

By: Brown of Kaufman

H.B. No. 3320

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the disannexation of an area by a general law  
3 municipality and the assignment of certain costs to the area.

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

5 SECTION 1. Section 43.033, Local Government Code, is  
6 amended by adding Subsections (c)-(f) to read as follows:

7 (c) If the area is disannexed as provided by Subsection (b),  
8 the area is not released from its pro rata share of any indebtedness  
9 that, at the time of the disannexation the municipality owes, by  
10 bond or otherwise, for infrastructure provided to the area.

11 (d) Until the municipal fees, assessments, and property  
12 taxes collected from the area equal the area's pro rata share of the  
13 indebtedness, the governing body of the municipality shall continue  
14 to levy:

15 (1) any fees or assessments applicable to the area  
16 that are provided by law or agreement; and

17 (2) a property tax each year on the property in the  
18 area at the same rate that is levied on other property in the  
19 municipality.

20 (e) The municipality shall apply the fees, assessments, and  
21 taxes collected under Subsection (d) exclusively to the payment of:

22 (1) the pro rata share of the area's indebtedness; and

23 (2) the costs of levying and collecting the fees,  
24 assessments, and taxes in the area.

1        (f) Subsection (d) does not prevent the residents of the  
2 area from paying in full at any time the area's pro rata share of any  
3 indebtedness.

4        SECTION 2. The change in law made by this Act applies to an  
5 area that is disannexed on or after the effective date of this Act.  
6 An area that is disannexed before the effective date of this Act is  
7 governed by the law in effect immediately before that date, and the  
8 former law is continued in effect for that purpose.

9        SECTION 3. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2005.