

AN ACT

relating to the change in municipal boundaries by agreement between certain municipalities.

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

SECTION 1. Subchapter B, Chapter 43, Local Government Code, is amended by adding Section 43.035 to read as follows:

Sec. 43.035. TRANSFER OF AREA AND CHANGE IN BOUNDARIES BETWEEN CERTAIN MUNICIPALITIES. (a) This section applies only to an area that:

(1) is contiguous to the corporate boundaries of a municipality with a population of more than 5,000;

(2) is located within the corporate boundaries of a home-rule municipality with a population of more than 1.1 million;

(3) has no residents; and

(4) has located within the area a facility with over one million square feet of retail space that has remained primarily vacant for at least 18 months before the effective date of the boundary change agreement described by this section, as determined by the municipalities that are parties to the agreement.

(b) Before December 31, 2008, a home-rule municipality with a population of more than 1.1 million may enter into a boundary change agreement with a municipality with a population of more than 5,000 to release an area described by Subsection (a) from the more populous municipality's corporate boundaries and transfer the area

1 to be included within the corporate boundaries of the other
2 municipality. The boundary change agreement must:

3 (1) be adopted by ordinance or resolution of the
4 governing body of each municipality; and

5 (2) contain a metes and bounds description of the
6 area.

7 (c) The owners of a majority of the acreage of land
8 contained in an area described by Subsection (a) must consent in
9 writing to the release and transfer of the area to be included
10 within the corporate boundaries of the other municipality. The
11 owners' written consent to the release and transfer must:

12 (1) be submitted to each municipality that is a party
13 to the boundary change agreement before the governing body of
14 either municipality may approve the boundary change agreement; and

15 (2) contain a metes and bounds description of the
16 area.

17 (d) The less populous municipality, as a term of the
18 boundary change agreement, may agree to share a portion of that
19 municipality's local sales tax revenue or ad valorem tax revenue,
20 or both, attributable to the area that is the subject of the
21 boundary change agreement, for a defined period, with the more
22 populous municipality.

23 (e) The boundary change agreement may establish an
24 effective date of the boundary change and may be subject to
25 provisions that establish conditions precedent to the boundary
26 change. On the effective date of the boundary change:

27 (1) the area released and transferred as authorized by

1 this section ceases to be part of the more populous municipality and
2 is included within the corporate boundaries of the less populous
3 municipality for all purposes;

4 (2) the corporate boundaries of the less populous
5 municipality are extended to include the area;

6 (3) the extraterritorial jurisdiction of each
7 municipality is expanded or decreased in accordance with the
8 changes in the municipality's boundaries; and

9 (4) the area that is the subject of the boundary change
10 agreement is bound by the acts, ordinances, codes, resolutions, and
11 regulations of the less populous municipality.

12 (f) Each municipality shall modify any official map or other
13 applicable document to reflect the change in the municipality's
14 boundaries.

15 (g) Notwithstanding any other provision of this chapter,
16 Sections 43.031, 43.148, and 43.905 and Subchapters C and C-1 do not
17 apply to an area that is the subject of, or a party to, a boundary
18 change agreement authorized by this section.

19 (h) If a provision of the charter of a home-rule
20 municipality described by Subsection (a)(2) is in conflict with any
21 provision of this section, the provisions of this section prevail
22 over the conflicting charter provision.

23 SECTION 2. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 3367 was passed by the House on April 27, 2007, by the following vote: Yeas 133, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3367 on May 23, 2007, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3367 was passed by the Senate, with amendments, on May 18, 2007, by the following vote: Yeas 29, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor