

## **BILL ANALYSIS**

S.B. 1105  
By: Madla  
Defense Affairs and State-Federal Relations  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Texas law provides for the creation of municipal management districts to include areas within the corporate limits of a municipality. Since the passage of the Defense Base Closure and Realignment Act, areas in and around former military bases have faced considerable challenges. For municipalities planning to annex these areas, the creation of a defense adjustment management corporation with the ability to develop infrastructure and other projects will advance the economic development of the area and provide a better transition to annexation.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 375.304(a), Local Government Code, to authorize the governing body of a municipality to create a defense adjustment management authority (authority) in an area that is a base efficiency project as defined by Section 379B.001 (Definitions), rather than Section 378.001 (Definition), as added by Chapter 1221, Acts of the 76th Legislature, Regular Session, 1999 and is in an area that has been annexed or disannexed for full or limited purposes under Subchapter F (Limited Annexation), Chapter 43 by a municipality with a population of at least 1.1 million.

SECTION 2. Amends Section 375.305(b), Local Government Code, to make modifications to the required information to be stated on a notice required by Subsection (a) (pertaining to the notice of the hearing on the creation of the authority).

SECTION 3. Amends Sections 375.306(d) and (e), Local Government Code, to require school districts whose boundaries overlap with an authority by 5,000 or more acres to collectively appoint three members of the board. Provides that the presiding officer of an authority is an exception to the rule that directors are appointed for terms of two years.

SECTION 4. Amends Subchapter O, Chapter 375, Local Government Code, by adding Section 375.3085 as follows:

Sec. 375.3085. ANNEXATION OR DISANNEXATION. (a) Authorizes the board of directors of a district (board) to vote to annex or disannex territory to an authority.

(b) Requires the board to hold two public hearings to consider the annexation or disannexation, not earlier than the 60th or later than the 30th day before the date the board votes on the annexation or disannexation. Requires the board to publish notice of each public hearing in a newspaper of general circulation in the area of the proposed annexed or disannexed territory at least seven days before each public hearing.

(c) Sets forth certain requirements for the notice.

(d) Requires the board to submit the action to the governing body of the municipality for approval if the board approves the proposed annexation or disannexation. Provides that the annexation or disannexation takes effect on the

date the governing body of the municipality approves the annexation or disannexation by ordinance.

(e) Provides that Section 375.043 (Annexation) does not apply to the authority.

SECTION 5. Amends Section 375.310, Local Government Code, as follows:

Sec. 375.310. New heading: AUTHORITY PLAN. Deletes text referring to an authority master plan. Makes conforming changes.

SECTION 6. Amends Section 375.312(a), Local Government Code, to provide that an authority has certain powers of a municipality in the area of the authority, including an area of the authority that is in the boundaries of a municipality's limited purpose jurisdiction. Provides that on annexation of an area of the authority for full purposes by a municipality, certain powers of the authority expire. Provides that the authority regains the power in an area if the municipality disannexes the area.

SECTION 7. Makes application of Section 375.3085, Local Government Code, as added by this Act, prospective.

SECTION 8. Makes application of Section 375.310, Local Government Code, as amended by this Act, prospective.

SECTION 9. Effective date: upon passage or September 1, 2005.

#### **EFFECTIVE DATE**

Unless the bill receives the necessary votes for immediate effect, the Act takes effect on September 1, 2005