

By: Crabb

H.B. No. 2761

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the disannexation of certain areas annexed on or after  
3 December 1, 1996, by certain municipalities.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter G, Chapter 43, Local Government  
6 Code, is amended by adding Section 43.149 to read as follows:

7 Sec. 43.149. DISANNEXATION OF CERTAIN AREAS. (a) This  
8 section applies only to a tract of contiguous territory:

9 (1) that is annexed on or after December 1, 1996, by a  
10 municipality with a population of more than 1.5 million; and

11 (2) in which an election approving the annexation has  
12 not been held.

13 (b) The county in which the tract is located shall hold an  
14 election on disannexation of the tract from the municipality if the  
15 county clerk receives a petition asking for an election signed by at  
16 least 10 percent of the registered voters who reside in the tract.  
17 The county clerk shall determine the validity of the petition under  
18 Chapter 277, Election Code, not later than the 30th day after the  
19 date the petition is received.

20 (c) If the county clerk determines that a petition filed  
21 under Subsection (b) is valid or if the county clerk fails to make a  
22 determination within the time prescribed by that subsection, the  
23 county judge shall order the election to be held on the first  
24 uniform election date that occurs after the 45th day after the

1 earlier of:

2 (1) the date the county clerk determines the petition  
3 is valid; or

4 (2) the time for making a determination under  
5 Subsection (b) expires.

6 (d) Only a registered voter residing in the tract may vote  
7 in the election. The municipality that annexed the tract shall pay  
8 for the cost of holding the election.

9 (e) At the election the ballots shall be prepared to permit  
10 voting for or against the following proposition: "The  
11 disannexation of (name of tract) from the City of (name of city) and  
12 the reestablishment of any municipal utility district or other  
13 special districts serving (name of tract)." The county shall  
14 designate the name of the tract based on a name commonly used in the  
15 region to identify the tract.

16 (f) If a majority of the votes cast at the election favor the  
17 proposition, the tract is disannexed from the municipality and any  
18 municipal utility district or other special district that served  
19 the tract on the date the tract was annexed and that was abolished  
20 as a result of the annexation is reestablished on the date of the  
21 canvass of the election. The directors of a reestablished district  
22 who were serving on the date the tract was annexed are the directors  
23 of the reestablished district. If a director's term has expired,  
24 the director shall serve until the director's successor is  
25 qualified, and a successor shall be elected or appointed in a timely  
26 manner in accordance with the law governing the district. If there  
27 is a vacancy, the remaining directors shall appoint a person to fill

1 the vacancy. If there are no remaining directors, the county judge  
2 shall appoint the appropriate number of directors to serve until  
3 the time of appointment or election of directors under the law  
4 governing the district.

5 (g) If less than a majority of the votes cast at the election  
6 favor the proposition, the tract remains a part of the municipality  
7 and another election to disannex the tract may not be held under  
8 this section.

9 (h) The municipality may not reannex any portion of a tract  
10 that is disannexed under this section unless the reannexation is  
11 approved at an election conducted by the municipality in the area to  
12 be annexed. The reannexation may not occur unless a majority of the  
13 votes cast in the area approve the reannexation.

14 (i) Not later than the 10th day after the date a  
15 disannexation occurs under this section, an arbitration panel shall  
16 be appointed. The panel is composed of:

17 (1) one person chosen by the municipality;

18 (2) one person chosen by the affirmative vote of a  
19 representative of each municipal utility district or other special  
20 district serving the disannexed tract; and

21 (3) one person chosen jointly by the persons chosen  
22 under Subdivisions (1) and (2) or, if an agreement cannot be reached  
23 on a choice, one person appointed by the county judge of the county  
24 in which the tract is located.

25 (j) The arbitration panel shall conduct an accounting of all  
26 expenses the municipality and each municipal utility district and  
27 other special district incurred during the annexation and

1 disannexation process, including an accounting of the assets and  
2 obligations of the special districts at the time of the annexation  
3 and the capital expenditures of the municipality on behalf of the  
4 disannexed tract during the time the tract was a part of the  
5 municipality. Not later than the 120th day after the date of  
6 disannexation, the arbitration panel shall render a decision on  
7 whether the municipality or special districts are entitled to  
8 compensation from the other.

9 (k) A decision of the arbitration panel is reviewable in the  
10 district court of the county under the substantial evidence rule.  
11 If the arbitrators are unable to reach a majority decision, the  
12 municipality or an affected district may file an original action  
13 for an accounting under Subsection (j) in the district court of the  
14 county in which the tract is located.

15 (l) Except as provided by this section, Chapter 171, Civil  
16 Practice and Remedies Code, applies to an arbitration under this  
17 section.

18 (m) In this section, a tract of land is considered to be  
19 located in the county in which a majority of the area of the tract is  
20 located.

21 (n) If the tract is located in more than one county:

22 (1) the county clerk of the county in which a majority  
23 of the area of the tract is located shall conduct the verification  
24 procedure described by Subsection (b); and

25 (2) the county judge of each county in which the tract  
26 is located shall call an election as provided by Subsection (c), to  
27 be held in the part of the tract that is located in the county in

1 which the county judge serves.

2 (o) If an election is called under Subsection (n)(2) in more  
3 than one county, the county judge of the county in which a majority  
4 of the area of the tract is located shall, after the election  
5 returns are canvassed in each county, combine the election returns  
6 to determine if the disannexation is approved in the tract as a  
7 whole.

8 SECTION 2. This Act takes effect immediately if it receives  
9 a vote of two-thirds of all the members elected to each house, as  
10 provided by Section 39, Article III, Texas Constitution. If this  
11 Act does not receive the vote necessary for immediate effect, this  
12 Act takes effect September 1, 2003.