# **BILL ANALYSIS**

C.S.H.B. 1472 By: Miller Land & Resource Management Committee Report (Substituted)

# BACKGROUND AND PURPOSE

Current law does not provide for the ability of a municipality to offer a non-annexation agreement to agricultural producers who own land in an area that a municipality wants to annex. These permissive agreements can provide a solution to both landowners and municipalities, neither of whom, in some cases, wish to annex the agricultural area, but may have to in order to reach other areas that the municipality wishes to annex.

The purpose of C.S.H.B. 1472 is to allow a municipality to enter into a development agreement with a landowner of agricultural or wildlife management use land instead of choosing annexation.

## **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 B, Chapter 43, Local Government Code, by adding Section 43.035, as follows:

Titles the new Section 43.035 AUTHORITY OF MUNICIPALITY TO ANNEX AREA QUALIFIED FOR AGRICULTURAL OR WILDLIFE MANAGEMENT USE.

Makes the new Section 43.035 applicable to an area eligible to be the subject of a development agreement under Subchapter G, Chapter 212, Local Government Code, <u>and</u> appraised for ad valorem tax purposes as land for agricultural or wildlife management use under Subchapter C or D, Chapter 23, Tax Code.

Prohibits a municipality from annexing an area to which this section applies <u>unless</u> the municipality both offers to make a development agreement under Section 212.172, Local Government Code, with the landowner that would guarantee the continuation of the extraterritorial status of the area <u>and</u> authorize the enforcement of all regulations and planning authority of the municipality that do not interfere with the agricultural or wildlife management use of the area <u>and</u>; in addition, if the landowner declines to make the development agreement described in the new Section 43.035(b)(1).

Provides that for the purposes of law, including a municipal charter or ordinance, relating to municipal authority to annex an area adjacent to the municipality, an area adjacent to an area that is the subject of a development agreement described by the new Section 43.035(b)(1) is considered adjacent to the municipality.

SECTION 2. Transition Clause. Provides that the change in law made by this Act applies only to an annexation for which the first hearing required under Section 43.0561 or 43.063, Local Government Code, as appropriate,

C.S.H.B. 1472 80(R)

occurs on or after the effective date of this Act. An annexation for which the first hearing under either of those sections was held before the effective date of this Act is governed by the law in effect at the time of the hearing, and the former law is continued in effect for that purpose.

SECTION 3. Effective Date.

#### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

## COMPARISON OF ORIGINAL TO SUBSTITUTE

- SECTION 1. The Committee Substitute adds language not contained in the Original that provides that for the purposes of law, including a municipal charter or ordinance, relating to municipal authority to annex an area adjacent to the municipality, an area adjacent to an area that is the subject of a development agreement described by the new Section 43.035(b)(1) is considered adjacent to the municipality.
- SECTION 2. No changes from Original to Committee Substitute.
- SECTION 3. No changes from Original to Committee Substitute.