

By: Farias

H.B. No. 3833

A BILL TO BE ENTITLED

AN ACT

relating to annexation by a municipality of area designated as a public improvement district by a county.

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

SECTION 1. The heading to Subchapter D, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER D. ANNEXATION PROVISIONS RELATING TO ~~[SPECIAL]~~  
DISTRICTS

SECTION 2. Subchapter D, Chapter 43, Local Government Code, is amended by adding Section 43.082 to read as follows:

Sec. 43.082. CONDITIONS FOR ANNEXATION OF COUNTY PUBLIC IMPROVEMENT DISTRICT. (a) A municipality may not annex a part of a public improvement district established by a county under Subchapter A, Chapter 372, unless the municipality annexes the entire area of the district. Before annexing the entire area of the district, the municipality must pay all unpaid debt incurred under Subchapter A, Chapter 372, by the county for the district.

(b) After payment of the debt and completion of the annexation, the county shall provide the municipality any remaining assets allocated to the district, including:

(1) amounts in a special improvement district fund under Section 372.021;

(2) amounts in a separate special improvement district fund under Section 372.022;

1           (3) assessments for the district, including the rights  
2 to any unpaid assessments; and

3           (4) proceeds of bonds issued on behalf of the  
4 district.

5           (c) On the first day of the year following completion of the  
6 annexation, the district is dissolved. Section 372.011 does not  
7 apply to a district dissolved under this section.

8           (d) This section does not grant a municipality the authority  
9 to annex any area that is not located in the municipality's  
10 extraterritorial jurisdiction.

11           SECTION 3. Section 43.082, Local Government Code, as added  
12 by this Act, applies only to the annexation of an area for which all  
13 parts of the statutory annexation process are begun on or after the  
14 effective date of this Act. The annexation of an area for which any  
15 part of the statutory annexation process was begun before the  
16 effective date of this Act is governed by the law in effect  
17 immediately before the effective date of this Act, and the former  
18 law is continued in effect for that purpose.

19           SECTION 4. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2007.