of a home-rule municipality. This section grants additional power to the municipality and is cumulative of the municipal charter.

No equivalent provision. (But see SECTIONS 5, 12, and 14 above.)

SECTION 24. Chapter 43, Local Government Code, is amended by adding Subchapters C-3, C-4, and C-5 to read as follows:

SUBCHAPTER C-3. ANNEXATION OF AREA ON REQUEST OF OWNERS: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.067. APPLICABILITY. This subchapter applies only to a municipality to which Subchapter C-2 applies.

Sec. 43.0671. AUTHORITY TO ANNEX AREA ON REQUEST OF OWNERS. Notwithstanding Subchapter C-4 or C-5, a municipality may annex an area if each owner of land in the area requests the annexation.

Sec. 43.0672. WRITTEN AGREEMENT REGARDING SERVICES. (a) The governing body of the municipality that elects to annex an area under this subchapter must first negotiate and enter into a written agreement with the owners of land in the area for the provision of services in the area.

(b) The agreement must include:

(1) a list of each service the municipality will provide on the effective date of the annexation; and

(2) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

(c) The municipality is not required to provide a service that is not included in the agreement.

Sec. 43.0673. PUBLIC HEARINGS. (a) Before a municipality may adopt an ordinance annexing an area under this section, the governing body of the municipality must conduct at least two public hearings.

(b) The hearings must be conducted not less than 10 business days apart.

(c) During the first public hearing, the governing body must provide persons interested in the annexation the opportunity to be heard. During the final public hearing, the governing body may adopt an ordinance annexing the area.

(d) The municipality must post notice of the hearings on the municipality's Internet website if the municipality has an Internet website and publish notice of the hearings in a newspaper of general circulation in the

municipality and in the area proposed for annexation. The notice for each hearing must be published at least once on or after the 20th day but before the 10th day before the date of the hearing. The notice for each hearing must be posted on the municipality's Internet website on or after the 20th day but before the 10th day before the date of the hearing and must remain posted until the date of the hearing.

SUBCHAPTER C-4. ANNEXATION OF AREAS WITH POPULATION OF LESS THAN 200: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.068. APPLICABILITY. This subchapter applies only to a municipality to which Subchapter C-2 applies.

Sec. 43.0681. AUTHORITY TO ANNEX. A municipality may annex an area with a population of less than 200 only if the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the registered voters of the area.

Sec. 43.0682. RESOLUTION. The governing body of the municipality that proposes to annex an area under this subchapter must adopt a resolution that includes:

(1) a statement of the municipality's intent to annex the area;

(2) a detailed description and map of the area;

(3) a description of each service to be provided by the municipality in the area on or after the effective date of the annexation, including, as applicable:

(A) police protection;

(B) fire protection;

(C) emergency medical services;

(D) solid waste collection;

(E) operation and maintenance of water and wastewater facilities in the annexed area;

(F) operation and maintenance of roads and streets, including road and street lighting;

(G) operation and maintenance of parks, playgrounds, and swimming pools; and

(H) operation and maintenance of any other publicly owned facility, building, or service;

(4) a list of each service the municipality will provide on the effective date of the annexation; and

(5) a schedule that includes the period

within which the municipality will provide each service that is not provided on the effective date of the annexation.

Sec. 43.0683. NOTICE OF PROPOSED ANNEXATION. Not later than the seventh day after the date the governing body of the municipality adopts the resolution under Section 43.0682, the municipality must mail to each resident in the area proposed to be annexed notification of the proposed annexation that includes:

(1) notice of the public hearing required by Section 43.0684;

(2) an explanation of the 180-day petition period described by Section 43.0685; and

(3) a description, list, and schedule of services to be provided by the municipality in the area on or after annexation as provided by Section 43.0682.

Sec. 43.0684. PUBLIC HEARING. The governing body of a municipality must conduct at least one public hearing not earlier than the 21st day and not later than the 30th day after the date the governing body adopts the resolution under Section 43.0682.

Sec. 43.0685. PETITION. (a) The petition required by Section 43.0681 may be signed only by a registered voter of the area proposed to be annexed.

(b) The municipality may collect signatures on the petition only during the period beginning on the 31st day after the date the governing body of the municipality adopts the resolution under Section 43.0682 and ending on the 180th day after the date the resolution is adopted.

(c) The petition must clearly state that a person signing the petition is consenting to the proposed annexation.

(d) The petition must include a map of and describe the area proposed to be annexed.

(e) Signatures collected on the petition must be in writing.

(f) Chapter 277, Election Code, applies to a petition under this section.

Sec. 43.0686. RESULTS OF PETITION.

(a) When the petition period prescribed by Section 43.0685 ends, the petition shall be verified by the municipal secretary or other person responsible for verifying signatures. The municipality must notify the residents of the area proposed to be annexed of the results of the petition.

(b) If the municipality does not obtain the

number of signatures on the petition required to annex the area, the municipality may not annex the area and may not adopt another resolution under Section 43.0682 to annex the area until the first anniversary of the date the petition period ended.

(c) If the municipality obtains the number of signatures on the petition required to annex the area, the municipality may annex the area after:

- (1) providing notice under Subsection (a);
- (2) holding a public hearing at which members of the public are given an opportunity to be heard; and
- (3) holding a final public hearing not earlier than the 10th day after the date of the public hearing under Subdivision (2) at which the ordinance annexing the area may be adopted.

Sec. 43.0687. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON PETITION.

If a petition protesting the annexation of an area under this subchapter is signed by a number of registered voters of the municipality proposing the annexation equal to at least 50 percent of the number of voters who voted in the most recent municipal election and is received by the secretary of the municipality before the date the petition period prescribed by Section 43.0685 ends, the municipality may not complete the annexation of the area without approval of a majority of the voters of the municipality voting at an election called and held for that purpose.

SUBCHAPTER C-5. ANNEXATION OF AREAS WITH POPULATION OF AT LEAST 200: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.069. APPLICABILITY. This subchapter applies only to a municipality to which Subchapter C-2 applies.

Sec. 43.0691. AUTHORITY TO ANNEX.

A municipality may annex an area with a population of 200 or more only if the following conditions are met, as applicable:

- (1) the municipality holds an election in the area proposed to be annexed at which the qualified voters of the area may vote on the question of the annexation and a majority of the votes received at the election approve the annexation; and
- (2) if the registered voters of the area do not

own more than 50 percent of the land in the area, the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area.

Sec. 43.0692. RESOLUTION. The governing body of the municipality that proposes to annex an area under this subchapter must adopt a resolution that includes:

(1) a statement of the municipality's intent to annex the area;

(2) a detailed description and map of the area;

(3) a description of each service to be provided by the municipality in the area on or after the effective date of the annexation, including, as applicable:

(A) police protection;

(B) fire protection;

(C) emergency medical services;

(D) solid waste collection;

(E) operation and maintenance of water and wastewater facilities in the annexed area;

(F) operation and maintenance of roads and streets, including road and street lighting;

(G) operation and maintenance of parks, playgrounds, and swimming pools; and

(H) operation and maintenance of any other publicly owned facility, building, or service;

(4) a list of each service the municipality will provide on the effective date of the annexation; and

(5) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

Sec. 43.0693. NOTICE OF PROPOSED ANNEXATION. Not later than the seventh day after the date the governing body of the municipality adopts the resolution under Section 43.0692, the municipality must mail to each property owner in the area proposed to be annexed notification of the proposed annexation that includes:

(1) notice of the public hearings required by Section 43.0694;

(2) notice that an election on the question of annexing the area will be held; and

(3) a description, list, and schedule of services to be provided by the municipality in the area on or after annexation as provided by Section 43.0692.

Sec. 43.0694. PUBLIC HEARINGS. (a) The governing body of a municipality must

conduct an initial public hearing not earlier than the 21st day and not later than the 30th day after the date the governing body adopts the resolution under Section 43.0692.

(b) The governing body must conduct at least one additional public hearing not earlier than the 31st day and not later than the 90th day after the date the governing body adopts a resolution under Section 43.0692.

Sec. 43.0695. PROPERTY OWNER CONSENT REQUIRED FOR CERTAIN AREAS. (a) If the registered voters in the area proposed to be annexed do not own more than 50 percent of the land in the area, the municipality must obtain consent to the annexation through a petition signed by more than 50 percent of the owners of land in the area in addition to the election required by this subchapter.

(b) The municipality must obtain the consent required by this section through the petition process prescribed by Section 43.0685, and the petition must be verified in the manner provided by Section 43.0686(a).

(c) Notwithstanding Section 43.0685(e), the municipality may provide for an owner of land in the area that is not a resident of the area to sign the petition electronically.

Sec. 43.0696. ELECTION. (a) A municipality shall order an election on the question of annexing an area to be held on the first uniform election date that falls on or after:

(1) the 90th day after the date the governing body of the municipality adopts the resolution under Section 43.0692; or

(2) if the consent of the owners of land in the area is required under Section 43.0695, the 78th day after the date the petition period to obtain that consent ends.

(b) An election under this section shall be held in the same manner as general elections of the municipality. The municipality shall pay for the costs of holding the election.

(c) A municipality that holds an election under this section may not hold another election on the question of annexation before the corresponding uniform election date of the following year.

Sec. 43.0697. RESULTS OF ELECTION AND PETITION. (a) Following an election held under this subchapter, the municipality must notify the residents of the area proposed to be annexed of the results of

the election and, if applicable, of the petition required by Section 43.0695.

(b) If at the election held under this subchapter a majority of qualified voters do not approve the proposed annexation, or if the municipality is required to petition owners of land in the area under Section 43.0695 and does not obtain the required number of signatures, the municipality may not annex the area and may not adopt another resolution under Section 43.0692 to annex the area until the first anniversary of the date of the adoption of the resolution.

(c) If at the election held under this subchapter a majority of qualified voters approve the proposed annexation, and if the municipality, as applicable, obtains the required number of petition signatures under Section 43.0695, the municipality may annex the area after:

(1) providing notice under Subsection (a);

(2) holding a public hearing at which members of the public are given an opportunity to be heard; and

(3) holding a final public hearing not earlier than the 10th day after the date of the public hearing under Subdivision (2) at which the ordinance annexing the area may be adopted.

Sec. 43.0698. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON PETITION. If a petition protesting the annexation of an area under this subchapter is signed by a number of registered voters of the municipality proposing the annexation equal to at least 50 percent of the number of voters who voted in the most recent municipal election and is received by the secretary of the municipality before the date the election required by this subchapter is held, the municipality may not complete the annexation of the area without approval of a majority of the voters of the municipality voting at a separate election called and held for that purpose.

No equivalent provision. (*But see SECTION 35 below.*)

SECTION 25. Subchapter D, Chapter 43, Local Government Code, is amended by adding Section 43.0711 to read as follows:

Sec. 43.0711. LIMITATION ON AUTHORITY OF CERTAIN MUNICIPALITIES. (a) This section applies only to:

(1) a municipality wholly or partly located

in a county with a population of 500,000 or more; and

(2) a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more.

(b) With respect to an industrial district designated by the governing body of a municipality under Section 42.044, the municipality may annex all or part of the district under the requirements applicable to a municipality wholly located in one or more counties each with a population of less than 500,000.

SECTION 16. Sections 43.0715(b) and (c), Local Government Code, are amended to read as follows:

(b) If a municipality with a population of less than 1.5 million annexes a special district for full or limited purposes and the annexation precludes or impairs the ability of the district to issue bonds, the municipality shall, prior to the effective date of the annexation, pay in cash to the landowner or developer of the district a sum equal to all actual costs and expenses incurred by the landowner or developer in connection with the district that the district has, in writing, agreed to pay and that would otherwise have been eligible for reimbursement from bond proceeds under the rules and requirements of the Texas ~~[Natural Resource Conservation]~~ Commission on Environmental Quality as such rules and requirements exist on the date of annexation. ~~[For an annexation that is subject to preclearance by a federal authority, a payment will be considered timely if the municipality: (i) escrows the reimbursable amounts determined in accordance with Subsection (c) prior to the effective date of the annexation; and (ii) subsequently causes the escrowed funds and accrued interest to be disbursed to the developer within five business days after the municipality receives notice of the preclearance.]~~

(c) At the time notice of the municipality's intent to annex the land within the district is first published ~~[in accordance with Section 43.052],~~

SECTION 26. Sections 43.0715(b) and (c), Local Government Code, are amended to read as follows:

(b) If a municipality with a population of less than 1.5 million annexes a special district for full or limited purposes and the annexation precludes or impairs the ability of the district to issue bonds, the municipality shall, prior to the effective date of the annexation, pay in cash to the landowner or developer of the district a sum equal to all actual costs and expenses incurred by the landowner or developer in connection with the district that the district has, in writing, agreed to pay and that would otherwise have been eligible for reimbursement from bond proceeds under the rules and requirements of the Texas ~~[Natural Resource Conservation]~~ Commission on Environmental Quality as such rules and requirements exist on the date of annexation. ~~[For an annexation that is subject to preclearance by a federal authority, a payment will be considered timely if the municipality: (i) escrows the reimbursable amounts determined in accordance with Subsection (c) prior to the effective date of the annexation; and (ii) subsequently causes the escrowed funds and accrued interest to be disbursed to the developer within five business days after the municipality receives notice of the preclearance.]~~

(c) At the time notice of the municipality's intent to annex the land within the district is first given ~~[published]~~ in accordance with Section 43.052, 43.0683, or 43.0693, as applicable.

the municipality shall proceed to initiate and complete a report for each developer conducted in accordance with the format approved by the Texas [~~Natural Resource Conservation~~] Commission on Environmental Quality for audits. In the event the municipality is unable to complete the report prior to the effective date of the annexation as a result of the developer's failure to provide information to the municipality which cannot be obtained from other sources, the municipality shall obtain from the district the estimated costs of each project previously undertaken by a developer which are eligible for reimbursement. The amount of such costs, as estimated by the district, shall be escrowed by the municipality for the benefit of the persons entitled to receive payment in an insured interest-bearing account with a financial institution authorized to do business in the state. To compensate the developer for the municipality's use of the infrastructure facilities pending the determination of the reimbursement amount [~~or federal preclearance~~], all interest accrued on the escrowed funds shall be paid to the developer whether or not the annexation is valid. Upon placement of the funds in the escrow account, the annexation may become effective. In the event a municipality timely escrows all estimated reimbursable amounts as required by this subsection and all such amounts, determined to be owed, including interest, are subsequently disbursed to the developer within five days of final determination in immediately available funds as required by this section, no penalties or interest shall accrue during the pendency of the escrow. Either the municipality or developer may, by written notice to the other party, require disputes regarding the amount owed under this section to be subject to nonbinding arbitration in accordance with the rules of the American Arbitration Association.

SECTION 17. Sections 43.072(b) and (d), Local Government Code, are amended to read as follows:

(b) A home-rule municipality having a common boundary with a district subject to this section may annex the area of the district if:

the municipality shall proceed to initiate and complete a report for each developer conducted in accordance with the format approved by the Texas [~~Natural Resource Conservation~~] Commission on Environmental Quality for audits. In the event the municipality is unable to complete the report prior to the effective date of the annexation as a result of the developer's failure to provide information to the municipality which cannot be obtained from other sources, the municipality shall obtain from the district the estimated costs of each project previously undertaken by a developer which are eligible for reimbursement. The amount of such costs, as estimated by the district, shall be escrowed by the municipality for the benefit of the persons entitled to receive payment in an insured interest-bearing account with a financial institution authorized to do business in the state. To compensate the developer for the municipality's use of the infrastructure facilities pending the determination of the reimbursement amount [~~or federal preclearance~~], all interest accrued on the escrowed funds shall be paid to the developer whether or not the annexation is valid. Upon placement of the funds in the escrow account, the annexation may become effective. In the event a municipality timely escrows all estimated reimbursable amounts as required by this subsection and all such amounts, determined to be owed, including interest, are subsequently disbursed to the developer within five days of final determination in immediately available funds as required by this section, no penalties or interest shall accrue during the pendency of the escrow. Either the municipality or developer may, by written notice to the other party, require disputes regarding the amount owed under this section to be subject to nonbinding arbitration in accordance with the rules of the American Arbitration Association.

No equivalent provision.

(1) the annexation complies with the requirements of Subchapter C or C-1, as applicable ~~[is approved by a majority of the qualified voters who vote on the question at an election held under this section];~~

(2) the annexation is completed before the date that is one year after the date the petition period prescribed by Section 43.0515 ends or the date of the election under Section 43.0616, as applicable; and

(3) all the area of the district is annexed.

(d) Annexation of area under this section is exempt from the provisions of this chapter that prohibit:

(1) a municipality from annexing area outside its extraterritorial jurisdiction;

(2) annexation of area narrower than the minimum width prescribed by Section 43.02115 ~~[43.054]~~; or

(3) reduction of the extraterritorial jurisdiction of a municipality without the written consent of the municipality's governing body.

SECTION 18. Section 43.0751, Local Government Code, is amended by amending Subsections (b), (d), and (h) and adding Subsection (s) to read as follows:

(b) The governing bodies of a municipality and a district may negotiate and enter into a written strategic partnership agreement for the district by mutual consent. The governing body of a municipality, on written request from a district located in the municipality's extraterritorial jurisdiction ~~[included in the municipality's annexation plan under Section 43.052]~~, may ~~[shall]~~ negotiate and enter into a written strategic partnership agreement with the district. ~~[A district included in a municipality's annexation plan under Section 43.052:~~

~~[(1) may not submit its written request before the date of the second hearing required under Section 43.0561; and~~

~~[(2) must submit its written request before the 61st day after the date of the second hearing required under Section 43.0561.]~~

(d) Before the governing body of a municipality or a district adopts a strategic partnership agreement, it shall conduct two public hearings at which members of the public who wish to present testimony or evidence regarding the proposed agreement shall be given the opportunity to do so.

SECTION 27. Section 43.0751, Local Government Code, is amended by amending Subsection (h) and adding Subsection (s) to read as follows:

Notice of public hearings conducted by the governing body of a municipality under this subsection shall be published in a newspaper of general circulation in the municipality and in the district~~[-The notice must be in the format prescribed by Section 43.123(b)]~~ and must be published at least once on or after the 20th day before the [each] date of each hearing. The notice may not be smaller than one-quarter page of a standard-size or tabloid-size newspaper, and the headline on the notice must be in 18-point or larger type. Notice of public hearings conducted by the governing body of a district under this subsection shall be given in accordance with the district's notification procedures for other matters of public importance. Any notice of a public hearing conducted under this subsection shall contain a statement of the purpose of the hearing, the date, time, and place of the hearing, and the location where copies of the proposed agreement may be obtained prior to the hearing. The governing bodies of a municipality and a district may conduct joint public hearings under this subsection, provided that at least one public hearing is conducted within the district.

(h) On the full-purpose annexation conversion date set forth in the strategic partnership agreement pursuant to Subsection ~~(f)(5) [(f)(5)(A)]~~, the land included within the boundaries of the district shall be deemed to be within the full-purpose boundary limits of the municipality without the need for further action by the governing body of the municipality. The full-purpose annexation conversion date established by a strategic partnership agreement may be altered only by mutual agreement of the district and the municipality. However, nothing herein shall prevent the municipality from terminating the agreement and instituting proceedings to annex the district, on request by the governing body of the district, on any date prior to the full-purpose annexation conversion date established by the strategic partnership agreement under the procedures prescribed by Subchapter C-1, as that subchapter existed on January 1, 2017. ~~[Land annexed for limited or full purposes under this section shall not be included in calculations prescribed by Section 43.055(a).]~~

(h) On the full-purpose annexation conversion date set forth in the strategic partnership agreement pursuant to Subsection ~~(f)(5) [(f)(5)(A)]~~, the land included within the boundaries of the district shall be deemed to be within the full-purpose boundary limits of the municipality without the need for further action by the governing body of the municipality. The full-purpose annexation conversion date established by a strategic partnership agreement may be altered only by mutual agreement of the district and the municipality. However, nothing herein shall prevent the municipality from terminating the agreement and instituting proceedings to annex the district, on request by the governing body of the district, on any date prior to the full-purpose annexation conversion date established by the strategic partnership agreement under the procedures applicable to a municipality wholly located in one or more counties each with a population of less than 500,000. Land annexed for limited or full purposes under this section shall not be included in calculations prescribed by Section

(s) Notwithstanding any other law, the procedures prescribed by Subchapters C and C-1 do not apply to the full-purpose annexation of an area under this section. Except as provided by Subsection (h), a municipality shall follow the procedures established under the strategic partnership agreement for full-purpose annexation of an area under this section.

SECTION 19. Section 43.07515(a), Local Government Code, is amended to read as follows:

(a) A municipality may not regulate under Section 43.0751 [~~or 43.0752~~] the sale, use, storage, or transportation of fireworks outside of the municipality's boundaries.

No equivalent provision.

SECTION 20. Section 43.101(d), Local Government Code, is amended to read as follows:

(d) The municipality may annex the area even if part of the area is outside the municipality's extraterritorial jurisdiction or is narrower than the minimum width prescribed by Section 43.02115 [~~43.054~~]. [~~Section 43.055, which relates to the amount of area a municipality may annex in a calendar year, does not apply to the annexation.~~]

SECTION 21. Section 43.102(d), Local Government Code, is amended to read as follows:

(d) The municipality may annex the area even if the area is outside the municipality's extraterritorial jurisdiction, is in another municipality's extraterritorial jurisdiction, or is narrower than the minimum width prescribed by Section 43.02115 [~~43.054~~]. [~~Section 43.055, which relates to the amount of area a municipality may annex in a calendar year, does not apply to the annexation.~~]

43.055(a).

(s) Notwithstanding any other law, the procedures prescribed by Subchapters C-3, C-4, and C-5 do not apply to the annexation of an area under this section.

No equivalent provision.

SECTION 28. The heading to Section 43.101, Local Government Code, is amended to read as follows:

Sec. 43.101. ANNEXATION OF MUNICIPALLY OWNED RESERVOIR [~~BY GENERAL LAW MUNICIPALITY~~].

No equivalent provision.

No equivalent provision.

No equivalent provision.

SECTION 29. Section 43.101(c), Local Government Code, is amended to read as follows:

(c) The area may be annexed without the consent of any [the] owners or residents of the area under the procedures applicable to a municipality described by Subdivision (1) by:

(1) a municipality wholly located in one or more counties each with a population of less than 500,000; and

(2) if there are no owners other than the municipality or residents of the area:

(A) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(B) a municipality described by Subdivision (1) that proposes to annex an area in a county with a population of 500,000 or more.

No equivalent provision.

SECTION 30. Section 43.102(c), Local Government Code, is amended to read as follows:

(c) The area may be annexed without the consent of any [the] owners or residents of the area under the procedures applicable to a municipality described by Subdivision (1) by:

(1) a municipality wholly located in one or more counties each with a population of less than 500,000; and

(2) if there are no owners other than the municipality or residents of the area:

(A) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(B) a municipality described by Subdivision (1) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 22. Sections 43.1025(c) and (g), Local Government Code, are amended to read as follows:

(c) Annexation of the [The] area described by Subsection (b) [may be annexed without the consent of the owners or residents of the area, but the annexation] may not occur unless each municipality in whose extraterritorial jurisdiction the area may be located:

SECTION 31. Section 43.1025(c), Local Government Code, is amended to read as follows:

(c) The area described by Subsection (b) may be annexed under the requirements applicable to a municipality wholly or partly located in a county with a population of 500,000 or more [without the consent of the owners or residents of the area], but the annexation may not occur unless each municipality in whose extraterritorial

- (1) consents to the annexation; and
 - (2) reduces its extraterritorial jurisdiction over the area as provided by Section 42.023.
- (g) The municipality may annex the area if the area is narrower than the minimum width prescribed by Section 43.02115 [43.054]. [~~Section 43.055 does not apply to the annexation.~~]

No equivalent provision.

No equivalent provision.

No equivalent provision.

jurisdiction the area may be located:

- (1) consents to the annexation; and
- (2) reduces its extraterritorial jurisdiction over the area as provided by Section 42.023.

SECTION 32. The heading to Section 43.103, Local Government Code, is amended to read as follows:

Sec. 43.103. ANNEXATION OF STREETS, HIGHWAYS, AND OTHER WAYS BY CERTAIN GENERAL-LAW MUNICIPALITIES [~~MUNICIPALITY~~].

SECTION 33. Section 43.103(a), Local Government Code, is amended to read as follows:

(a) Subject to Section 43.1055(b), a [A] general-law municipality with a population of 500 or more wholly located in one or more counties each with a population of less than 500,000 may annex, by ordinance and without the consent of any person, the part of a street, highway, alley, or other public or private way, including a railway line, spur, or roadbed, that is adjacent and runs parallel to the boundaries of the municipality.

SECTION 34. Section 43.105, Local Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) This section applies only to:
 (1) a [~~A~~] general-law municipality that:
 (A) has a population of 1,066-1,067;
 (B) [~~and~~] is wholly located in a county with a population of 85,000 or more and less than 500,000; and
 (C) [~~that~~] is not adjacent to a county with a population of 2 million or more;[;] or
 (2) a general-law municipality that:
 (A) has a population of 6,000-6,025; and
 (B) is wholly located in a county with a population of less than 500,000.
 (a-1) Subject to Section 43.1055(b), a municipality described by Subsection (a) may annex, by ordinance and without the consent of any person, a public street,

highway, road, or alley adjacent to the municipality.

No equivalent provision.

SECTION 35. Subchapter E, Chapter 43, Local Government Code, is amended by adding Section 43.1055 to read as follows:
Sec. 43.1055. ANNEXATION OF ROADS AND RIGHTS-OF-WAY IN CERTAIN LARGE COUNTIES. (a) Notwithstanding any other law, a municipality wholly or partly located in a county with a population of 500,000 or more may by ordinance annex a road or the right-of-way of a road on request of the owner of the road or right-of-way or the governing body of the political subdivision that maintains the road or right-of-way under the procedures applicable to a municipality wholly located in one or more counties each with a population of less than 500,000.
(b) A municipality described by Section 43.103 or 43.105 that proposes to annex a road or right-of-way in a county with a population of 500,000 or more must comply with this section.

No equivalent provision.

SECTION 36. Sections 43.121(a) and (c), Local Government Code, are amended to read as follows:
(a) Subject to Section 43.1211, the [The] governing body of a home-rule municipality with more than 225,000 inhabitants by ordinance may annex an area for the limited purposes of applying its planning, zoning, health, and safety ordinances in the area.
(c) The provisions of this subchapter, other than Sections 43.1211 and [Section] 43.136, do not affect the authority of a municipality to annex an area for limited purposes under Section 43.136 or any other statute granting the authority to annex for limited purposes.

SECTION 23. Subchapter F, Chapter 43, Local Government Code, is amended by adding Section 43.1211 to read as follows:
Sec. 43.1211. APPLICABILITY. This subchapter applies to an area that was annexed for a limited purpose as authorized before September 1, 2017.

No equivalent provision.

No equivalent provision. (*But see SECTION*

SECTION 37. Subchapter F, Chapter 43,

1 above.)

Local Government Code, is amended by adding Section 43.1211 to read as follows:

Sec. 43.1211. AUTHORITY OF MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE TO ANNEX FOR LIMITED PURPOSES. Except as provided by Section 43.0711(b) or 43.0751, beginning September 1, 2017, a municipality described below may not annex an area for the limited purposes of applying its planning, zoning, health, and safety ordinances in the area:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; or

(2) a municipality wholly located in one or more counties each with a population of 500,000 or less that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 24. Section 43.127(a), Local Government Code, is amended to read as follows:

(a) ~~On [Except as provided by Section 43.123(e), on] or before the date prescribed by the regulatory plan prepared for the limited purpose area [under Section 43.123(d)(2)], the municipality must annex the area for full purposes. [This requirement may be waived and the date for full purpose annexation postponed by written agreement between the municipality and a majority of the affected landowners. A written agreement to waive the municipality's obligation to annex the area for full purposes binds all future owners of land annexed for limited purposes pursuant to that waiver.]~~

No equivalent provision.

SECTION 25. Sections 43.141(a) and (b), Local Government Code, are amended to read as follows:

(a) A majority of the qualified voters of an annexed area may petition the governing body of the municipality to disannex the area if the municipality fails or refuses to provide services or to cause services to be provided to the area as described by the written agreement under Section 43.0212 or the resolution under Section 43.0512 or 43.0612, as applicable [within the period specified by Section 43.056 or by the

SECTION 38. Sections 43.141(a) and (b), Local Government Code, are amended to read as follows:

(a) A majority of the qualified voters of an annexed area may petition the governing body of the municipality to disannex the area if the municipality fails or refuses to provide services or to cause services to be provided to the area:

(1) if the municipality is wholly located in one or more counties each with a population of less than 500,000, within the period specified by Section 43.056 or by the

~~service plan prepared for the area under that section].~~

(b) If the governing body fails or refuses to disannex the area within 60 days after the date of the receipt of the petition, any one or more of the signers of the petition may bring a cause of action in a district court of the county in which the area is principally located to request that the area be disannexed. On the filing of an answer by the governing body, and on application of either party, the case shall be advanced and heard without further delay in accordance with the Texas Rules of Civil Procedure. The district court shall enter an order disannexing the area if the court finds that a valid petition was filed with the municipality and that the municipality failed to perform ~~[its obligations in accordance with the service plan or failed to perform]~~ in good faith.

SECTION 26. Section 43.201(2), Local Government Code, is amended to read as follows:

(2) "Limited-purpose annexation" means annexation authorized under former Section 43.121, as that section existed on January 1, 2017.

SECTION 27. Section 43.203(a), Local Government Code, is amended to read as follows:

(a) This section applies only to the ~~[The]~~ governing body of a district that by resolution petitioned ~~[may petition]~~ a municipality to alter the annexation status of

service plan prepared for the area under that section; or

(2) if the municipality is wholly or partly located in a county with a population of 500,000 or more or is a municipality described by Subdivision (1) that proposes to annex an area in a county with a population of 500,000 or more, within the period specified by the written agreement under Section 43.0672 or the resolution under Section 43.0682 or 43.0692, as applicable.

(b) If the governing body fails or refuses to disannex the area within 60 days after the date of the receipt of the petition, any one or more of the signers of the petition may bring a cause of action in a district court of the county in which the area is principally located to request that the area be disannexed. On the filing of an answer by the governing body, and on application of either party, the case shall be advanced and heard without further delay in accordance with the Texas Rules of Civil Procedure. The district court shall enter an order disannexing the area if the court finds that a valid petition was filed with the municipality and that the municipality failed to:

(1) perform its obligations in accordance with;

(A) the service plan under Section 43.056;

(B) the written agreement entered into under Section 43.0672; or

(C) the resolution adopted under Section 43.0682 or 43.0692, as applicable; or

(2) ~~failed to~~ perform in good faith.

No equivalent provision.

SECTION 39. Sections 43.203(a) and (b), Local Government Code, are amended to read as follows:

(a) Notwithstanding any other law, ~~[The]~~ governing body of a district by resolution may petition a municipality to alter the annexation status of land in the

land in the district from full-purpose annexation to limited-purpose annexation and before September 1, 2017:

(1) entered into an agreement to alter the status of annexation as provided by this section; or

(2) had its status automatically altered by operation of Subsection (c).

district from full-purpose annexation to limited-purpose annexation.

(b) On receipt of the district's petition, the governing body of the municipality shall enter into negotiations with the district for an agreement to alter the status of annexation that must:

(1) specify the period, which may not be less than 10 years beginning on January 1 of the year following the date of the agreement, in which limited-purpose annexation is in effect;

(2) provide that, at the expiration of the period, the district's annexation status will automatically revert to full-purpose annexation without following procedures provided by Sections 43.014 and 43.052 [~~43.051~~] through 43.055 or any other procedural requirement for annexation not in effect on January 1, 1995; and

(3) specify the financial obligations of the district during and after the period of limited-purpose annexation for:

(A) facilities constructed by the municipality that are in or that serve the district;

(B) debt incurred by the district for water and sewer infrastructure that will be assumed by the municipality at the end of the period of limited-purpose annexation; and

(C) use of the municipal sales taxes collected by the municipality for facilities or services in the district.

SECTION 28. Section 43.905(a), Local Government Code, is amended to read as follows:

(a) A municipality that proposes to annex an area shall provide written notice of the proposed annexation to each public school district located in the area proposed for annexation within the period prescribed for providing [~~publishing~~] the notice of the first hearing under Section 43.0212, 43.0513, [43.0561] or 43.0613 [~~43.063~~], as applicable.

SECTION 40. Section 43.905(a), Local Government Code, is amended to read as follows:

(a) A municipality that proposes to annex an area shall provide written notice of the proposed annexation to each public school district located in the area proposed for annexation within the period prescribed for providing [~~publishing~~] the notice of the first hearing under Section 43.0561, [Ø] 43.063, 43.0673, 43.0683, or 43.0693, as applicable.

SECTION 29. Section 775.0754(d), Health and Safety Code, is amended to read as follows:

(d) A municipality that enters into an agreement under this section is not required to provide emergency services in that annexed territory. To the extent of a conflict between this subsection and ~~[Section 43.056, Local Government Code, or]~~ any other law, this subsection controls.

SECTION 30. Section 3833.209(e), Special District Local Laws Code, is amended to read as follows:

(e) The terms and conditions of the negotiated service plan bind the city for the period provided by Section 43.056(1), Local Government Code, as that section existed on January 1, 2017, and the developer, the developer's heirs, successors, and assigns, and any person taking title to all or a portion of the property annexed under the annexation petition for that period.

SECTION 31. Section 8489.109, Special District Local Laws Code, is amended to read as follows:

Sec. 8489.109. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of any ~~[Section 43.021(2), Local Government Code, or other]~~ law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act enacting this chapter is located.

SECTION 32. Section 9038.110, Special District Local Laws Code, is amended to read as follows:

Sec. 9038.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of any ~~[Section 43.021(2), Local Government Code, or other]~~ law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district

No equivalent provision.

No equivalent provision.

SECTION 41. Section 8489.109, Special District Local Laws Code, is amended to read as follows:

Sec. 8489.109. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of Section 43.003(2) [43.021(2)], Local Government Code, or other law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act enacting this chapter is located.

SECTION 42. Section 9038.110, Special District Local Laws Code, is amended to read as follows:

Sec. 9038.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of Section 43.003(2) [43.021(2)], Local Government Code, or other law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district

is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act creating this chapter is located.

SECTION 33. Section 9039.110, Special District Local Laws Code, is amended to read as follows:

Sec. 9039.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of any [~~Section 43.021(2), Local Government Code, or other~~] law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act creating this chapter is located.

SECTION 34. (a) Sections 42.0411, 43.022, 43.023, 43.024, 43.025, 43.028, 43.030, 43.032, 43.033, 43.034, 43.035(c), 43.036, 43.052, 43.053, 43.0545, 43.0546, 43.055, 43.056, 43.0561, 43.0562, 43.0563, 43.0564, 43.0565, 43.0567, 43.057, 43.061, 43.062, 43.063, 43.064, 43.065, 43.071(d), (f), and (g), 43.072(c), (e), (g), (h), (i), (j), (k), (l), and (m), 43.0751(o), 43.0752, 43.101(c), 43.102(c), 43.1025(e), 43.103, 43.105, 43.121, 43.122, 43.123, 43.124, 43.125, 43.126, 43.129, 43.132, 43.147, and 43.906, Local Government Code, are repealed.

(b) Subchapter Y, Chapter 43, Local Government Code, is repealed.

(c) Sections 8374.252(a), 8375.252(a), 8376.252(a), 8377.252(a), 8378.252(a), 8382.252(a), 8383.252(a), 8384.252(a), 8385.252(a), and 8477.302(a), Special District Local Laws Code, are repealed.

(d) Section 5.701(n)(6), Water Code, is repealed.

is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act creating this chapter is located.

SECTION 43. Section 9039.110, Special District Local Laws Code, is amended to read as follows:

Sec. 9039.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of Section 43.003(2) [43.021(2)], Local Government Code, or other law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act creating this chapter is located.

SECTION 44. (a) Sections 43.036, 43.0546, 43.056(d), (h), and (p), 43.0565, 43.0567, 43.1025(e) and (g), and 43.906, Local Government Code, are repealed.

(b) Section 5.701(n)(6), Water Code, is repealed.

(c) The repeal of Section 43.036, Local Government Code, by this Act does not affect a boundary change agreement entered into under that section, the release and transfer of area under a boundary change agreement entered into under that section, or the requirements related to a boundary

change agreement entered into under that section.

(d) The repeal of Sections 43.056(d), (h), and (p) and Sections 43.0565 and 43.0567, Local Government Code, by this Act and the change in law made by this Act to Section 43.056(l), Local Government Code, do not affect a right, requirement, limitation, or remedy provided for under those sections and applicable in an area annexed by a municipality for which the first hearing notice required by Section 43.0561 or 43.063, Local Government Code, as applicable, was published before September 1, 2017.

SECTION 35. The governing body of a municipality that has designated any part of its extraterritorial jurisdiction as an industrial district under Section 42.044, Local Government Code, before, on, or after the effective date of this Act may annex all or part of the designated area pursuant to the authority granted by the municipality's home-rule charter. Notwithstanding Section 43.021, Local Government Code, as amended by this Act, the authority of a municipality to annex all or part of the area described by this section is governed solely by the municipality's home-rule charter and is not subject to any restrictions or procedural requirements imposed by Chapter 43, Local Government Code, as amended by this Act.

No equivalent provision. (*But see SECTION 25 above.*)

SECTION 36. The changes in law made by this Act do not apply to an area that is the subject of an agreement between a municipality with a population between 1.3 million and 1.5 million and a municipality with a population between 18,050 and 18,200 that contains a plan that is approved by the municipalities before the effective date of this Act for phased boundary adjustments between the municipalities, releases of extraterritorial jurisdiction by the more populous municipality, and annexations by the less populous municipality. A municipal boundary adjustment, release of extraterritorial jurisdiction, or annexation contained in a plan under an agreement described by this section is governed by the law in effect at

No equivalent provision.

the time the agreement was approved by the municipalities, and the former law is continued in effect for that purpose.

SECTION 37. The changes in law made by this Act apply only to the annexation of an area that is not final on the effective date of this Act. An annexation of an area that was final before the effective date of this Act is governed by those portions of Chapter 43, Local Government Code, that relate to post-annexation procedures and requirements in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 38. This Act takes effect September 1, 2017.

SECTION 45. Same as engrossed version.

SECTION 46. Same as engrossed version.