

1-1 By: Campbell, et al. S.B. No. 6
 1-2 (In the Senate - Filed July 18, 2017; July 20, 2017, read
 1-3 first time and referred to Committee on State Affairs;
 1-4 July 23, 2017, reported favorably by the following vote: Yeas 7,
 1-5 Nays 2; July 23, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13		X		
1-14	X			
1-15	X			
1-16		X		

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to municipal annexation.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-21 SECTION 1. Section 43.001, Local Government Code, is
 1-22 amended to read as follows:

1-23 Sec. 43.001. DEFINITIONS [DEFINITION]. In this chapter:

1-24 (1) "Extraterritorial [~~,~~ ~~"extraterritorial]~~
 1-25 jurisdiction" means extraterritorial jurisdiction as determined
 1-26 under Chapter 42.

1-27 (2) "Tier 1 county" means a county with a population of
 1-28 less than 500,000.

1-29 (3) "Tier 2 county" means a county with a population of
 1-30 500,000 or more.

1-31 (4) "Tier 1 municipality" means a municipality wholly
 1-32 located in one or more tier 1 counties that proposes to annex an
 1-33 area wholly located in one or more tier 1 counties.

1-34 (5) "Tier 2 municipality" means a municipality:

1-35 (A) wholly or partly located in a tier 2 county;

1-36 or

1-37 (B) wholly located in one or more tier 1 counties
 1-38 that proposes to annex an area wholly or partly located in a tier 2
 1-39 county.

1-40 SECTION 2. Section 43.002, Local Government Code, is
 1-41 amended by adding Subsection (e) to read as follows:

1-42 (e) Notwithstanding Subsection (c) and until the 20th
 1-43 anniversary of the date of the annexation of an area that includes a
 1-44 permanent retail structure, a municipality may not prohibit a
 1-45 person from continuing to use the structure for the indoor seasonal
 1-46 sale of retail goods if the structure:

1-47 (1) is more than 5,000 square feet; and

1-48 (2) was authorized under the laws of this state to be
 1-49 used for the indoor seasonal sale of retail goods on the effective
 1-50 date of the annexation.

1-51 SECTION 3. Section 43.021, Local Government Code, is
 1-52 transferred to Subchapter A, Chapter 43, Local Government Code,
 1-53 redesignated as Section 43.003, Local Government Code, and amended
 1-54 to read as follows:

1-55 Sec. 43.003 [43.021]. AUTHORITY OF HOME-RULE MUNICIPALITY
 1-56 TO ANNEX AREA AND TAKE OTHER ACTIONS REGARDING BOUNDARIES. A
 1-57 home-rule municipality may take the following actions according to
 1-58 rules as may be provided by the charter of the municipality and not
 1-59 inconsistent with the requirements [~~procedural rules]~~ prescribed
 1-60 by this chapter:

1-61 (1) fix the boundaries of the municipality;

2-1 (2) extend the boundaries of the municipality and
2-2 annex area adjacent to the municipality; and
2-3 (3) exchange area with other municipalities.

2-4 SECTION 4. Chapter 43, Local Government Code, is amended by
2-5 adding Subchapter A-1 to read as follows:

2-6 SUBCHAPTER A-1. GENERAL AUTHORITY TO ANNEX

2-7 Sec. 43.011. APPLICABILITY. This subchapter applies to:

- 2-8 (1) a tier 1 municipality; and
- 2-9 (2) notwithstanding Subchapter C-4 or C-5, a tier 2

2-10 municipality.

2-11 Sec. 43.0115. AUTHORITY OF CERTAIN MUNICIPALITIES TO ANNEX
2-12 ENCLAVES. (a) This section applies only to a municipality that:

- 2-13 (1) is wholly or partly located in a county in which a
2-14 majority of the population of two or more municipalities, each with
2-15 a population of 300,000 or more, are located; and

- 2-16 (2) proposes to annex an area that:

2-17 (A) is wholly surrounded by a municipality and
2-18 within the municipality's extraterritorial jurisdiction; and

2-19 (B) has fewer than 100 dwelling units.

2-20 (b) Notwithstanding any other law, the governing body of a
2-21 municipality by ordinance may annex an area without the consent of
2-22 any of the residents of, voters of, or owners of land in the area
2-23 under the procedures prescribed by Subchapter C-1.

2-24 Sec. 43.0116. AUTHORITY OF MUNICIPALITY TO ANNEX INDUSTRIAL
2-25 DISTRICTS. Notwithstanding any other law, a municipality may annex
2-26 all or part of the area located in an industrial district designated
2-27 by the governing body of the municipality under Section 42.044
2-28 under the requirements applicable to a tier 1 municipality.

2-29 Sec. 43.0117. AUTHORITY OF MUNICIPALITY TO ANNEX AREA NEAR
2-30 MILITARY BASE. (a) In this section, "military base" means a
2-31 presently functioning federally owned or operated military
2-32 installation or facility.

2-33 (b) Notwithstanding any other law, a municipality may not
2-34 annex for full or limited purposes any part of the area located
2-35 within one-quarter mile of the boundaries of a military base in
2-36 which an active training program is conducted unless the
2-37 municipality and the base authorities have entered into a
2-38 comprehensive written agreement that establishes provisions to
2-39 maintain the compatibility of the municipality's regulation of land
2-40 in the area with the military base operations following the
2-41 annexation.

2-42 SECTION 5. Section 43.026, Local Government Code, is
2-43 transferred to Subchapter A-1, Chapter 43, Local Government Code,
2-44 as added by this Act, redesignated as Section 43.012, Local
2-45 Government Code, and amended to read as follows:

2-46 Sec. 43.012 [43.026]. AUTHORITY OF TYPE A GENERAL-LAW
2-47 MUNICIPALITY TO ANNEX AREA IT OWNS. The governing body of a Type A
2-48 general-law municipality by ordinance may annex area that the
2-49 municipality owns under the procedures prescribed by Subchapter
2-50 C-1. The ordinance must describe the area by metes and bounds and
2-51 must be entered in the minutes of the governing body.

2-52 SECTION 6. Section 43.027, Local Government Code, is
2-53 transferred to Subchapter A-1, Chapter 43, Local Government Code,
2-54 as added by this Act, redesignated as Section 43.013, Local
2-55 Government Code, and amended to read as follows:

2-56 Sec. 43.013 [43.027]. AUTHORITY OF [GENERAL-LAW]
2-57 MUNICIPALITY TO ANNEX NAVIGABLE STREAM. The governing body of a
2-58 [general-law] municipality by ordinance may annex any navigable
2-59 stream adjacent to the municipality and within the municipality's
2-60 extraterritorial jurisdiction under the procedures prescribed by
2-61 Subchapter C-1.

2-62 SECTION 7. Section 43.051, Local Government Code, is
2-63 transferred to Subchapter A-1, Chapter 43, Local Government Code,
2-64 as added by this Act, and redesignated as Section 43.014, Local
2-65 Government Code, to read as follows:

2-66 Sec. 43.014 [43.051]. AUTHORITY TO ANNEX LIMITED TO
2-67 EXTRATERRITORIAL JURISDICTION. A municipality may annex area only
2-68 in its extraterritorial jurisdiction unless the municipality owns
2-69 the area.

3-1 SECTION 8. Section 43.031, Local Government Code, is
3-2 transferred to Subchapter A-1, Chapter 43, Local Government Code,
3-3 as added by this Act, and redesignated as Section 43.015, Local
3-4 Government Code, to read as follows:

3-5 Sec. 43.015 [~~43.031~~]. AUTHORITY OF ADJACENT MUNICIPALITIES
3-6 TO CHANGE BOUNDARIES BY AGREEMENT. Adjacent municipalities may
3-7 make mutually agreeable changes in their boundaries of areas that
3-8 are less than 1,000 feet in width.

3-9 SECTION 9. Section 43.035, Local Government Code, is
3-10 transferred to Subchapter A-1, Chapter 43, Local Government Code,
3-11 as added by this Act, redesignated as Section 43.016, Local
3-12 Government Code, and amended to read as follows:

3-13 Sec. 43.016 [~~43.035~~]. AUTHORITY OF MUNICIPALITY TO ANNEX
3-14 AREA QUALIFIED FOR AGRICULTURAL OR WILDLIFE MANAGEMENT USE OR AS
3-15 TIMBER LAND. (a) This section applies only to an area:

3-16 (1) eligible to be the subject of a development
3-17 agreement under Subchapter G, Chapter 212; and

3-18 (2) appraised for ad valorem tax purposes as land for
3-19 agricultural or wildlife management use under Subchapter C or D,
3-20 Chapter 23, Tax Code, or as timber land under Subchapter E of that
3-21 chapter.

3-22 (b) A municipality may not annex an area to which this
3-23 section applies unless:

3-24 (1) the municipality offers to make a development
3-25 agreement with the landowner under Section 212.172 that would:

3-26 (A) guarantee the continuation of the
3-27 extraterritorial status of the area; and

3-28 (B) authorize the enforcement of all regulations
3-29 and planning authority of the municipality that do not interfere
3-30 with the use of the area for agriculture, wildlife management, or
3-31 timber; and

3-32 (2) the landowner declines to make the agreement
3-33 described by Subdivision (1).

3-34 (c) For purposes of Section 43.003(2) [~~43.021(2)~~] or
3-35 another law, including a municipal charter or ordinance, relating
3-36 to municipal authority to annex an area adjacent to the
3-37 municipality, an area adjacent or contiguous to an area that is the
3-38 subject of a development agreement described by Subsection (b)(1)
3-39 is considered adjacent or contiguous to the municipality.

3-40 (d) A provision of a development agreement described by
3-41 Subsection (b)(1) that restricts or otherwise limits the annexation
3-42 of all or part of the area that is the subject of the agreement is
3-43 void if the landowner files any type of subdivision plat or related
3-44 development document for the area with a governmental entity that
3-45 has jurisdiction over the area, regardless of how the area is
3-46 appraised for ad valorem tax purposes.

3-47 (e) A development agreement described by Subsection (b)(1)
3-48 is not a permit for purposes of Chapter 245.

3-49 SECTION 10. Section 43.037, Local Government Code, is
3-50 transferred to Subchapter A-1, Chapter 43, Local Government Code,
3-51 as added by this Act, redesignated as Section 43.017, Local
3-52 Government Code, and amended to read as follows:

3-53 Sec. 43.017 [~~43.037~~]. PROHIBITION AGAINST ANNEXATION TO
3-54 SURROUND MUNICIPALITY IN CERTAIN COUNTIES. (a) A municipality
3-55 with a population of more than 175,000 located in a county that
3-56 contains an international border and borders the Gulf of Mexico may
3-57 not annex an area that would cause another municipality to be
3-58 entirely surrounded by the corporate limits or extraterritorial
3-59 jurisdiction of the annexing municipality.

3-60 (b) A municipality described by Subsection (a) to which
3-61 Section 42.0235 applies and a neighboring municipality may waive
3-62 Subsection (a) if the governing body of each municipality adopts,
3-63 on or after December 1, 2017, a resolution stating that this section
3-64 is waived.

3-65 SECTION 11. The heading to Subchapter B, Chapter 43, Local
3-66 Government Code, is amended to read as follows:

3-67 SUBCHAPTER B. GENERAL AUTHORITY TO ANNEX: TIER 1 MUNICIPALITIES

3-68 SECTION 12. Subchapter B, Chapter 43, Local Government
3-69 Code, is amended by adding Section 43.0205 to read as follows:

4-1 Sec. 43.0205. APPLICABILITY. This subchapter applies only
4-2 to a tier 1 municipality.

4-3 SECTION 13. The heading to Subchapter C, Chapter 43, Local
4-4 Government Code, is amended to read as follows:

4-5 SUBCHAPTER C. ANNEXATION PROCEDURE FOR AREAS ANNEXED UNDER
4-6 MUNICIPAL ANNEXATION PLAN: TIER 1 MUNICIPALITIES

4-7 SECTION 14. Subchapter C, Chapter 43, Local Government
4-8 Code, is amended by adding Section 43.0505 to read as follows:

4-9 Sec. 43.0505. APPLICABILITY. (a) Except as provided by
4-10 Subsection (b), this subchapter applies only to a tier 1
4-11 municipality.

4-12 (b) Unless otherwise specifically provided by this chapter,
4-13 this subchapter does not apply to a tier 2 municipality.

4-14 SECTION 15. Section 43.052(h), Local Government Code, is
4-15 amended to read as follows:

4-16 (h) This section does not apply to an area proposed for
4-17 annexation if:

4-18 (1) the area contains fewer than 100 separate tracts
4-19 of land on which one or more residential dwellings are located on
4-20 each tract;

4-21 (2) the area will be annexed by petition of more than
4-22 50 percent of the real property owners in the area proposed for
4-23 annexation or by vote or petition of the qualified voters or real
4-24 property owners as provided by Subchapter B;

4-25 (3) the area is or was the subject of:

4-26 (A) an industrial district contract under
4-27 Section 42.044; or

4-28 (B) a strategic partnership agreement under
4-29 Section 43.0751;

4-30 (4) the area is located in a colonia, as that term is
4-31 defined by Section 2306.581, Government Code;

4-32 (5) the area is annexed under Section 43.012, 43.013,
4-33 43.015 [~~43.026, 43.027~~], or 43.029[~~, or 43.031~~];

4-34 (6) the area is located completely within the
4-35 boundaries of a closed military installation; or

4-36 (7) the municipality determines that the annexation of
4-37 the area is necessary to protect the area proposed for annexation or
4-38 the municipality from:

4-39 (A) imminent destruction of property or injury to
4-40 persons; or

4-41 (B) a condition or use that constitutes a public
4-42 or private nuisance as defined by background principles of nuisance
4-43 and property law of this state.

4-44 SECTION 16. Section 43.054(a), Local Government Code, is
4-45 amended to read as follows:

4-46 (a) A municipality [~~with a population of less than 1.6~~
4-47 ~~million~~] may not annex a publicly or privately owned area,
4-48 including a strip of area following the course of a road, highway,
4-49 river, stream, or creek, unless the width of the area at its
4-50 narrowest point is at least 1,000 feet.

4-51 SECTION 17. Sections 43.056(l) and (n), Local Government
4-52 Code, are amended to read as follows:

4-53 (l) A service plan is valid for 10 years. Renewal of the
4-54 service plan is at the discretion of the municipality. [~~A person~~
4-55 ~~residing or owning land in an annexed area in a municipality with a~~
4-56 ~~population of 1.6 million or more may enforce a service plan by~~
4-57 ~~petitioning the municipality for a change in policy or procedures~~
4-58 ~~to ensure compliance with the service plan. If the municipality~~
4-59 ~~fails to take action with regard to the petition, the petitioner may~~
4-60 ~~request arbitration of the dispute under Section 43.0565.] A~~
4-61 ~~person residing or owning land in an annexed area [in a municipality~~
4-62 ~~with a population of less than 1.6 million] may enforce a service~~
4-63 ~~plan by applying for a writ of mandamus not later than the second~~
4-64 ~~anniversary of the date the person knew or should have known that~~
4-65 ~~the municipality was not complying with the service plan. If a writ~~
4-66 ~~of mandamus is applied for, the municipality has the burden of~~
4-67 ~~proving that the services have been provided in accordance with the~~
4-68 ~~service plan in question. If a court issues a writ under this~~
4-69 ~~subsection, the court:~~

5-1 (1) must provide the municipality the option of
5-2 disannexing the area within a reasonable period specified by the
5-3 court;

5-4 (2) may require the municipality to comply with the
5-5 service plan in question before a reasonable date specified by the
5-6 court if the municipality does not disannex the area within the
5-7 period prescribed by the court under Subdivision (1);

5-8 (3) may require the municipality to refund to the
5-9 landowners of the annexed area money collected by the municipality
5-10 from those landowners for services to the area that were not
5-11 provided;

5-12 (4) may assess a civil penalty against the
5-13 municipality, to be paid to the state in an amount as justice may
5-14 require, for the period in which the municipality is not in
5-15 compliance with the service plan;

5-16 (5) may require the parties to participate in
5-17 mediation; and

5-18 (6) may require the municipality to pay the person's
5-19 costs and reasonable attorney's fees in bringing the action for the
5-20 writ.

5-21 (n) Before the second anniversary of the date an area is
5-22 included within the corporate boundaries of a municipality by
5-23 annexation, the municipality may not:

5-24 (1) prohibit the collection of solid waste in the area
5-25 by a privately owned solid waste management service provider; or

5-26 (2) offer ~~[impose a fee for]~~ solid waste management
5-27 services in the area unless a privately owned solid waste
5-28 management service provider is unavailable ~~[on a person who~~
5-29 ~~continues to use the services of a privately owned solid waste~~
5-30 ~~management service provider].~~

5-31 SECTION 18. Section 43.0562(a), Local Government Code, is
5-32 amended to read as follows:

5-33 (a) After holding the hearings as provided by Section
5-34 43.0561:

5-35 (1) ~~[if a municipality has a population of less than~~
5-36 ~~1.6 million,]~~ the municipality and the property owners of the area
5-37 proposed for annexation shall negotiate for the provision of
5-38 services to the area after annexation or for the provision of
5-39 services to the area in lieu of annexation under Section 43.0563; or

5-40 (2) if a municipality proposes to annex a special
5-41 district, as that term is defined by Section 43.052, the
5-42 municipality and the governing body of the district shall negotiate
5-43 for the provision of services to the area after annexation or for
5-44 the provision of services to the area in lieu of annexation under
5-45 Section 43.0751.

5-46 SECTION 19. Section 43.0563(a), Local Government Code, is
5-47 amended to read as follows:

5-48 (a) The governing body of a municipality ~~[with a population~~
5-49 ~~of less than 1.6 million]~~ may negotiate and enter into a written
5-50 agreement for the provision of services and the funding of the
5-51 services in an area with:

5-52 (1) representatives designated under Section
5-53 43.0562(b), if the area is included in the municipality's
5-54 annexation plan; or

5-55 (2) an owner of an area within the extraterritorial
5-56 jurisdiction of the municipality if the area is not included in the
5-57 municipality's annexation plan.

5-58 SECTION 20. The heading to Subchapter C-1, Chapter 43,
5-59 Local Government Code, is amended to read as follows:

5-60 SUBCHAPTER C-1. ANNEXATION PROCEDURE FOR AREAS EXEMPTED FROM
5-61 MUNICIPAL ANNEXATION PLAN: TIER 1 MUNICIPALITIES

5-62 SECTION 21. Section 43.061, Local Government Code, is
5-63 amended to read as follows:

5-64 Sec. 43.061. APPLICABILITY. (a) Except as provided by
5-65 Subsection (b), this [This] subchapter applies only to an area that
5-66 is proposed for annexation by a tier 1 municipality and that is not
5-67 required to be included in a municipal annexation plan under
5-68 Section 43.052(h) [43.052].

5-69 (b) Unless otherwise specifically provided by this chapter,

6-1 this subchapter does not apply to an area that is proposed for
 6-2 annexation by a tier 2 municipality.

6-3 SECTION 22. Section 43.062(a), Local Government Code, is
 6-4 amended to read as follows:

6-5 (a) Sections [~~43.051,~~] 43.054, 43.0545, 43.055, [43.0565,
 6-6 43.0567,] and 43.057 apply to the annexation of an area to which
 6-7 this subchapter applies.

6-8 SECTION 23. Section 43.064, Local Government Code, is
 6-9 amended to read as follows:

6-10 Sec. 43.064. PERIOD FOR COMPLETION OF ANNEXATION[~~+~~
 6-11 ~~EFFECTIVE DATE~~]. [~~(a)~~] The annexation of an area must be
 6-12 completed within 90 days after the date the governing body
 6-13 institutes the annexation proceedings or those proceedings are
 6-14 void. Any period during which the municipality is restrained or
 6-15 enjoined by a court from annexing the area is not included in
 6-16 computing the 90-day period.

6-17 [~~(b) Notwithstanding any provision of a municipal charter~~
 6-18 ~~to the contrary, the governing body of a municipality with a~~
 6-19 ~~population of 1.6 million or more may provide that an annexation~~
 6-20 ~~take effect on any date within 90 days after the date of the~~
 6-21 ~~adoption of the ordinance providing for the annexation.]~~

6-22 SECTION 24. Chapter 43, Local Government Code, is amended
 6-23 by adding Subchapter C-2 to read as follows:

6-24 SUBCHAPTER C-2. GENERAL ANNEXATION AUTHORITY AND PROCEDURES: TIER
 6-25 2 MUNICIPALITIES

6-26 Sec. 43.066. APPLICABILITY. This subchapter applies only
 6-27 to a tier 2 municipality.

6-28 Sec. 43.0661. PROVISION OF CERTAIN SERVICES TO ANNEXED
 6-29 AREA. (a) This section applies only to a municipality that
 6-30 includes solid waste collection services in the list of services
 6-31 that will be provided in the area proposed for annexation on or
 6-32 before the second anniversary of the effective date of the
 6-33 annexation of the area under a written agreement under Section
 6-34 43.0672 or a resolution under Section 43.0682 or 43.0692.

6-35 (b) A municipality is not required to provide solid waste
 6-36 collection services to a person who continues to use the services of
 6-37 a privately owned solid waste management service provider as
 6-38 provided by Subsection (c).

6-39 (c) Before the second anniversary of the effective date of
 6-40 the annexation of an area, a municipality may not:

6-41 (1) prohibit the collection of solid waste in the area
 6-42 by a privately owned solid waste management service provider; or

6-43 (2) offer solid waste management services in the area
 6-44 unless a privately owned solid waste management service provider is
 6-45 unavailable.

6-46 Sec. 43.0663. EFFECT ON OTHER LAW. Subchapters C-3 through
 6-47 C-5 do not affect the procedures described by Section 397.005 or
 6-48 397.006 applicable to a defense community as defined by Section
 6-49 397.001.

6-50 SECTION 25. Section 43.030, Local Government Code, is
 6-51 transferred to Subchapter C-2, Chapter 43, Local Government Code,
 6-52 as added by this Act, redesignated as Section 43.0662, Local
 6-53 Government Code, and amended to read as follows:

6-54 Sec. 43.0662 [~~43.030~~]. AUTHORITY OF MUNICIPALITY WITH
 6-55 POPULATION OF 74,000 TO 99,700 IN URBAN COUNTY TO ANNEX SMALL,
 6-56 SURROUNDED GENERAL-LAW MUNICIPALITY. (a) Notwithstanding
 6-57 Subchapter C-4 or C-5, a [A] municipality that has a population of
 6-58 74,000 to 99,700, that is located wholly or partly in a county with
 6-59 a population of more than 1.8 million, and that completely
 6-60 surrounds and is contiguous to a general-law municipality with a
 6-61 population of less than 600, may annex the general-law municipality
 6-62 as provided by this section.

6-63 (b) The governing body of the smaller municipality may adopt
 6-64 an ordinance ordering an election on the question of consenting to
 6-65 the annexation of the smaller municipality by the larger
 6-66 municipality. The governing body of the smaller municipality shall
 6-67 adopt the ordinance if it receives a petition to do so signed by a
 6-68 number of qualified voters of the municipality equal to at least 10
 6-69 percent of the number of voters of the municipality who voted in the

7-1 most recent general election. If the ordinance ordering the
7-2 election is to be adopted as a result of a petition, the ordinance
7-3 shall be adopted within 30 days after the date the petition is
7-4 received.

7-5 (c) The ordinance ordering the election must provide for the
7-6 submission of the question at an election to be held on the first
7-7 uniform election date prescribed by Chapter 41, Election Code, that
7-8 occurs after the 30th day after the date the ordinance is adopted
7-9 and that affords enough time to hold the election in the manner
7-10 required by law.

7-11 (d) Within 10 days after the date on which the election is
7-12 held, the governing body of the smaller municipality shall canvass
7-13 the election returns and by resolution shall declare the results of
7-14 the election. If a majority of the votes received is in favor of the
7-15 annexation, the secretary of the smaller municipality or other
7-16 appropriate municipal official shall forward by certified mail to
7-17 the secretary of the larger municipality a certified copy of the
7-18 resolution.

7-19 (e) The larger municipality, within 90 days after the date
7-20 the resolution is received, must complete the annexation by
7-21 ordinance in accordance with its municipal charter or the general
7-22 laws of the state. If the annexation is not completed within the
7-23 90-day period, any annexation proceeding is void and the larger
7-24 municipality may not annex the smaller municipality under this
7-25 section. However, the failure to complete the annexation as
7-26 provided by this subsection does not prevent the smaller
7-27 municipality from holding a new election on the question to enable
7-28 the larger municipality to annex the smaller municipality as
7-29 provided by this section.

7-30 (f) If the larger municipality completes the annexation
7-31 within the prescribed period, the incorporation of the smaller
7-32 municipality is abolished. The records, public property, public
7-33 buildings, money on hand, credit accounts, and other assets of the
7-34 smaller municipality become the property of the larger municipality
7-35 and shall be turned over to the officers of that municipality. The
7-36 offices in the smaller municipality are abolished and the persons
7-37 holding those offices are not entitled to further remuneration or
7-38 compensation. All outstanding liabilities of the smaller
7-39 municipality are assumed by the larger municipality.

7-40 (g) In the annexation ordinance, the larger municipality
7-41 shall adopt, for application in the area zoned by the smaller
7-42 municipality, the identical comprehensive zoning ordinance that
7-43 the smaller municipality applied to the area at the time of the
7-44 election. Any attempted annexation of the smaller municipality
7-45 that does not include the adoption of that comprehensive zoning
7-46 ordinance is void. That comprehensive zoning ordinance may not be
7-47 repealed or amended for a period of 10 years unless the written
7-48 consent of the landowners who own at least two-thirds of the surface
7-49 land of the annexed smaller municipality is obtained.

7-50 (h) If the annexed smaller municipality has on hand any bond
7-51 funds for public improvements that are not appropriated or
7-52 contracted for, the funds shall be kept in a separate special fund
7-53 to be used only for public improvements in the area for which the
7-54 bonds were voted.

7-55 (i) On the annexation, all claims, fines, debts, or taxes
7-56 due and payable to the smaller municipality become due and payable
7-57 to the larger municipality and shall be collected by it. If taxes
7-58 for the year in which the annexation occurs have been assessed in
7-59 the smaller municipality before the annexation, the amounts
7-60 assessed remain as the amounts due and payable from the inhabitants
7-61 of the smaller municipality for that year.

7-62 (j) This section does not affect a charter provision of a
7-63 home-rule municipality. This section grants additional power to
7-64 the municipality and is cumulative of the municipal charter.

7-65 SECTION 26. Chapter 43, Local Government Code, is amended
7-66 by adding Subchapters C-3, C-4, and C-5 to read as follows:

7-67 SUBCHAPTER C-3. ANNEXATION OF AREA ON REQUEST OF OWNERS: TIER 2
7-68 MUNICIPALITIES

7-69 Sec. 43.067. APPLICABILITY. This subchapter applies only

8-1 to a tier 2 municipality.
8-2 Sec. 43.0671. AUTHORITY TO ANNEX AREA ON REQUEST OF OWNERS.
8-3 Notwithstanding Subchapter C-4 or C-5, a municipality may annex an
8-4 area if each owner of land in the area requests the annexation.
8-5 Sec. 43.0672. WRITTEN AGREEMENT REGARDING SERVICES.
8-6 (a) The governing body of the municipality that elects to annex an
8-7 area under this subchapter must first negotiate and enter into a
8-8 written agreement with the owners of land in the area for the
8-9 provision of services in the area.
8-10 (b) The agreement must include:
8-11 (1) a list of each service the municipality will
8-12 provide on the effective date of the annexation; and
8-13 (2) a schedule that includes the period within which
8-14 the municipality will provide each service that is not provided on
8-15 the effective date of the annexation.
8-16 (c) The municipality is not required to provide a service
8-17 that is not included in the agreement.
8-18 Sec. 43.0673. PUBLIC HEARINGS. (a) Before a municipality
8-19 may adopt an ordinance annexing an area under this section, the
8-20 governing body of the municipality must conduct at least two public
8-21 hearings.
8-22 (b) The hearings must be conducted not less than 10 business
8-23 days apart.
8-24 (c) During the first public hearing, the governing body must
8-25 provide persons interested in the annexation the opportunity to be
8-26 heard. During the final public hearing, the governing body may
8-27 adopt an ordinance annexing the area.
8-28 (d) The municipality must post notice of the hearings on the
8-29 municipality's Internet website if the municipality has an Internet
8-30 website and publish notice of the hearings in a newspaper of general
8-31 circulation in the municipality and in the area proposed for
8-32 annexation. The notice for each hearing must be published at least
8-33 once on or after the 20th day but before the 10th day before the date
8-34 of the hearing. The notice for each hearing must be posted on the
8-35 municipality's Internet website on or after the 20th day but before
8-36 the 10th day before the date of the hearing and must remain posted
8-37 until the date of the hearing.
8-38 SUBCHAPTER C-4. ANNEXATION OF AREAS WITH POPULATION OF LESS THAN
8-39 200: TIER 2 MUNICIPALITIES
8-40 Sec. 43.068. APPLICABILITY. This subchapter applies only
8-41 to a tier 2 municipality.
8-42 Sec. 43.0681. AUTHORITY TO ANNEX. A municipality may annex
8-43 an area with a population of less than 200 only if the municipality
8-44 obtains consent to annex the area through a petition signed by more
8-45 than 50 percent of the registered voters of the area.
8-46 Sec. 43.0682. RESOLUTION. The governing body of the
8-47 municipality that proposes to annex an area under this subchapter
8-48 must adopt a resolution that includes:
8-49 (1) a statement of the municipality's intent to annex
8-50 the area;
8-51 (2) a detailed description and map of the area;
8-52 (3) a description of each service to be provided by the
8-53 municipality in the area on or after the effective date of the
8-54 annexation, including, as applicable:
8-55 (A) police protection;
8-56 (B) fire protection;
8-57 (C) emergency medical services;
8-58 (D) solid waste collection;
8-59 (E) operation and maintenance of water and
8-60 wastewater facilities in the annexed area;
8-61 (F) operation and maintenance of roads and
8-62 streets, including road and street lighting;
8-63 (G) operation and maintenance of parks,
8-64 playgrounds, and swimming pools; and
8-65 (H) operation and maintenance of any other
8-66 publicly owned facility, building, or service;
8-67 (4) a list of each service the municipality will
8-68 provide on the effective date of the annexation; and
8-69 (5) a schedule that includes the period within which

9-1 the municipality will provide each service that is not provided on
9-2 the effective date of the annexation.

9-3 Sec. 43.0683. NOTICE OF PROPOSED ANNEXATION. Not later
9-4 than the seventh day after the date the governing body of the
9-5 municipality adopts the resolution under Section 43.0682, the
9-6 municipality must mail to each resident in the area proposed to be
9-7 annexed notification of the proposed annexation that includes:

9-8 (1) notice of the public hearing required by Section
9-9 43.0684;

9-10 (2) an explanation of the 180-day petition period
9-11 described by Section 43.0685; and

9-12 (3) a description, list, and schedule of services to
9-13 be provided by the municipality in the area on or after annexation
9-14 as provided by Section 43.0682.

9-15 Sec. 43.0684. PUBLIC HEARING. The governing body of a
9-16 municipality must conduct at least one public hearing not earlier
9-17 than the 21st day and not later than the 30th day after the date the
9-18 governing body adopts the resolution under Section 43.0682.

9-19 Sec. 43.0685. PETITION. (a) The petition required by
9-20 Section 43.0681 may be signed only by a registered voter of the area
9-21 proposed to be annexed.

9-22 (b) The municipality may collect signatures on the petition
9-23 only during the period beginning on the 31st day after the date the
9-24 governing body of the municipality adopts the resolution under
9-25 Section 43.0682 and ending on the 180th day after the date the
9-26 resolution is adopted.

9-27 (c) The petition must clearly state that a person signing
9-28 the petition is consenting to the proposed annexation.

9-29 (d) The petition must include a map of and describe the area
9-30 proposed to be annexed.

9-31 (e) Signatures collected on the petition must be in writing.

9-32 (f) Chapter 277, Election Code, applies to a petition under
9-33 this section.

9-34 Sec. 43.0686. RESULTS OF PETITION. (a) When the petition
9-35 period prescribed by Section 43.0685 ends, the petition shall be
9-36 verified by the municipal secretary or other person responsible for
9-37 verifying signatures. The municipality must notify the residents
9-38 of the area proposed to be annexed of the results of the petition.

9-39 (b) If the municipality does not obtain the number of
9-40 signatures on the petition required to annex the area, the
9-41 municipality may not annex the area and may not adopt another
9-42 resolution under Section 43.0682 to annex the area until the first
9-43 anniversary of the date the petition period ended.

9-44 (c) If the municipality obtains the number of signatures on
9-45 the petition required to annex the area, the municipality may annex
9-46 the area after:

9-47 (1) providing notice under Subsection (a);

9-48 (2) holding a public hearing at which members of the
9-49 public are given an opportunity to be heard; and

9-50 (3) holding a final public hearing not earlier than
9-51 the 10th day after the date of the public hearing under Subdivision
9-52 (2) at which the ordinance annexing the area may be adopted.

9-53 Sec. 43.0687. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON
9-54 PETITION. If a petition protesting the annexation of an area under
9-55 this subchapter is signed by a number of registered voters of the
9-56 municipality proposing the annexation equal to at least 50 percent
9-57 of the number of voters who voted in the most recent municipal
9-58 election and is received by the secretary of the municipality
9-59 before the date the petition period prescribed by Section 43.0685
9-60 ends, the municipality may not complete the annexation of the area
9-61 without approval of a majority of the voters of the municipality
9-62 voting at an election called and held for that purpose.

9-63 Sec. 43.0688. RETALIATION FOR ANNEXATION DISAPPROVAL
9-64 PROHIBITED. (a) The disapproval of the proposed annexation of an
9-65 area under this subchapter does not affect any existing legal
9-66 obligation of the municipality proposing the annexation to continue
9-67 to provide governmental services in the area, including water or
9-68 wastewater services.

9-69 (b) The municipality may not initiate a rate proceeding

10-1 solely because of the disapproval of a proposed annexation of an
10-2 area under this subchapter.

10-3 SUBCHAPTER C-5. ANNEXATION OF AREAS WITH POPULATION OF AT LEAST
10-4 200: TIER 2 MUNICIPALITIES

10-5 Sec. 43.069. APPLICABILITY. This subchapter applies only
10-6 to a tier 2 municipality.

10-7 Sec. 43.0691. AUTHORITY TO ANNEX. A municipality may annex
10-8 an area with a population of 200 or more only if the following
10-9 conditions are met, as applicable:

10-10 (1) the municipality holds an election in the area
10-11 proposed to be annexed at which the qualified voters of the area may
10-12 vote on the question of the annexation and a majority of the votes
10-13 received at the election approve the annexation; and

10-14 (2) if the registered voters of the area do not own
10-15 more than 50 percent of the land in the area, the municipality
10-16 obtains consent to annex the area through a petition signed by more
10-17 than 50 percent of the owners of land in the area.

10-18 Sec. 43.0692. RESOLUTION. The governing body of the
10-19 municipality that proposes to annex an area under this subchapter
10-20 must adopt a resolution that includes:

10-21 (1) a statement of the municipality's intent to annex
10-22 the area;

10-23 (2) a detailed description and map of the area;

10-24 (3) a description of each service to be provided by the
10-25 municipality in the area on or after the effective date of the
10-26 annexation, including, as applicable:

10-27 (A) police protection;

10-28 (B) fire protection;

10-29 (C) emergency medical services;

10-30 (D) solid waste collection;

10-31 (E) operation and maintenance of water and
10-32 wastewater facilities in the annexed area;

10-33 (F) operation and maintenance of roads and
10-34 streets, including road and street lighting;

10-35 (G) operation and maintenance of parks,
10-36 playgrounds, and swimming pools; and

10-37 (H) operation and maintenance of any other
10-38 publicly owned facility, building, or service;

10-39 (4) a list of each service the municipality will
10-40 provide on the effective date of the annexation; and

10-41 (5) a schedule that includes the period within which
10-42 the municipality will provide each service that is not provided on
10-43 the effective date of the annexation.

10-44 Sec. 43.0693. NOTICE OF PROPOSED ANNEXATION. Not later
10-45 than the seventh day after the date the governing body of the
10-46 municipality adopts the resolution under Section 43.0692, the
10-47 municipality must mail to each property owner in the area proposed
10-48 to be annexed notification of the proposed annexation that
10-49 includes:

10-50 (1) notice of the public hearings required by Section
10-51 43.0694;

10-52 (2) notice that an election on the question of
10-53 annexing the area will be held; and

10-54 (3) a description, list, and schedule of services to
10-55 be provided by the municipality in the area on or after annexation
10-56 as provided by Section 43.0692.

10-57 Sec. 43.0694. PUBLIC HEARINGS. (a) The governing body of
10-58 a municipality must conduct an initial public hearing not earlier
10-59 than the 21st day and not later than the 30th day after the date the
10-60 governing body adopts the resolution under Section 43.0692.

10-61 (b) The governing body must conduct at least one additional
10-62 public hearing not earlier than the 31st day and not later than the
10-63 90th day after the date the governing body adopts a resolution under
10-64 Section 43.0692.

10-65 Sec. 43.0695. PROPERTY OWNER CONSENT REQUIRED FOR CERTAIN
10-66 AREAS. (a) If the registered voters in the area proposed to be
10-67 annexed do not own more than 50 percent of the land in the area, the
10-68 municipality must obtain consent to the annexation through a
10-69 petition signed by more than 50 percent of the owners of land in the

11-1 area in addition to the election required by this subchapter.
 11-2 (b) The municipality must obtain the consent required by
 11-3 this section through the petition process prescribed by Section
 11-4 43.0685, and the petition must be verified in the manner provided by
 11-5 Section 43.0686(a).
 11-6 (c) Notwithstanding Section 43.0685(e), the municipality
 11-7 may provide for an owner of land in the area that is not a resident
 11-8 of the area to sign the petition electronically.
 11-9 Sec. 43.0696. ELECTION. (a) A municipality shall order an
 11-10 election on the question of annexing an area to be held on the first
 11-11 uniform election date that falls on or after:
 11-12 (1) the 90th day after the date the governing body of
 11-13 the municipality adopts the resolution under Section 43.0692; or
 11-14 (2) if the consent of the owners of land in the area is
 11-15 required under Section 43.0695, the 78th day after the date the
 11-16 petition period to obtain that consent ends.
 11-17 (b) An election under this section shall be held in the same
 11-18 manner as general elections of the municipality. The municipality
 11-19 shall pay for the costs of holding the election.
 11-20 (c) A municipality that holds an election under this section
 11-21 may not hold another election on the question of annexation before
 11-22 the corresponding uniform election date of the following year.
 11-23 Sec. 43.0697. RESULTS OF ELECTION AND PETITION.
 11-24 (a) Following an election held under this subchapter, the
 11-25 municipality must notify the residents of the area proposed to be
 11-26 annexed of the results of the election and, if applicable, of the
 11-27 petition required by Section 43.0695.
 11-28 (b) If at the election held under this subchapter a majority
 11-29 of qualified voters do not approve the proposed annexation, or if
 11-30 the municipality is required to petition owners of land in the area
 11-31 under Section 43.0695 and does not obtain the required number of
 11-32 signatures, the municipality may not annex the area and may not
 11-33 adopt another resolution under Section 43.0692 to annex the area
 11-34 until the first anniversary of the date of the adoption of the
 11-35 resolution.
 11-36 (c) If at the election held under this subchapter a majority
 11-37 of qualified voters approve the proposed annexation, and if the
 11-38 municipality, as applicable, obtains the required number of
 11-39 petition signatures under Section 43.0695, the municipality may
 11-40 annex the area after:
 11-41 (1) providing notice under Subsection (a);
 11-42 (2) holding a public hearing at which members of the
 11-43 public are given an opportunity to be heard; and
 11-44 (3) holding a final public hearing not earlier than
 11-45 the 10th day after the date of the public hearing under Subdivision
 11-46 (2) at which the ordinance annexing the area may be adopted.
 11-47 Sec. 43.0698. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON
 11-48 PETITION. If a petition protesting the annexation of an area under
 11-49 this subchapter is signed by a number of registered voters of the
 11-50 municipality proposing the annexation equal to at least 50 percent
 11-51 of the number of voters who voted in the most recent municipal
 11-52 election and is received by the secretary of the municipality
 11-53 before the date the election required by this subchapter is held,
 11-54 the municipality may not complete the annexation of the area
 11-55 without approval of a majority of the voters of the municipality
 11-56 voting at a separate election called and held for that purpose.
 11-57 Sec. 43.0699. RETALIATION FOR ANNEXATION DISAPPROVAL
 11-58 PROHIBITED. (a) The disapproval of the proposed annexation of an
 11-59 area under this subchapter does not affect any existing legal
 11-60 obligation of the municipality proposing the annexation to continue
 11-61 to provide governmental services in the area, including water or
 11-62 wastewater services.
 11-63 (b) The municipality may not initiate a rate proceeding
 11-64 solely because of the disapproval of a proposed annexation of an
 11-65 area under this subchapter.
 11-66 SECTION 27. Sections 43.0715(b) and (c), Local Government
 11-67 Code, are amended to read as follows:
 11-68 (b) If a municipality with a population of less than 1.5
 11-69 million annexes a special district for full or limited purposes and

12-1 the annexation precludes or impairs the ability of the district to
 12-2 issue bonds, the municipality shall, prior to the effective date of
 12-3 the annexation, pay in cash to the landowner or developer of the
 12-4 district a sum equal to all actual costs and expenses incurred by
 12-5 the landowner or developer in connection with the district that the
 12-6 district has, in writing, agreed to pay and that would otherwise
 12-7 have been eligible for reimbursement from bond proceeds under the
 12-8 rules and requirements of the Texas ~~[Natural Resource Conservation]~~
 12-9 Commission on Environmental Quality as such rules and requirements
 12-10 exist on the date of annexation. ~~[For an annexation that is subject~~
 12-11 ~~to preclearance by a federal authority, a payment will be~~
 12-12 ~~considered timely if the municipality: (i) escrows the~~
 12-13 ~~reimbursable amounts determined in accordance with Subsection (c)~~
 12-14 ~~prior to the effective date of the annexation; and (ii)~~
 12-15 ~~subsequently causes the escrowed funds and accrued interest to be~~
 12-16 ~~disbursed to the developer within five business days after the~~
 12-17 ~~municipality receives notice of the preclearance.]~~

12-18 (c) At the time notice of the municipality's intent to annex
 12-19 the land within the district is first given ~~[published]~~ in
 12-20 accordance with Section 43.052, 43.0683, or 43.0693, as applicable,
 12-21 the municipality shall proceed to initiate and complete a report
 12-22 for each developer conducted in accordance with the format approved
 12-23 by the Texas ~~[Natural Resource Conservation]~~ Commission on
 12-24 Environmental Quality for audits. In the event the municipality is
 12-25 unable to complete the report prior to the effective date of the
 12-26 annexation as a result of the developer's failure to provide
 12-27 information to the municipality which cannot be obtained from other
 12-28 sources, the municipality shall obtain from the district the
 12-29 estimated costs of each project previously undertaken by a
 12-30 developer which are eligible for reimbursement. The amount of such
 12-31 costs, as estimated by the district, shall be escrowed by the
 12-32 municipality for the benefit of the persons entitled to receive
 12-33 payment in an insured interest-bearing account with a financial
 12-34 institution authorized to do business in the state. To compensate
 12-35 the developer for the municipality's use of the infrastructure
 12-36 facilities pending the determination of the reimbursement amount
 12-37 ~~[or federal preclearance]~~, all interest accrued on the escrowed
 12-38 funds shall be paid to the developer whether or not the annexation
 12-39 is valid. Upon placement of the funds in the escrow account, the
 12-40 annexation may become effective. In the event a municipality
 12-41 timely escrows all estimated reimbursable amounts as required by
 12-42 this subsection and all such amounts, determined to be owed,
 12-43 including interest, are subsequently disbursed to the developer
 12-44 within five days of final determination in immediately available
 12-45 funds as required by this section, no penalties or interest shall
 12-46 accrue during the pendency of the escrow. Either the municipality
 12-47 or developer may, by written notice to the other party, require
 12-48 disputes regarding the amount owed under this section to be subject
 12-49 to nonbinding arbitration in accordance with the rules of the
 12-50 American Arbitration Association.

12-51 SECTION 28. Section 43.0751, Local Government Code, is
 12-52 amended by amending Subsection (h) and adding Subsections (s) and
 12-53 (t) to read as follows:

12-54 (h) On the full-purpose annexation conversion date set
 12-55 forth in the strategic partnership agreement pursuant to Subsection
 12-56 (f)(5) ~~[(f)(5)(A)]~~, the land included within the boundaries of the
 12-57 district shall be deemed to be within the full-purpose boundary
 12-58 limits of the municipality without the need for further action by
 12-59 the governing body of the municipality. The full-purpose
 12-60 annexation conversion date established by a strategic partnership
 12-61 agreement may be altered only by mutual agreement of the district
 12-62 and the municipality. However, nothing herein shall prevent the
 12-63 municipality from terminating the agreement and instituting
 12-64 proceedings to annex the district, on request by the governing body
 12-65 of the district, on any date prior to the full-purpose annexation
 12-66 conversion date established by the strategic partnership agreement
 12-67 under the procedures applicable to a tier 1 municipality. Land
 12-68 annexed for limited or full purposes under this section shall not be
 12-69 included in calculations prescribed by Section 43.055(a).

13-1 (s) Notwithstanding any other law and except as provided by
13-2 Subsection (t), the procedures prescribed by Subchapters C-3, C-4,
13-3 and C-5 do not apply to the annexation of an area under this
13-4 section. Except as provided by Subsections (h) and (t), a
13-5 municipality shall follow the procedures established under the
13-6 strategic partnership agreement for full-purpose annexation of an
13-7 area under this section.

13-8 (t) Notwithstanding the provisions of this section, a
13-9 municipality subject to this subsection must annex an area
13-10 described by Subdivision (4)(B) in compliance with Subchapter C-3,
13-11 C-4, or C-5. This subsection applies only to a municipality that:

13-12 (1) has a population of less than 850,000;

13-13 (2) is served by a municipally owned electric utility
13-14 with 400,000 or more customers;

13-15 (3) is wholly or partly located in a tier 2 county; and

13-16 (4) is subject to a strategic partnership agreement:

13-17 (A) executed on or after September 1, 2009; and

13-18 (B) for which an area proposed for annexation
13-19 will be annexed before January 1, 2021.

13-20 SECTION 29. The heading to Section 43.101, Local Government
13-21 Code, is amended to read as follows:

13-22 Sec. 43.101. ANNEXATION OF MUNICIPALLY OWNED RESERVOIR [~~BY~~
13-23 ~~GENERAL-LAW MUNICIPALITY~~].

13-24 SECTION 30. Section 43.101(c), Local Government Code, is
13-25 amended to read as follows:

13-26 (c) The area may be annexed without the consent of any [~~the~~]
13-27 owners or residents of the area under the procedures applicable to a
13-28 tier 1 municipality by:

13-29 (1) a tier 1 municipality; and

13-30 (2) if there are no owners other than the municipality
13-31 or residents of the area, a tier 2 municipality.

13-32 SECTION 31. Section 43.102(c), Local Government Code, is
13-33 amended to read as follows:

13-34 (c) The area may be annexed without the consent of any [~~the~~]
13-35 owners or residents of the area under the procedures applicable to a
13-36 tier 1 municipality by:

13-37 (1) a tier 1 municipality; and

13-38 (2) if there are no owners other than the municipality
13-39 or residents of the area, a tier 2 municipality.

13-40 SECTION 32. Section 43.1025(c), Local Government Code, is
13-41 amended to read as follows:

13-42 (c) The area described by Subsection (b) may be annexed
13-43 under the requirements applicable to a tier 2 municipality [~~without~~
13-44 ~~the consent of the owners or residents of the area~~], but the
13-45 annexation may not occur unless each municipality in whose
13-46 extraterritorial jurisdiction the area may be located:

13-47 (1) consents to the annexation; and

13-48 (2) reduces its extraterritorial jurisdiction over
13-49 the area as provided by Section 42.023.

13-50 SECTION 33. The heading to Section 43.103, Local Government
13-51 Code, is amended to read as follows:

13-52 Sec. 43.103. ANNEXATION OF STREETS, HIGHWAYS, AND OTHER
13-53 WAYS BY GENERAL-LAW TIER 1 MUNICIPALITIES [~~MUNICIPALITY~~].

13-54 SECTION 34. Section 43.103(a), Local Government Code, is
13-55 amended to read as follows:

13-56 (a) A general-law tier 1 municipality with a population of
13-57 500 or more may annex, by ordinance and without the consent of any
13-58 person, the part of a street, highway, alley, or other public or
13-59 private way, including a railway line, spur, or roadbed, that is
13-60 adjacent and runs parallel to the boundaries of the municipality.

13-61 SECTION 35. Section 43.105, Local Government Code, is
13-62 amended by amending Subsection (a) and adding Subsection (a-1) to
13-63 read as follows:

13-64 (a) This section applies only to:

13-65 (1) a [~~A~~] general-law tier 1 municipality that:

13-66 (A) has a population of 1,066-1,067;

13-67 (B) [~~and~~] is located in a county with a
13-68 population of 85,000 or more; and

13-69 (C) [~~that~~] is not adjacent to a county with a

14-1 population of 2 million or more; ~~[7]~~ or
 14-2 (2) a general-law tier 1 municipality that has a
 14-3 population of 6,000-6,025.

14-4 (a-1) Subject to Section 43.1055, a municipality described
 14-5 by Subsection (a) may annex, by ordinance and without the consent of
 14-6 any person, a public street, highway, road, or alley adjacent to the
 14-7 municipality.

14-8 SECTION 36. Subchapter E, Chapter 43, Local Government
 14-9 Code, is amended by adding Section 43.1055 to read as follows:

14-10 Sec. 43.1055. ANNEXATION OF ROADS AND RIGHTS-OF-WAY IN
 14-11 CERTAIN LARGE COUNTIES. Notwithstanding any other law, a tier 2
 14-12 municipality may by ordinance annex a road or the right-of-way of a
 14-13 road on request of the owner of the road or right-of-way or the
 14-14 governing body of the political subdivision that maintains the road
 14-15 or right-of-way under the procedures applicable to a tier 1
 14-16 municipality.

14-17 SECTION 37. Sections 43.121(a) and (c), Local Government
 14-18 Code, are amended to read as follows:

14-19 (a) Subject to Section 43.1211, the [The] governing body of
 14-20 a home-rule municipality with more than 225,000 inhabitants by
 14-21 ordinance may annex an area for the limited purposes of applying its
 14-22 planning, zoning, health, and safety ordinances in the area.

14-23 (c) The provisions of this subchapter, other than Sections
 14-24 43.1211 and [Section] 43.136, do not affect the authority of a
 14-25 municipality to annex an area for limited purposes under Section
 14-26 43.136 or any other statute granting the authority to annex for
 14-27 limited purposes.

14-28 SECTION 38. Subchapter F, Chapter 43, Local Government
 14-29 Code, is amended by adding Section 43.1211 to read as follows:

14-30 Sec. 43.1211. AUTHORITY OF CERTAIN TIER 2 MUNICIPALITIES TO
 14-31 ANNEX FOR LIMITED PURPOSES. Except as provided by Section 43.0751,
 14-32 beginning December 1, 2017, a tier 2 municipality described by
 14-33 Section 43.121(a) may annex an area for the limited purposes of
 14-34 applying its planning, zoning, health, and safety ordinances in the
 14-35 area using the procedures under Subchapter C-3, C-4, or C-5, as
 14-36 applicable.

14-37 SECTION 39. Sections 43.141(a) and (b), Local Government
 14-38 Code, are amended to read as follows:

14-39 (a) A majority of the qualified voters of an annexed area
 14-40 may petition the governing body of the municipality to disannex the
 14-41 area if the municipality fails or refuses to provide services or to
 14-42 cause services to be provided to the area:

14-43 (1) if the municipality is a tier 1 municipality,
 14-44 within the period specified by Section 43.056 or by the service plan
 14-45 prepared for the area under that section; or

14-46 (2) if the municipality is a tier 2 municipality,
 14-47 within the period specified by the written agreement under Section
 14-48 43.0672 or the resolution under Section 43.0682 or 43.0692, as
 14-49 applicable.

14-50 (b) If the governing body fails or refuses to disannex the
 14-51 area within 60 days after the date of the receipt of the petition,
 14-52 any one or more of the signers of the petition may bring a cause of
 14-53 action in a district court of the county in which the area is
 14-54 principally located to request that the area be disannexed. On the
 14-55 filing of an answer by the governing body, and on application of
 14-56 either party, the case shall be advanced and heard without further
 14-57 delay in accordance with the Texas Rules of Civil Procedure. The
 14-58 district court shall enter an order disannexing the area if the
 14-59 court finds that a valid petition was filed with the municipality
 14-60 and that the municipality failed to:

14-61 (1) perform its obligations in accordance with:

14-62 (A) the service plan under Section 43.056;

14-63 (B) the written agreement entered into under
 14-64 Section 43.0672; or

14-65 (C) the resolution adopted under Section 43.0682
 14-66 or 43.0692, as applicable; or

14-67 (2) [failed to] perform in good faith.

14-68 SECTION 40. Sections 43.203(a) and (b), Local Government
 14-69 Code, are amended to read as follows:

15-1 (a) Notwithstanding any other law, the [The] governing body
15-2 of a district by resolution may petition a municipality to alter the
15-3 annexation status of land in the district from full-purpose
15-4 annexation to limited-purpose annexation.

15-5 (b) On receipt of the district's petition, the governing
15-6 body of the municipality shall enter into negotiations with the
15-7 district for an agreement to alter the status of annexation that
15-8 must:

15-9 (1) specify the period, which may not be less than 10
15-10 years beginning on January 1 of the year following the date of the
15-11 agreement, in which limited-purpose annexation is in effect;

15-12 (2) provide that, at the expiration of the period, the
15-13 district's annexation status will automatically revert to
15-14 full-purpose annexation without following procedures provided by
15-15 Sections 43.014 and 43.052 [43.051] through 43.055 or any other
15-16 procedural requirement for annexation not in effect on January 1,
15-17 1995; and

15-18 (3) specify the financial obligations of the district
15-19 during and after the period of limited-purpose annexation for:

15-20 (A) facilities constructed by the municipality
15-21 that are in or that serve the district;

15-22 (B) debt incurred by the district for water and
15-23 sewer infrastructure that will be assumed by the municipality at
15-24 the end of the period of limited-purpose annexation; and

15-25 (C) use of the municipal sales taxes collected by
15-26 the municipality for facilities or services in the district.

15-27 SECTION 41. Section 43.905(a), Local Government Code, is
15-28 amended to read as follows:

15-29 (a) A municipality that proposes to annex an area shall
15-30 provide written notice of the proposed annexation to each public
15-31 school district located in the area proposed for annexation within
15-32 the period prescribed for providing [publishing] the notice of the
15-33 first hearing under Section 43.0561, [or] 43.063, 43.0673, 43.0683,
15-34 or 43.0693, as applicable.

15-35 SECTION 42. Subchapter Z, Chapter 43, Local Government
15-36 Code, is amended by adding Section 43.9051 to read as follows:

15-37 Sec. 43.9051. EFFECT OF ANNEXATION ON PUBLIC ENTITIES OR
15-38 POLITICAL SUBDIVISIONS. (a) In this section, "public entity"
15-39 includes a county, fire protection service provider, including a
15-40 volunteer fire department, emergency medical services provider,
15-41 including a volunteer emergency medical services provider, or
15-42 special district, as that term is defined by Section 43.052.

15-43 (b) A municipality that proposes to annex an area shall
15-44 provide written notice of the proposed annexation within the period
15-45 prescribed for providing the notice of the first hearing under
15-46 Section 43.0561, 43.063, 43.0673, 43.0683, or 43.0693, as
15-47 applicable, to each public entity that is located in or provides
15-48 services to the area proposed for annexation.

15-49 (c) A municipality that proposes to enter into a strategic
15-50 partnership agreement under Section 43.0751 shall provide written
15-51 notice of the proposed agreement within the period prescribed for
15-52 providing the notice of the first hearing under Section 43.0751 to
15-53 each political subdivision that is located in or provides services
15-54 to the area subject to the proposed agreement.

15-55 (d) A notice to a public entity or political subdivision
15-56 shall contain a description of:

15-57 (1) the area proposed for annexation;

15-58 (2) any financial impact on the public entity or
15-59 political subdivision resulting from the annexation, including any
15-60 changes in the public entity's or political subdivision's revenues
15-61 or maintenance and operation costs; and

15-62 (3) any proposal the municipality has to abate,
15-63 reduce, or limit any financial impact on the public entity or
15-64 political subdivision.

15-65 (e) The municipality may not proceed with the annexation
15-66 unless the municipality provides the required notice under this
15-67 section.

15-68 SECTION 43. Section 8395.151, Special District Local Laws
15-69 Code, is amended to read as follows:

16-1 Sec. 8395.151. ANNEXATION BY MUNICIPALITY. (a) The
16-2 governing body of a [A] municipality that plans to [may] annex all
16-3 or part of the district first must adopt a resolution of intention
16-4 to annex all or part of the district and transmit that resolution to
16-5 the district and the following districts:

- 16-6 (1) Travis County Municipal Utility District No. 4;
- 16-7 (2) Travis County Municipal Utility District No. 5;
- 16-8 (3) Travis County Municipal Utility District No. 6;
- 16-9 (4) Travis County Municipal Utility District No. 7;
- 16-10 (5) Travis County Municipal Utility District No. 8;
- 16-11 (6) Travis County Municipal Utility District No. 9;

16-12 and

- 16-13 (7) Travis County Water Control and Improvement
- 16-14 District No. 19.

16-15 (b) On receipt of a resolution described by Subsection (a),
16-16 the district and each of the districts listed in Subsection (a)
16-17 shall call an election to be held on the next uniform election date
16-18 on the question of whether the annexation should be authorized.

16-19 (c) The municipality may annex the territory described by
16-20 the resolution only if a majority of the total number of voters
16-21 voting in all of the districts' elections vote in favor of
16-22 authorizing the annexation.

16-23 (d) The municipality seeking annexation shall pay the costs
16-24 of the elections held under this section [on the earlier of:

16-25 ~~[(1) the installation of 90 percent of all works,~~
16-26 ~~improvements, facilities, plants, equipment, and appliances~~
16-27 ~~necessary and adequate to:~~

16-28 ~~[(A) provide service to the proposed development~~
16-29 ~~within the district;~~

16-30 ~~[(B) accomplish the purposes for which the~~
16-31 ~~district was created; and~~

16-32 ~~[(C) exercise the powers provided by general law~~
16-33 ~~and this chapter; or~~

16-34 ~~[(2) the 20th anniversary of the date the district was~~
16-35 ~~confirmed].~~

16-36 SECTION 44. Section 8396.151, Special District Local Laws
16-37 Code, is amended to read as follows:

16-38 Sec. 8396.151. ANNEXATION BY MUNICIPALITY. (a) The
16-39 governing body of a [A] municipality that plans to [may] annex all
16-40 or part of the district first must adopt a resolution of intention
16-41 to annex all or part of the district and transmit that resolution to
16-42 the district and the following districts:

- 16-43 (1) Travis County Municipal Utility District No. 3;
- 16-44 (2) Travis County Municipal Utility District No. 5;
- 16-45 (3) Travis County Municipal Utility District No. 6;
- 16-46 (4) Travis County Municipal Utility District No. 7;
- 16-47 (5) Travis County Municipal Utility District No. 8;
- 16-48 (6) Travis County Municipal Utility District No. 9;

16-49 and

- 16-50 (7) Travis County Water Control and Improvement
- 16-51 District No. 19.

16-52 (b) On receipt of a resolution described by Subsection (a),
16-53 the district and each of the districts listed in Subsection (a)
16-54 shall call an election to be held on the next uniform election date
16-55 on the question of whether the annexation should be authorized.

16-56 (c) The municipality may annex the territory described in
16-57 the resolution only if a majority of the total number of voters
16-58 voting in all of the districts' elections vote in favor of
16-59 authorizing the annexation.

16-60 (d) The municipality seeking annexation shall pay the costs
16-61 of the elections held under this section [on the earlier of:

16-62 ~~[(1) the installation of 90 percent of all works,~~
16-63 ~~improvements, facilities, plants, equipment, and appliances~~
16-64 ~~necessary and adequate to:~~

16-65 ~~[(A) provide service to the proposed development~~
16-66 ~~within the district;~~

16-67 ~~[(B) accomplish the purposes for which the~~
16-68 ~~district was created; and~~

16-69 ~~[(C) exercise the powers provided by general law~~

17-1 ~~and this chapter, or~~
17-2 ~~[(2) the 20th anniversary of the date the district was~~
17-3 ~~confirmed].~~

17-4 SECTION 45. Section 8397.151, Special District Local Laws
17-5 Code, is amended to read as follows:

17-6 Sec. 8397.151. ANNEXATION BY MUNICIPALITY. (a) The
17-7 governing body of a [A] municipality that plans to [may] annex all
17-8 or part of the district first must adopt a resolution of intention
17-9 to annex all or part of the district and transmit that resolution to
17-10 the district and the following districts:

- 17-11 (1) Travis County Municipal Utility District No. 3;
- 17-12 (2) Travis County Municipal Utility District No. 4;
- 17-13 (3) Travis County Municipal Utility District No. 6;
- 17-14 (4) Travis County Municipal Utility District No. 7;
- 17-15 (5) Travis County Municipal Utility District No. 8;
- 17-16 (6) Travis County Municipal Utility District No. 9;

17-17 and
17-18 (7) Travis County Water Control and Improvement
17-19 District No. 19.

17-20 (b) On receipt of a resolution described by Subsection (a),
17-21 the district and each of the districts listed in Subsection (a)
17-22 shall call an election to be held on the next uniform election date
17-23 on the question of whether the annexation should be authorized.

17-24 (c) The municipality may annex the territory described in
17-25 the resolution only if a majority of the total number of voters
17-26 voting in all of the districts' elections vote in favor of
17-27 authorizing the annexation.

17-28 (d) The municipality seeking annexation shall pay the costs
17-29 of the elections held under this section [on the earlier of:

17-30 ~~(1) the installation of 90 percent of all works,~~
17-31 ~~improvements, facilities, plants, equipment, and appliances~~
17-32 ~~necessary and adequate to:~~

17-33 ~~[(A) provide service to the proposed development~~
17-34 ~~within the district;~~

17-35 ~~[(B) accomplish the purposes for which the~~
17-36 ~~district was created; and~~

17-37 ~~[(C) exercise the powers provided by general law~~
17-38 ~~and this chapter, or~~

17-39 ~~[(2) the 20th anniversary of the date the district was~~
17-40 ~~confirmed].~~

17-41 SECTION 46. Section 8398.151, Special District Local Laws
17-42 Code, is amended to read as follows:

17-43 Sec. 8398.151. ANNEXATION BY MUNICIPALITY. (a) The
17-44 governing body of a [A] municipality that plans to [may] annex all
17-45 or part of the district first must adopt a resolution of intention
17-46 to annex all or part of the district and transmit that resolution to
17-47 the district and the following districts:

- 17-48 (1) Travis County Municipal Utility District No. 3;
- 17-49 (2) Travis County Municipal Utility District No. 4;
- 17-50 (3) Travis County Municipal Utility District No. 5;
- 17-51 (4) Travis County Municipal Utility District No. 7;
- 17-52 (5) Travis County Municipal Utility District No. 8;
- 17-53 (6) Travis County Municipal Utility District No. 9;

17-54 and
17-55 (7) Travis County Water Control and Improvement
17-56 District No. 19.

17-57 (b) On receipt of a resolution described by Subsection (a),
17-58 the district and each of the districts listed in Subsection (a)
17-59 shall call an election to be held on the next uniform election date
17-60 on the question of whether the annexation should be authorized.

17-61 (c) The municipality may annex the territory described in
17-62 the resolution only if a majority of the total number of voters
17-63 voting in all of the districts' elections vote in favor of
17-64 authorizing the annexation.

17-65 (d) The municipality seeking annexation shall pay the costs
17-66 of the elections held under this section [on the earlier of:

17-67 ~~(1) the installation of 90 percent of all works,~~
17-68 ~~improvements, facilities, plants, equipment, and appliances~~
17-69 ~~necessary and adequate to:~~

18-1 ~~[(A) provide service to the proposed development~~
18-2 ~~within the district;~~
18-3 ~~[(B) accomplish the purposes for which the~~
18-4 ~~district was created; and~~
18-5 ~~[(C) exercise the powers provided by general law~~
18-6 ~~and this chapter; or~~
18-7 ~~[(2) the 20th anniversary of the date the district was~~
18-8 ~~confirmed].~~

18-9 SECTION 47. Section 8399.151, Special District Local Laws
18-10 Code, is amended to read as follows:

18-11 Sec. 8399.151. ANNEXATION BY MUNICIPALITY. (a) The
18-12 governing body of a [A] municipality that plans to [may] annex all
18-13 or part of the district first must adopt a resolution of intention
18-14 to annex all or part of the district and transmit that resolution to
18-15 the district and the following districts:

- 18-16 (1) Travis County Municipal Utility District No. 3;
- 18-17 (2) Travis County Municipal Utility District No. 4;
- 18-18 (3) Travis County Municipal Utility District No. 5;
- 18-19 (4) Travis County Municipal Utility District No. 6;
- 18-20 (5) Travis County Municipal Utility District No. 8;
- 18-21 (6) Travis County Municipal Utility District No. 9;

18-22 and

- 18-23 (7) Travis County Water Control and Improvement
- 18-24 District No. 19.

18-25 (b) On receipt of a resolution described by Subsection (a),
18-26 the district and each of the districts listed in Subsection (a)
18-27 shall call an election to be held on the next uniform election date
18-28 on the question of whether the annexation should be authorized.

18-29 (c) The municipality may annex the territory described in
18-30 the resolution only if a majority of the total number of voters
18-31 voting in all of the districts' elections vote in favor of
18-32 authorizing the annexation.

18-33 (d) The municipality seeking annexation shall pay the costs
18-34 of the elections held under this section [on the earlier of:

18-35 ~~[(1) the installation of 90 percent of all works,~~
18-36 ~~improvements, facilities, plants, equipment, and appliances~~
18-37 ~~necessary and adequate to:~~

18-38 ~~[(A) provide service to the proposed development~~
18-39 ~~within the district;~~

18-40 ~~[(B) accomplish the purposes for which the~~
18-41 ~~district was created; and~~

18-42 ~~[(C) exercise the powers provided by general law~~
18-43 ~~and this chapter; or~~

18-44 ~~[(2) the 20th anniversary of the date the district was~~
18-45 ~~confirmed].~~

18-46 SECTION 48. Section 8400.151, Special District Local Laws
18-47 Code, is amended to read as follows:

18-48 Sec. 8400.151. ANNEXATION BY MUNICIPALITY. (a) The
18-49 governing body of a [A] municipality that plans to [may] annex all
18-50 or part of the district first must adopt a resolution of intention
18-51 to annex all or part of the district and transmit that resolution to
18-52 the district and the following districts:

- 18-53 (1) Travis County Municipal Utility District No. 3;
- 18-54 (2) Travis County Municipal Utility District No. 4;
- 18-55 (3) Travis County Municipal Utility District No. 5;
- 18-56 (4) Travis County Municipal Utility District No. 6;
- 18-57 (5) Travis County Municipal Utility District No. 7;
- 18-58 (6) Travis County Municipal Utility District No. 9;

18-59 and

- 18-60 (7) Travis County Water Control and Improvement
- 18-61 District No. 19.

18-62 (b) On receipt of a resolution described by Subsection (a),
18-63 the district and each of the districts listed in Subsection (a)
18-64 shall call an election to be held on the next uniform election date
18-65 on the question of whether the annexation should be authorized.

18-66 (c) The municipality may annex the territory described in
18-67 the resolution only if a majority of the total number of voters
18-68 voting in all of the districts' elections vote in favor of
18-69 authorizing the annexation.

19-1 (d) The municipality seeking annexation shall pay the costs
 19-2 of the elections held under this section [on the earlier of:
 19-3 (1) the installation of 90 percent of all works,
 19-4 improvements, facilities, plants, equipment, and appliances
 19-5 necessary and adequate to:
 19-6 [(A) provide service to the proposed development
 19-7 within the district;
 19-8 [(B) accomplish the purposes for which the
 19-9 district was created; and
 19-10 [(C) exercise the powers provided by general law
 19-11 and this chapter; or
 19-12 (2) the 20th anniversary of the date the district was
 19-13 confirmed].

19-14 SECTION 49. Section **8401.151**, Special District Local Laws
 19-15 Code, is amended to read as follows:

19-16 Sec. 8401.151. ANNEXATION BY MUNICIPALITY. (a) The
 19-17 governing body of a [A] municipality that plans to [may] annex all
 19-18 or part of the district first must adopt a resolution of intention
 19-19 to annex all or part of the district and transmit that resolution to
 19-20 the district and the following districts:

- 19-21 (1) Travis County Municipal Utility District No. 3;
- 19-22 (2) Travis County Municipal Utility District No. 4;
- 19-23 (3) Travis County Municipal Utility District No. 5;
- 19-24 (4) Travis County Municipal Utility District No. 6;
- 19-25 (5) Travis County Municipal Utility District No. 7;
- 19-26 (6) Travis County Municipal Utility District No. 8;

19-27 and

19-28 (7) Travis County Water Control and Improvement
 19-29 District No. 19.

19-30 (b) On receipt of a resolution described by Subsection (a),
 19-31 the district and each of the districts listed in Subsection (a)
 19-32 shall call an election to be held on the next uniform election date
 19-33 on the question of whether the annexation should be authorized.

19-34 (c) The municipality may annex the territory described in
 19-35 the resolution only if a majority of the total number of voters
 19-36 voting in all of the districts' elections vote in favor of
 19-37 authorizing the annexation.

19-38 (d) The municipality seeking annexation shall pay the costs
 19-39 of the elections held under this section [on the earlier of:

19-40 (1) the installation of 90 percent of all works,
 19-41 improvements, facilities, plants, equipment, and appliances
 19-42 necessary and adequate to:
 19-43 [(A) provide service to the proposed development
 19-44 within the district;
 19-45 [(B) accomplish the purposes for which the
 19-46 district was created; and
 19-47 [(C) exercise the powers provided by general law
 19-48 and this chapter; or
 19-49 (2) the 20th anniversary of the date the district was
 19-50 confirmed].

19-51 SECTION 50. Section **8489.109**, Special District Local Laws
 19-52 Code, is amended to read as follows:

19-53 Sec. 8489.109. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT.
 19-54 For the purposes of Section **43.003(2)** [**43.021(2)**], Local Government
 19-55 Code, or other law, including a municipal charter or ordinance
 19-56 relating to annexation, an area adjacent to the district or any new
 19-57 district created by the division of the district is considered
 19-58 adjacent to a municipality in whose corporate limits or
 19-59 extraterritorial jurisdiction any of the land in the area described
 19-60 by Section 2 of the Act enacting this chapter is located.

19-61 SECTION 51. Section **9038.110**, Special District Local Laws
 19-62 Code, is amended to read as follows:

19-63 Sec. 9038.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT.
 19-64 For the purposes of Section **43.003(2)** [**43.021(2)**], Local Government
 19-65 Code, or other law, including a municipal charter or ordinance
 19-66 relating to annexation, an area adjacent to the district or any new
 19-67 district created by the division of the district is considered
 19-68 adjacent to a municipality in whose corporate limits or
 19-69 extraterritorial jurisdiction any of the land in the area described

20-1 by Section 2 of the Act creating this chapter is located.

20-2 SECTION 52. Section 9039.110, Special District Local Laws
20-3 Code, is amended to read as follows:

20-4 Sec. 9039.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT.
20-5 For the purposes of Section 43.003(2) [~~43.021(2)~~], Local Government
20-6 Code, or other law, including a municipal charter or ordinance
20-7 relating to annexation, an area adjacent to the district or any new
20-8 district created by the division of the district is considered
20-9 adjacent to a municipality in whose corporate limits or
20-10 extraterritorial jurisdiction any of the land in the area described
20-11 by Section 2 of the Act creating this chapter is located.

20-12 SECTION 53. Subtitle I, Title 6, Special District Local
20-13 Laws Code, is amended by adding Chapter 9073 to read as follows:

20-14 CHAPTER 9073. TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT
20-15 NO. 19; ANNEXATION

20-16 Sec. 9073.001. DEFINITION. In this chapter, "district"
20-17 means the Travis County Water Control and Improvement District
20-18 No. 19.

20-19 Sec. 9073.002. ANNEXATION BY MUNICIPALITY. (a) The
20-20 governing body of a municipality that plans to annex all or part of
20-21 the district first must adopt a resolution of intention to annex all
20-22 or part of the district and transmit that resolution to the district
20-23 and the following districts:

20-24 (1) Travis County Municipal Utility District No. 3;
20-25 (2) Travis County Municipal Utility District No. 4;
20-26 (3) Travis County Municipal Utility District No. 5;
20-27 (4) Travis County Municipal Utility District No. 6;
20-28 (5) Travis County Municipal Utility District No. 7;
20-29 (6) Travis County Municipal Utility District No. 8;

20-30 and

20-31 (7) Travis County Municipal Utility District No. 9.

20-32 (b) On receipt of a resolution described by Subsection (a),
20-33 the district and each of the districts listed in Subsection (a)
20-34 shall call an election to be held on the next uniform election date
20-35 on the question of whether the annexation should be authorized.

20-36 (c) The municipality may annex the territory described in
20-37 the resolution only if a majority of the total number of voters
20-38 voting in all of the districts' elections vote in favor of
20-39 authorizing the annexation.

20-40 (d) The municipality seeking annexation shall pay the costs
20-41 of the elections held under this section.

20-42 SECTION 54. (a) Sections 43.036, 43.0546, 43.056(d) and
20-43 (h), 43.0565, 43.0567, 43.1025(e) and (g), and 43.906, Local
20-44 Government Code, are repealed.

20-45 (b) Section 43.056(p), Local Government Code, as amended by
20-46 S.B. 1878, Acts of the 85th Legislature, Regular Session, 2017, is
20-47 repealed.

20-48 (c) Section 5.701(n)(6), Water Code, is repealed.

20-49 (d) The repeal of Section 43.036, Local Government Code, by
20-50 this Act does not affect a boundary change agreement entered into
20-51 under that section, the release and transfer of area under a
20-52 boundary change agreement entered into under that section, or the
20-53 requirements related to a boundary change agreement entered into
20-54 under that section.

20-55 (e) The repeal of Sections 43.056(d), (h), and (p) and
20-56 Sections 43.0565 and 43.0567, Local Government Code, by this Act
20-57 and the change in law made by this Act to Sections 43.056(l) and
20-58 (n), Local Government Code, do not affect a right, requirement,
20-59 limitation, or remedy provided for under those sections and
20-60 applicable in an area annexed by a municipality for which the first
20-61 hearing notice required by Section 43.0561 or 43.063, Local
20-62 Government Code, as applicable, was published before December 1,
20-63 2017.

20-64 SECTION 55. The changes in law made by this Act apply to the
20-65 annexation of an area subject to a development agreement entered
20-66 into by a municipality with a population of more than 227,000 and
20-67 less than 236,000, according to the 2010 federal decennial census,
20-68 under Section 212.172, Local Government Code, before the effective
20-69 date of this Act that is initiated on or after the expiration date

21-1 provided for in the agreement. The annexation of an area subject to
21-2 the agreement that is initiated before the expiration date of the
21-3 agreement as the result of a termination of the agreement is
21-4 governed by the law in effect on January 1, 2017, and the former law
21-5 is continued in effect for that purpose.

21-6 SECTION 56. The changes in law made by this Act apply only
21-7 to the annexation of an area that is not final on the effective date
21-8 of this Act. An annexation of an area that was final before the
21-9 effective date of this Act is governed by those portions of Chapter
21-10 43, Local Government Code, that relate to post-annexation
21-11 procedures and requirements in effect immediately before the
21-12 effective date of this Act, and that law is continued in effect for
21-13 that purpose.

21-14 SECTION 57. This Act takes effect December 1, 2017.

21-15

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