

1-1 By: Straus, McClendon (Senate Sponsor - Wentworth) H.B. No. 3367
1-2 (In the Senate - Received from the House April 30, 2007;
1-3 May 2, 2007, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 16, 2007, reported adversely,
1-5 with favorable Committee Substitute by the following vote: Yeas 4,
1-6 Nays 0; May 16, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 3367 By: Wentworth

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the change in municipal boundaries by agreement between
1-11 certain municipalities.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter B, Chapter 43, Local Government Code,
1-14 is amended by adding Section 43.035 to read as follows:

1-15 Sec. 43.035. TRANSFER OF AREA AND CHANGE IN BOUNDARIES
1-16 BETWEEN CERTAIN MUNICIPALITIES. (a) This section applies only to
1-17 an area that:

1-18 (1) is contiguous to the corporate boundaries of a
1-19 municipality with a population of more than 5,000;

1-20 (2) is located within the corporate boundaries of a
1-21 home-rule municipality with a population of more than 1.1 million;

1-22 (3) has no residents; and

1-23 (4) has located within the area a facility with over
1-24 one million square feet of retail space that has remained primarily
1-25 vacant for at least 18 months before the effective date of the
1-26 boundary change agreement described by this section, as determined
1-27 by the municipalities that are parties to the agreement.

1-28 (b) Before December 31, 2008, a home-rule municipality with
1-29 a population of more than 1.1 million may enter into a boundary
1-30 change agreement with a municipality with a population of more than
1-31 5,000 to release an area described by Subsection (a) from the more
1-32 populous municipality's corporate boundaries and transfer the area
1-33 to be included within the corporate boundaries of the other
1-34 municipality. The boundary change agreement must:

1-35 (1) be adopted by ordinance or resolution of the
1-36 governing body of each municipality; and

1-37 (2) contain a metes and bounds description of the
1-38 area.

1-39 (c) The owners of a majority of the acreage of land
1-40 contained in an area described by Subsection (a) must consent in
1-41 writing to the release and transfer of the area to be included
1-42 within the corporate boundaries of the other municipality. The
1-43 owners' written consent to the release and transfer must:

1-44 (1) be submitted to each municipality that is a party
1-45 to the boundary change agreement before the governing body of
1-46 either municipality may approve the boundary change agreement; and

1-47 (2) contain a metes and bounds description of the
1-48 area.

1-49 (d) The less populous municipality, as a term of the
1-50 boundary change agreement, may agree to share a portion of that
1-51 municipality's local sales tax revenue or ad valorem tax revenue,
1-52 or both, attributable to the area that is the subject of the
1-53 boundary change agreement, for a defined period, with the more
1-54 populous municipality.

1-55 (e) The boundary change agreement may establish an
1-56 effective date of the boundary change and may be subject to
1-57 provisions that establish conditions precedent to the boundary
1-58 change. On the effective date of the boundary change:

1-59 (1) the area released and transferred as authorized by
1-60 this section ceases to be part of the more populous municipality and
1-61 is included within the corporate boundaries of the less populous
1-62 municipality for all purposes;

1-63 (2) the corporate boundaries of the less populous

2-1 municipality are extended to include the area;
2-2 (3) the extraterritorial jurisdiction of each
2-3 municipality is expanded or decreased in accordance with the
2-4 changes in the municipality's boundaries; and

2-5 (4) the area that is the subject of the boundary change
2-6 agreement is bound by the acts, ordinances, codes, resolutions, and
2-7 regulations of the less populous municipality.

2-8 (f) Each municipality shall modify any official map or other
2-9 applicable document to reflect the change in the municipality's
2-10 boundaries.

2-11 (g) Notwithstanding any other provision of this chapter,
2-12 Sections 43.031, 43.148, and 43.905 and Subchapters C and C-1 do not
2-13 apply to an area that is the subject of, or a party to, a boundary
2-14 change agreement authorized by this section.

2-15 (h) If a provision of the charter of a home-rule
2-16 municipality described by Subsection (a)(2) is in conflict with any
2-17 provision of this section, the provisions of this section prevail
2-18 over the conflicting charter provision.

2-19 SECTION 2. This Act takes effect immediately if it receives
2-20 a vote of two-thirds of all the members elected to each house, as
2-21 provided by Section 39, Article III, Texas Constitution. If this
2-22 Act does not receive the vote necessary for immediate effect, this
2-23 Act takes effect September 1, 2007.

2-24 * * * * *