

BILL ANALYSIS

H.B. 2761
By: Crabb
Land & Resource Management
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, municipalities may annex an area in their extraterritorial jurisdiction without the consent of the area's residents. Many municipalities annex areas for the area's tax bases and other resources despite opposition by the residents of these annexed areas. In addition, a municipality may annex an area without the consent of the residents of the area, and often the services that these residents receive from the municipality are inadequate.

H.B. 2761 authorizes the deannexation of a tract of a contiguous territory that was annexed without an election on or after December 1, 1996, by a municipality with a population of more than 1.5 million if certain conditions are met.

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

SECTION 1. Amends Subchapter G, Chapter 43, Local Government Code, by adding Section 43.149, regarding the disannexation of certain areas as follows:

Makes this section applicable to a tract of contiguous territory that is annexed on or after December 1, 1996, by a municipality with a population of more than 1.5 million and in which an election approving the annexation has not been held.

Requires a county to hold an election on disannexation if the county clerk receives a petition asking for an election signed by at least 10 percent of the registered voters who reside in the tract.

Provides for determining the validity of a petition and requires the county judge to order an election under certain circumstances.

Prohibits anyone except registered voters residing in the tract to vote in the election. Requires the municipality to pay for the election.

Provides ballot language.

Provides that the tract is disannexed if approved by a majority of the votes at the election. Recreates any municipal utility district or other special district that served the tract prior to annexation on the date of the canvass of the election. Provides for the establishment of new boards of recreated districts.

Provides that if disannexation is not approved by the voters, the tract remains a part of the municipality and prohibits any further elections on the question.

Prohibits a municipality from reannexing any portion of a tract that is disannexed unless it is approved by a majority of the residents of the tract voting on the question.

Requires that an arbitration panel be appointed not later than the 10th day after the date a disannexation occurs and sets forth the composition of the panel.

Requires the panel to conduct an accounting of all expenses the municipality, each municipal utility district, etc. incurred during the annexation and disannexation process.

Requires that within a specified period the panel must render a decision on whether the municipality, municipal utility district, or other district is entitled to compensation from the other.

Provides that a decision of the panel is reviewable in the district court of the county under the substantial evidence rule and authorizes the municipality or an affected district to file an original action for an accounting in the district court of the county in which the tract is located.

Provides for situations in which a tract is located in more than one county

SECTION 2. Effective date.

EFFECTIVE DATE

September 1, 2003, or immediately if it receives the requisite number of votes.