

## **BILL ANALYSIS**

C.S.H.B. 2978  
By: Callegari  
Natural Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently, Texas law does not clarify the extent of a municipality's jurisdiction over land annexed for a limited purpose as part of a strategic partnership agreement with a water control and improvement or utility district. C.S.H.B. 2978 clarifies that a municipality shall not enforce its ordinances or codes within the boundaries of a district participating in a strategic partnership agreement.

### **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 Section 43.0751(a), Local Government Code, to define a strategic partnership agreement as simply a written agreement between a municipality and a water control and improvement or municipal utility district. Removes language defining a partnership as a written agreement regarding the terms and conditions for the provision of services and how long the district will continue to exist for an extended period of time if the land within the district is annexed for full purposes by the municipality.

SECTION 2. Removes language from Section 43.0751(d), Local Government Code, authorizing a municipality to combine its public hearings and notices regarding a strategic partnership agreement with hearings required for limited annexation. Amends Section 43.0751(f)(1), Local Government Code, to state that a strategic partnership agreement may provide for a limited-purpose annexation of a district on terms acceptable to both parties. Provides that Subchapter F, Local Government Code, does not govern limited purpose annexations under a strategic partnership agreement. Amends Section 43.0751(f)(2), Local Government Code, to state that a strategic partnership agreement may provide for the limited purpose annexation of a district within a county with a population of 3.3 million or more only if the participating municipality does not enforce its ordinances or codes within the district. Provides that a municipality within a county of 3.3 million may provide services within a district if the district agrees to such services, the services are not a result of the regulatory plan, and are approved by the county. Provides that a full-purpose annexation as part of a strategic partnership agreement be on terms that are acceptable to the municipality and the district. Removes language specifying terms of full-purpose annexation as part of a strategic partnership agreement. Changes Section 43.0751(I), Local Government Code, to state that a strategic partnership agreement may provide that a participating district shall not incur additional debt, liabilities, or other obligations without prior approval by the municipality. Removes language stating that a municipality's approval shall not be unreasonably withheld or delayed. Removes language stating that action taken in violation of the section is void.

SECTION 3. Effective date.

### **EFFECTIVE DATE**

On passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.

## **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The committee substitute adds Section 43.0751(f)(2), Local Government Code, in SECTION 2, which establishes certain requirements for limited purpose annexations of districts located within a county with a population of more than 3.3 million.

The substitute also provides that a provision of a strategic partnership agreement entered into before the effective date of this Act that does not comply with Section 43.0751 (f) (2), Local Government Code, as amended by this Act, is not enforceable after the effective date of this Act to the extent of noncompliance.