

By: Huberty, Larson, Workman, Bailes, et al.

H.B. No. 424

Substitute the following for H.B. No. 424:

By: Herrero

C.S.H.B. No. 424

A BILL TO BE ENTITLED

AN ACT

relating to municipal annexation.

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

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

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

(1) fix the boundaries of the municipality;

(2) extend the boundaries of the municipality and annex area adjacent to the municipality; and

(3) exchange area with other municipalities.

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

SUBCHAPTER A-1. GENERAL AUTHORITY TO ANNEX

Sec. 43.011. APPLICABILITY. This subchapter applies to:

(1) a municipality wholly located in one or more counties each with a population of less than 500,000; and

(2) notwithstanding Subchapter C-4 or C-5:

1 (A) a municipality wholly or partly located in a
2 county with a population of 500,000 or more; and

3 (B) a municipality described by Subdivision (1)
4 that proposes to annex an area in a county with a population of
5 500,000 or more.

6 SECTION 3. Section 43.026, Local Government Code, is
7 transferred to Subchapter A-1, Chapter 43, Local Government Code,
8 as added by this Act, redesignated as Section 43.012, Local
9 Government Code, and amended to read as follows:

10 Sec. 43.012 [43.026]. AUTHORITY OF TYPE A GENERAL-LAW
11 MUNICIPALITY TO ANNEX AREA IT OWNS. The governing body of a Type A
12 general-law municipality by ordinance may annex area that the
13 municipality owns under the procedures prescribed by Subchapter
14 C-1. The ordinance must describe the area by metes and bounds and
15 must be entered in the minutes of the governing body.

16 SECTION 4. Section 43.027, Local Government Code, is
17 transferred to Subchapter A-1, Chapter 43, Local Government Code,
18 as added by this Act, redesignated as Section 43.013, Local
19 Government Code, and amended to read as follows:

20 Sec. 43.013 [43.027]. AUTHORITY OF [GENERAL-LAW]
21 MUNICIPALITY TO ANNEX NAVIGABLE STREAM. The governing body of a
22 [~~general-law~~] municipality by ordinance may annex any navigable
23 stream adjacent to the municipality and within the municipality's
24 extraterritorial jurisdiction under the procedures prescribed by
25 Subchapter C-1.

26 SECTION 5. Section 43.051, Local Government Code, is
27 transferred to Subchapter A-1, Chapter 43, Local Government Code,

1 as added by this Act, and redesignated as Section 43.014, Local
2 Government Code, to read as follows:

3 Sec. 43.014 [~~43.051~~]. AUTHORITY TO ANNEX LIMITED TO
4 EXTRATERRITORIAL JURISDICTION. A municipality may annex area only
5 in its extraterritorial jurisdiction unless the municipality owns
6 the area.

7 SECTION 6. Section 43.031, Local Government Code, is
8 transferred to Subchapter A-1, Chapter 43, Local Government Code,
9 as added by this Act, and redesignated as Section 43.015, Local
10 Government Code, to read as follows:

11 Sec. 43.015 [~~43.031~~]. AUTHORITY OF ADJACENT MUNICIPALITIES
12 TO CHANGE BOUNDARIES BY AGREEMENT. Adjacent municipalities may
13 make mutually agreeable changes in their boundaries of areas that
14 are less than 1,000 feet in width.

15 SECTION 7. Section 43.035, Local Government Code, is
16 transferred to Subchapter A-1, Chapter 43, Local Government Code,
17 as added by this Act, redesignated as Section 43.016, Local
18 Government Code, and amended to read as follows:

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

22 (1) eligible to be the subject of a development
23 agreement under Subchapter G, Chapter 212; and

24 (2) appraised for ad valorem tax purposes as land for
25 agricultural or wildlife management use under Subchapter C or D,
26 Chapter 23, Tax Code, or as timber land under Subchapter E of that
27 chapter.

1 (b) A municipality may not annex an area to which this
2 section applies unless:

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

5 (A) guarantee the continuation of the
6 extraterritorial status of the area; and

7 (B) authorize the enforcement of all regulations
8 and planning authority of the municipality that do not interfere
9 with the use of the area for agriculture, wildlife management, or
10 timber; and

11 (2) the landowner declines to make the agreement
12 described by Subdivision (1).

13 (c) For purposes of Section 43.003(2) [~~43.021(2)~~] or
14 another law, including a municipal charter or ordinance, relating
15 to municipal authority to annex an area adjacent to the
16 municipality, an area adjacent or contiguous to an area that is the
17 subject of a development agreement described by Subsection (b)(1)
18 is considered adjacent or contiguous to the municipality.

19 (d) A provision of a development agreement described by
20 Subsection (b)(1) that restricts or otherwise limits the annexation
21 of all or part of the area that is the subject of the agreement is
22 void if the landowner files any type of subdivision plat or related
23 development document for the area with a governmental entity that
24 has jurisdiction over the area, regardless of how the area is
25 appraised for ad valorem tax purposes.

26 (e) A development agreement described by Subsection (b)(1)
27 is not a permit for purposes of Chapter 245.

1 SECTION 8. Section 43.037, Local Government Code, is
2 transferred to Subchapter A-1, Chapter 43, Local Government Code,
3 as added by this Act, and redesignated as Section 43.017, Local
4 Government Code, to read as follows:

5 Sec. 43.017 [~~43.037~~]. PROHIBITION AGAINST ANNEXATION TO
6 SURROUND MUNICIPALITY IN CERTAIN COUNTIES. A municipality with a
7 population of more than 175,000 located in a county that contains an
8 international border and borders the Gulf of Mexico may not annex an
9 area that would cause another municipality to be entirely
10 surrounded by the corporate limits or extraterritorial
11 jurisdiction of the annexing municipality.

12 SECTION 9. The heading to Subchapter B, Chapter 43, Local
13 Government Code, is amended to read as follows:

14 SUBCHAPTER B. GENERAL AUTHORITY TO ANNEX: MUNICIPALITIES WHOLLY
15 LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

16 SECTION 10. Subchapter B, Chapter 43, Local Government
17 Code, is amended by adding Section 43.0205 to read as follows:

18 Sec. 43.0205. APPLICABILITY. (a) Except as provided by
19 Subsection (b), this subchapter applies only to a municipality
20 wholly located in one or more counties each with a population of
21 less than 500,000.

22 (b) This subchapter does not apply to a municipality
23 described by Subsection (a) that proposes to annex an area in a
24 county with a population of 500,000 or more.

25 SECTION 11. The heading to Subchapter C, Chapter 43, Local
26 Government Code, is amended to read as follows:

27 SUBCHAPTER C. ANNEXATION PROCEDURE FOR AREAS ANNEXED UNDER

1 MUNICIPAL ANNEXATION PLAN: MUNICIPALITIES WHOLLY LOCATED IN
2 COUNTIES WITH POPULATION OF LESS THAN 500,000

3 SECTION 12. Subchapter C, Chapter 43, Local Government
4 Code, is amended by adding Section 43.0505 to read as follows:

5 Sec. 43.0505. APPLICABILITY. (a) Except as provided by
6 Subsection (b), this subchapter applies only to a municipality
7 wholly located in one or more counties each with a population of
8 less than 500,000.

9 (b) Unless otherwise specifically provided by this chapter,
10 this subchapter does not apply to:

11 (1) a municipality wholly or partly located in a
12 county with a population of 500,000 or more; or

13 (2) a municipality described by Subsection (a) that
14 proposes to annex an area in a county with a population of 500,000
15 or more.

16 SECTION 13. Section 43.052(h), Local Government Code, is
17 amended to read as follows:

18 (h) This section does not apply to an area proposed for
19 annexation if:

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

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

27 (3) the area is or was the subject of:

1 (A) an industrial district contract under
2 Section 42.044; or

3 (B) a strategic partnership agreement under
4 Section 43.0751;

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

7 (5) the area is annexed under Section 43.012, 43.013,
8 43.015 [~~43.026, 43.027~~], or 43.029 [~~, or 43.031~~];

9 (6) the area is located completely within the
10 boundaries of a closed military installation; or

11 (7) the municipality determines that the annexation of
12 the area is necessary to protect the area proposed for annexation or
13 the municipality from:

14 (A) imminent destruction of property or injury to
15 persons; or

16 (B) a condition or use that constitutes a public
17 or private nuisance as defined by background principles of nuisance
18 and property law of this state.

19 SECTION 14. Section 43.054(a), Local Government Code, is
20 amended to read as follows:

21 (a) A municipality [~~with a population of less than 1.6~~
22 ~~million~~] may not annex a publicly or privately owned area,
23 including a strip of area following the course of a road, highway,
24 river, stream, or creek, unless the width of the area at its
25 narrowest point is at least 1,000 feet.

26 SECTION 15. Section 43.056(1), Local Government Code, is
27 amended to read as follows:

1 (1) A service plan is valid for 10 years. Renewal of the
2 service plan is at the discretion of the municipality. [~~A person
3 residing or owning land in an annexed area in a municipality with a
4 population of 1.6 million or more may enforce a service plan by
5 petitioning the municipality for a change in policy or procedures
6 to ensure compliance with the service plan. If the municipality
7 fails to take action with regard to the petition, the petitioner may
8 request arbitration of the dispute under Section [43.0565](#).~~] A
9 person residing or owning land in an annexed area [~~in a municipality
10 with a population of less than 1.6 million~~] may enforce a service
11 plan by applying for a writ of mandamus not later than the second
12 anniversary of the date the person knew or should have known that
13 the municipality was not complying with the service plan. If a writ
14 of mandamus is applied for, the municipality has the burden of
15 proving that the services have been provided in accordance with the
16 service plan in question. If a court issues a writ under this
17 subsection, the court:

18 (1) must provide the municipality the option of
19 disannexing the area within a reasonable period specified by the
20 court;

21 (2) may require the municipality to comply with the
22 service plan in question before a reasonable date specified by the
23 court if the municipality does not disannex the area within the
24 period prescribed by the court under Subdivision (1);

25 (3) may require the municipality to refund to the
26 landowners of the annexed area money collected by the municipality
27 from those landowners for services to the area that were not

1 provided;

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

6 (5) may require the parties to participate in
7 mediation; and

8 (6) may require the municipality to pay the person's
9 costs and reasonable attorney's fees in bringing the action for the
10 writ.

11 SECTION 16. Section 43.0562(a), Local Government Code, is
12 amended to read as follows:

13 (a) After holding the hearings as provided by Section
14 43.0561:

15 (1) [~~if a municipality has a population of less than~~
16 ~~1.6 million,~~] the municipality and the property owners of the area
17 proposed for annexation shall negotiate for the provision of
18 services to the area after annexation or for the provision of
19 services to the area in lieu of annexation under Section 43.0563; or

20 (2) if a municipality proposes to annex a special
21 district, as that term is defined by Section 43.052, the
22 municipality and the governing body of the district shall negotiate
23 for the provision of services to the area after annexation or for
24 the provision of services to the area in lieu of annexation under
25 Section 43.0751.

26 SECTION 17. Section 43.0563(a), Local Government Code, is
27 amended to read as follows:

1 (a) The governing body of a municipality [~~with a population~~
2 ~~of less than 1.6 million~~] may negotiate and enter into a written
3 agreement for the provision of services and the funding of the
4 services in an area with:

5 (1) representatives designated under Section
6 43.0562(b), if the area is included in the municipality's
7 annexation plan; or

8 (2) an owner of an area within the extraterritorial
9 jurisdiction of the municipality if the area is not included in the
10 municipality's annexation plan.

11 SECTION 18. The heading to Subchapter C-1, Chapter 43,
12 Local Government Code, is amended to read as follows:

13 SUBCHAPTER C-1. ANNEXATION PROCEDURE FOR AREAS EXEMPTED FROM
14 MUNICIPAL ANNEXATION PLAN: MUNICIPALITIES WHOLLY LOCATED IN
15 COUNTIES WITH POPULATION OF LESS THAN 500,000

16 SECTION 19. Section 43.061, Local Government Code, is
17 amended to read as follows:

18 Sec. 43.061. APPLICABILITY. (a) Except as provided by
19 Subsection (b), this [This] subchapter applies only to an area that
20 is proposed for annexation by a municipality wholly located in one
21 or more counties each with a population of less than 500,000 and
22 that is not required to be included in a municipal annexation plan
23 under Section 43.052(h) [43.052].

24 (b) Unless otherwise specifically provided by this chapter,
25 this subchapter does not apply to an area that is proposed for
26 annexation by:

27 (1) a municipality wholly or partly located in a

1 county with a population of 500,000 or more; or

2 (2) a municipality described by Subsection (a) that
3 proposes to annex an area in a county with a population of 500,000
4 or more.

5 SECTION 20. Section 43.062(a), Local Government Code, is
6 amended to read as follows:

7 (a) Sections [~~43.051,~~] 43.054, 43.0545, 43.055, [~~43.0565,~~
8 ~~43.0567,~~] and 43.057 apply to the annexation of an area to which
9 this subchapter applies.

10 SECTION 21. Section 43.064, Local Government Code, is
11 amended to read as follows:

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

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

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

1 SUBCHAPTER C-2. GENERAL ANNEXATION AUTHORITY AND PROCEDURES:
2 MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION
3 OF 500,000 OR MORE

4 Sec. 43.066. APPLICABILITY. This subchapter applies only
5 to:

6 (1) a municipality wholly or partly located in a
7 county with a population of 500,000 or more; and

8 (2) a municipality wholly located in one or more
9 counties each with a population of less than 500,000 that proposes
10 to annex an area in a county with a population of 500,000 or more.

11 Sec. 43.0661. AUTHORITY TO ANNEX NONCONTIGUOUS AREAS. A
12 municipality may annex an area that is noncontiguous to the
13 boundaries of the municipality if the area is in the municipality's
14 extraterritorial jurisdiction.

15 Sec. 43.0662. PROVISION OF CERTAIN SERVICES TO ANNEXED
16 AREA. (a) This section applies only to a municipality that
17 includes solid waste collection services in the list of services
18 that will be provided in the area proposed for annexation on or
19 before the second anniversary of the effective date of the
20 annexation of the area under a written agreement under Section
21 43.0672 or a resolution under Section 43.0682 or 43.0692.

22 (b) A municipality is not required to provide solid waste
23 collection services to a person who continues to use the services of
24 a privately owned solid waste management service provider as
25 provided by Subsection (c).

26 (c) Before the second anniversary of the effective date of
27 the annexation of an area, a municipality may not:

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

3 (2) impose a fee for solid waste management services
4 on a person who continues to use the services of a privately owned
5 solid waste management service provider.

6 Sec. 43.0664. EFFECT ON OTHER LAW. Subchapters C-3 through
7 C-5 do not affect the procedures described by Section 397.005 or
8 397.006 applicable to a defense community as defined by Section
9 397.001.

10 SECTION 23. Section 43.030, Local Government Code, is
11 transferred to Subchapter C-2, Chapter 43, Local Government Code,
12 as added by this Act, redesignated as Section 43.0663, Local
13 Government Code, and amended to read as follows:

14 Sec. 43.0663 [~~43.030~~]. AUTHORITY OF MUNICIPALITY WITH
15 POPULATION OF 74,000 TO 99,700 IN URBAN COUNTY TO ANNEX SMALL,
16 SURROUNDED GENERAL-LAW MUNICIPALITY. (a) Notwithstanding
17 Subchapter C-4 or C-5, a [A] municipality that has a population of
18 74,000 to 99,700, that is located wholly or partly in a county with
19 a population of more than 1.8 million, and that completely
20 surrounds and is contiguous to a general-law municipality with a
21 population of less than 600, may annex the general-law municipality
22 as provided by this section.

23 (b) The governing body of the smaller municipality may adopt
24 an ordinance ordering an election on the question of consenting to
25 the annexation of the smaller municipality by the larger
26 municipality. The governing body of the smaller municipality shall
27 adopt the ordinance if it receives a petition to do so signed by a

1 number of qualified voters of the municipality equal to at least 10
2 percent of the number of voters of the municipality who voted in the
3 most recent general election. If the ordinance ordering the
4 election is to be adopted as a result of a petition, the ordinance
5 shall be adopted within 30 days after the date the petition is
6 received.

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

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

21 (e) The larger municipality, within 90 days after the date
22 the resolution is received, must complete the annexation by
23 ordinance in accordance with its municipal charter or the general
24 laws of the state. If the annexation is not completed within the
25 90-day period, any annexation proceeding is void and the larger
26 municipality may not annex the smaller municipality under this
27 section. However, the failure to complete the annexation as

1 provided by this subsection does not prevent the smaller
2 municipality from holding a new election on the question to enable
3 the larger municipality to annex the smaller municipality as
4 provided by this section.

5 (f) If the larger municipality completes the annexation
6 within the prescribed period, the incorporation of the smaller
7 municipality is abolished. The records, public property, public
8 buildings, money on hand, credit accounts, and other assets of the
9 smaller municipality become the property of the larger municipality
10 and shall be turned over to the officers of that municipality. The
11 offices in the smaller municipality are abolished and the persons
12 holding those offices are not entitled to further remuneration or
13 compensation. All outstanding liabilities of the smaller
14 municipality are assumed by the larger municipality.

15 (g) In the annexation ordinance, the larger municipality
16 shall adopt, for application in the area zoned by the smaller
17 municipality, the identical comprehensive zoning ordinance that
18 the smaller municipality applied to the area at the time of the
19 election. Any attempted annexation of the smaller municipality
20 that does not include the adoption of that comprehensive zoning
21 ordinance is void. That comprehensive zoning ordinance may not be
22 repealed or amended for a period of 10 years unless the written
23 consent of the landowners who own at least two-thirds of the surface
24 land of the annexed smaller municipality is obtained.

25 (h) If the annexed smaller municipality has on hand any bond
26 funds for public improvements that are not appropriated or
27 contracted for, the funds shall be kept in a separate special fund

1 to be used only for public improvements in the area for which the
2 bonds were voted.

3 (i) On the annexation, all claims, fines, debts, or taxes
4 due and payable to the smaller municipality become due and payable
5 to the larger municipality and shall be collected by it. If taxes
6 for the year in which the annexation occurs have been assessed in
7 the smaller municipality before the annexation, the amounts
8 assessed remain as the amounts due and payable from the inhabitants
9 of the smaller municipality for that year.

10 (j) This section does not affect a charter provision of a
11 home-rule municipality. This section grants additional power to
12 the municipality and is cumulative of the municipal charter.

13 SECTION 24. Chapter 43, Local Government Code, is amended
14 by adding Subchapters C-3, C-4, and C-5 to read as follows:

15 SUBCHAPTER C-3. ANNEXATION OF AREA ON REQUEST OF OWNERS:
16 MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION
17 OF 500,000 OR MORE

18 Sec. 43.067. APPLICABILITY. This subchapter applies only
19 to a municipality to which Subchapter C-2 applies.

20 Sec. 43.0671. AUTHORITY TO ANNEX AREA ON REQUEST OF OWNERS.
21 Notwithstanding Subchapter C-4 or C-5, a municipality may annex an
22 area if each owner of land in the area requests the annexation.

23 Sec. 43.0672. WRITTEN AGREEMENT REGARDING SERVICES. (a)
24 The governing body of the municipality that elects to annex an area
25 under this subchapter must first negotiate and enter into a written
26 agreement with the owners of land in the area for the provision of
27 services in the area.

1 (b) The agreement must include:

2 (1) a list of each service the municipality will
3 provide on the effective date of the annexation; and

4 (2) a schedule that includes the period within which
5 the municipality will provide each service that is not provided on
6 the effective date of the annexation.

7 (c) The municipality is not required to provide a service
8 that is not included in the agreement.

9 Sec. 43.0673. PUBLIC HEARINGS. (a) Before a municipality
10 may adopt an ordinance annexing an area under this section, the
11 governing body of the municipality must conduct at least two public
12 hearings.

13 (b) The hearings must be conducted not less than 10 business
14 days apart.

15 (c) During the first public hearing, the governing body must
16 provide persons interested in the annexation the opportunity to be
17 heard. During the final public hearing, the governing body may
18 adopt an ordinance annexing the area.

19 (d) The municipality must post notice of the hearings on the
20 municipality's Internet website if the municipality has an Internet
21 website and publish notice of the hearings in a newspaper of general
22 circulation in the municipality and in the area proposed for
23 annexation. The notice for each hearing must be published at least
24 once on or after the 20th day but before the 10th day before the date
25 of the hearing. The notice for each hearing must be posted on the
26 municipality's Internet website on or after the 20th day but before
27 the 10th day before the date of the hearing and must remain posted

1 until the date of the hearing.

2 SUBCHAPTER C-4. ANNEXATION OF AREAS WITH POPULATION OF LESS THAN
3 200: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH
4 POPULATION OF 500,000 OR MORE

5 Sec. 43.068. APPLICABILITY. This subchapter applies only
6 to a municipality to which Subchapter C-2 applies.

7 Sec. 43.0681. AUTHORITY TO ANNEX. A municipality may annex
8 an area with a population of less than 200 only if the municipality
9 obtains consent to annex the area through a petition signed by more
10 than 50 percent of the registered voters of the area.

11 Sec. 43.0682. RESOLUTION. The governing body of the
12 municipality that proposes to annex an area under this subchapter
13 must adopt a resolution that includes:

14 (1) a statement of the municipality's intent to annex
15 the area;

16 (2) a detailed description and map of the area;

17 (3) a description of each service to be provided by the
18 municipality in the area on or after the effective date of the
19 annexation, including, as applicable:

20 (A) police protection;

21 (B) fire protection;

22 (C) emergency medical services;

23 (D) solid waste collection;

24 (E) operation and maintenance of water and
25 wastewater facilities in the annexed area;

26 (F) operation and maintenance of roads and
27 streets, including road and street lighting;

1 (G) operation and maintenance of parks,
2 playgrounds, and swimming pools; and

3 (H) operation and maintenance of any other
4 publicly owned facility, building, or service;

5 (4) a list of each service the municipality will
6 provide on the effective date of the annexation; and

7 (5) a schedule that includes the period within which
8 the municipality will provide each service that is not provided on
9 the effective date of the annexation.

10 Sec. 43.0683. NOTICE OF PROPOSED ANNEXATION. Not later
11 than the seventh day after the date the governing body of the
12 municipality adopts the resolution under Section 43.0682, the
13 municipality must mail to each resident in the area proposed to be
14 annexed notification of the proposed annexation that includes:

15 (1) notice of the public hearing required by Section
16 43.0684;

17 (2) an explanation of the 180-day petition period
18 described by Section 43.0685; and

19 (3) a description, list, and schedule of services to
20 be provided by the municipality in the area on or after annexation
21 as provided by Section 43.0682.

22 Sec. 43.0684. PUBLIC HEARING. The governing body of a
23 municipality must conduct at least one public hearing not earlier
24 than the 21st day and not later than the 30th day after the date the
25 governing body adopts the resolution under Section 43.0682.

26 Sec. 43.0685. PETITION. (a) The petition required by
27 Section 43.0681 may be signed only by a registered voter of the area

1 proposed to be annexed.

2 (b) The municipality may collect signatures on the petition
3 only during the period beginning on the 31st day after the date the
4 governing body of the municipality adopts the resolution under
5 Section 43.0682 and ending on the 180th day after the date the
6 resolution is adopted.

7 (c) The petition must clearly state that a person signing
8 the petition is consenting to the proposed annexation.

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

11 (e) Signatures collected on the petition must be in writing.

12 (f) Chapter 277, Election Code, applies to a petition under
13 this section.

14 Sec. 43.0686. RESULTS OF PETITION. (a) When the petition
15 period prescribed by Section 43.0685 ends, the petition shall be
16 verified by the municipal secretary or other person responsible for
17 verifying signatures. The municipality must notify the residents
18 of the area proposed to be annexed of the results of the petition.

19 (b) If the municipality does not obtain the number of
20 signatures on the petition required to annex the area, the
21 municipality may not annex the area and may not adopt another
22 resolution under Section 43.0682 to annex the area until the first
23 anniversary of the date the petition period ended.

24 (c) If the municipality obtains the number of signatures on
25 the petition required to annex the area, the municipality may annex
26 the area after:

27 (1) providing notice under Subsection (a);

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

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

6 Sec. 43.0687. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON
7 PETITION. If a petition protesting the annexation of an area under
8 this subchapter is signed by a number of registered voters of the
9 municipality proposing the annexation equal to at least 50 percent
10 of the number of voters who voted in the most recent municipal
11 election and is received by the secretary of the municipality
12 before the date the petition period prescribed by Section 43.0685
13 ends, the municipality may not complete the annexation of the area
14 without approval of a majority of the voters of the municipality
15 voting at an election called and held for that purpose.

16 SUBCHAPTER C-5. ANNEXATION OF AREAS WITH POPULATION OF AT LEAST
17 200: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH
18 POPULATION OF 500,000 OR MORE

19 Sec. 43.069. APPLICABILITY. This subchapter applies only
20 to a municipality to which Subchapter C-2 applies.

21 Sec. 43.0691. AUTHORITY TO ANNEX. A municipality may annex
22 an area with a population of 200 or more only if the following
23 conditions are met, as applicable:

24 (1) the municipality holds an election in the area
25 proposed to be annexed at which the qualified voters of the area may
26 vote on the question of the annexation and a majority of the votes
27 received at the election approve the annexation; and

1 (2) if the registered voters of the area do not own
2 more than 50 percent of the land in the area, the municipality
3 obtains consent to annex the area through a petition signed by more
4 than 50 percent of the owners of land in the area.

5 Sec. 43.0692. RESOLUTION. The governing body of the
6 municipality that proposes to annex an area under this subchapter
7 must adopt a resolution that includes:

8 (1) a statement of the municipality's intent to annex
9 the area;

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

11 (3) a description of each service to be provided by the
12 municipality in the area on or after the effective date of the
13 annexation, including, as applicable:

14 (A) police protection;

15 (B) fire protection;

16 (C) emergency medical services;

17 (D) solid waste collection;

18 (E) operation and maintenance of water and
19 wastewater facilities in the annexed area;

20 (F) operation and maintenance of roads and
21 streets, including road and street lighting;

22 (G) operation and maintenance of parks,
23 playgrounds, and swimming pools; and

24 (H) operation and maintenance of any other
25 publicly owned facility, building, or service;

26 (4) a list of each service the municipality will
27 provide on the effective date of the annexation; and

1 (5) a schedule that includes the period within which
2 the municipality will provide each service that is not provided on
3 the effective date of the annexation.

4 Sec. 43.0693. NOTICE OF PROPOSED ANNEXATION. Not later
5 than the seventh day after the date the governing body of the
6 municipality adopts the resolution under Section 43.0692, the
7 municipality must mail to each property owner in the area proposed
8 to be annexed notification of the proposed annexation that
9 includes:

10 (1) notice of the public hearings required by Section
11 43.0694;

12 (2) notice that an election on the question of
13 annexing the area will be held; and

14 (3) a description, list, and schedule of services to
15 be provided by the municipality in the area on or after annexation
16 as provided by Section 43.0692.

17 Sec. 43.0694. PUBLIC HEARINGS. (a) The governing body of a
18 municipality must conduct an initial public hearing not earlier
19 than the 21st day and not later than the 30th day after the date the
20 governing body adopts the resolution under Section 43.0692.

21 (b) The governing body must conduct at least one additional
22 public hearing not earlier than the 31st day and not later than the
23 90th day after the date the governing body adopts a resolution under
24 Section 43.0692.

25 Sec. 43.0695. PROPERTY OWNER CONSENT REQUIRED FOR CERTAIN
26 AREAS. (a) If the registered voters in the area proposed to be
27 annexed do not own more than 50 percent of the land in the area, the

1 municipality must obtain consent to the annexation through a
2 petition signed by more than 50 percent of the owners of land in the
3 area in addition to the election required by this subchapter.

4 (b) The municipality must obtain the consent required by
5 this section through the petition process prescribed by Section
6 43.0685, and the petition must be verified in the manner provided by
7 Section 43.0686(a).

8 (c) Notwithstanding Section 43.0685(e), the municipality
9 may provide for an owner of land in the area that is not a resident
10 of the area to sign the petition electronically.

11 Sec. 43.0696. ELECTION. (a) A municipality shall order an
12 election on the question of annexing an area to be held on the first
13 uniform election date that falls on or after:

14 (1) the 90th day after the date the governing body of
15 the municipality adopts the resolution under Section 43.0692; or

16 (2) if the consent of the owners of land in the area is
17 required under Section 43.0695, the 78th day after the date the
18 petition period to obtain that consent ends.

19 (b) An election under this section shall be held in the same
20 manner as general elections of the municipality. The municipality
21 shall pay for the costs of holding the election.

22 (c) A municipality that holds an election under this section
23 may not hold another election on the question of annexation before
24 the corresponding uniform election date of the following year.

25 Sec. 43.0697. RESULTS OF ELECTION AND PETITION. (a)
26 Following an election held under this subchapter, the municipality
27 must notify the residents of the area proposed to be annexed of the

1 results of the election and, if applicable, of the petition
2 required by Section 43.0695.

3 (b) If at the election held under this subchapter a majority
4 of qualified voters do not approve the proposed annexation, or if
5 the municipality is required to petition owners of land in the area
6 under Section 43.0695 and does not obtain the required number of
7 signatures, the municipality may not annex the area and may not
8 adopt another resolution under Section 43.0692 to annex the area
9 until the first anniversary of the date of the adoption of the
10 resolution.

11 (c) If at the election held under this subchapter a majority
12 of qualified voters approve the proposed annexation, and if the
13 municipality, as applicable, obtains the required number of
14 petition signatures under Section 43.0695, the municipality may
15 annex the area after:

16 (1) providing notice under Subsection (a);

17 (2) holding a public hearing at which members of the
18 public are given an opportunity to be heard; and

19 (3) holding a final public hearing not earlier than
20 the 10th day after the date of the public hearing under Subdivision
21 (2) at which the ordinance annexing the area may be adopted.

22 Sec. 43.0698. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON
23 PETITION. If a petition protesting the annexation of an area under
24 this subchapter is signed by a number of registered voters of the
25 municipality proposing the annexation equal to at least 50 percent
26 of the number of voters who voted in the most recent municipal
27 election and is received by the secretary of the municipality

1 before the date the election required by this subchapter is held,
2 the municipality may not complete the annexation of the area
3 without approval of a majority of the voters of the municipality
4 voting at a separate election called and held for that purpose.

5 SECTION 25. Subchapter D, Chapter 43, Local Government
6 Code, is amended by adding Section 43.0711 to read as follows:

7 Sec. 43.0711. LIMITATION ON AUTHORITY OF CERTAIN
8 MUNICIPALITIES. (a) This section applies only to:

9 (1) a municipality wholly or partly located in a
10 county with a population of 500,000 or more; and

11 (2) a municipality wholly located in one or more
12 counties each with a population of less than 500,000 that proposes
13 to annex an area in a county with a population of 500,000 or more.

14 (b) With respect to an industrial district designated by the
15 governing body of a municipality under Section 42.044, the
16 municipality may annex all or part of the district under the
17 requirements applicable to a municipality wholly located in one or
18 more counties each with a population of less than 500,000.

19 SECTION 26. Sections 43.0715(b) and (c), Local Government
20 Code, are amended to read as follows:

21 (b) If a municipality with a population of less than 1.5
22 million annexes a special district for full or limited purposes and
23 the annexation precludes or impairs the ability of the district to
24 issue bonds, the municipality shall, prior to the effective date of
25 the annexation, pay in cash to the landowner or developer of the
26 district a sum equal to all actual costs and expenses incurred by
27 the landowner or developer in connection with the district that the

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

13 (c) At the time notice of the municipality's intent to annex
14 the land within the district is first given ~~[published]~~ in
15 accordance with Section 43.052, 43.0683, or 43.0693, as applicable,
16 the municipality shall proceed to initiate and complete a report
17 for each developer conducted in accordance with the format approved
18 by the Texas ~~[Natural Resource Conservation]~~ Commission on
19 Environmental Quality for audits. In the event the municipality is
20 unable to complete the report prior to the effective date of the
21 annexation as a result of the developer's failure to provide
22 information to the municipality which cannot be obtained from other
23 sources, the municipality shall obtain from the district the
24 estimated costs of each project previously undertaken by a
25 developer which are eligible for reimbursement. The amount of such
26 costs, as estimated by the district, shall be escrowed by the
27 municipality for the benefit of the persons entitled to receive

1 payment in an insured interest-bearing account with a financial
2 institution authorized to do business in the state. To compensate
3 the developer for the municipality's use of the infrastructure
4 facilities pending the determination of the reimbursement amount
5 [~~or federal preclearance~~], all interest accrued on the escrowed
6 funds shall be paid to the developer whether or not the annexation
7 is valid. Upon placement of the funds in the escrow account, the
8 annexation may become effective. In the event a municipality
9 timely escrows all estimated reimbursable amounts as required by
10 this subsection and all such amounts, determined to be owed,
11 including interest, are subsequently disbursed to the developer
12 within five days of final determination in immediately available
13 funds as required by this section, no penalties or interest shall
14 accrue during the pendency of the escrow. Either the municipality
15 or developer may, by written notice to the other party, require
16 disputes regarding the amount owed under this section to be subject
17 to nonbinding arbitration in accordance with the rules of the
18 American Arbitration Association.

19 SECTION 27. Section [43.0751](#), Local Government Code, is
20 amended by amending Subsection (h) and adding Subsection (s) to
21 read as follows:

22 (h) On the full-purpose annexation conversion date set
23 forth in the strategic partnership agreement pursuant to Subsection
24 (f)(5) [~~(f)(5)(A)~~], the land included within the boundaries of the
25 district shall be deemed to be within the full-purpose boundary
26 limits of the municipality without the need for further action by
27 the governing body of the municipality. The full-purpose

1 annexation conversion date established by a strategic partnership
2 agreement may be altered only by mutual agreement of the district
3 and the municipality. However, nothing herein shall prevent the
4 municipality from terminating the agreement and instituting
5 proceedings to annex the district, on request by the governing body
6 of the district, on any date prior to the full-purpose annexation
7 conversion date established by the strategic partnership agreement
8 under the procedures applicable to a municipality wholly located in
9 one or more counties each with a population of less than 500,000.
10 Land annexed for limited or full purposes under this section shall
11 not be included in calculations prescribed by Section 43.055(a).

12 (s) Notwithstanding any other law, the procedures
13 prescribed by Subchapters C-3, C-4, and C-5 do not apply to the
14 annexation of an area under this section.

15 SECTION 28. The heading to Section 43.101, Local Government
16 Code, is amended to read as follows:

17 Sec. 43.101. ANNEXATION OF MUNICIPALLY OWNED RESERVOIR [~~BY~~
18 ~~GENERAL-LAW MUNICIPALITY~~].

19 SECTION 29. Section 43.101(c), Local Government Code, is
20 amended to read as follows:

21 (c) The area may be annexed without the consent of any [~~the~~]
22 owners or residents of the area under the procedures applicable to a
23 municipality described by Subdivision (1) by:

24 (1) a municipality wholly located in one or more
25 counties each with a population of less than 500,000; and

26 (2) if there are no owners other than the municipality
27 or residents of the area:

1 (A) a municipality wholly or partly located in a
2 county with a population of 500,000 or more; and

3 (B) a municipality described by Subdivision (1)
4 that proposes to annex an area in a county with a population of
5 500,000 or more.

6 SECTION 30. Section 43.102(c), Local Government Code, is
7 amended to read as follows:

8 (c) The area may be annexed without the consent of any ~~the~~
9 owners or residents of the area under the procedures applicable to a
10 municipality described by Subdivision (1) by:

11 (1) a municipality wholly located in one or more
12 counties each with a population of less than 500,000; and

13 (2) if there are no owners other than the municipality
14 or residents of the area:

15 (A) a municipality wholly or partly located in a
16 county with a population of 500,000 or more; and

17 (B) a municipality described by Subdivision (1)
18 that proposes to annex an area in a county with a population of
19 500,000 or more.

20 SECTION 31. Section 43.1025(c), Local Government Code, is
21 amended to read as follows:

22 (c) The area described by Subsection (b) may be annexed
23 under the requirements applicable to a municipality wholly or
24 partly located in a county with a population of 500,000 or more
25 ~~[without the consent of the owners or residents of the area]~~, but
26 the annexation may not occur unless each municipality in whose
27 extraterritorial jurisdiction the area may be located:

1 (1) consents to the annexation; and

2 (2) reduces its extraterritorial jurisdiction over
3 the area as provided by Section 42.023.

4 SECTION 32. The heading to Section 43.103, Local Government
5 Code, is amended to read as follows:

6 Sec. 43.103. ANNEXATION OF STREETS, HIGHWAYS, AND OTHER
7 WAYS BY CERTAIN GENERAL-LAW MUNICIPALITIES [~~MUNICIPALITY~~].

8 SECTION 33. Section 43.103(a), Local Government Code, is
9 amended to read as follows:

10 (a) Subject to Section 43.1055(b), a [~~A~~] general-law
11 municipality with a population of 500 or more wholly located in one
12 or more counties each with a population of less than 500,000 may
13 annex, by ordinance and without the consent of any person, the part
14 of a street, highway, alley, or other public or private way,
15 including a railway line, spur, or roadbed, that is adjacent and
16 runs parallel to the boundaries of the municipality.

17 SECTION 34. Section 43.105, Local Government Code, is
18 amended by amending Subsection (a) and adding Subsection (a-1) to
19 read as follows:

20 (a) This section applies only to:

21 (1) a [~~A~~] general-law municipality that:

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

23 (B) [~~and~~] is wholly located in a county with a
24 population of 85,000 or more and less than 500,000; and

25 (C) [~~that~~] is not adjacent to a county with a
26 population of 2 million or more; [7] or

27 (2) a general-law municipality that:

1 (A) has a population of 6,000-6,025; and

2 (B) is wholly located in a county with a
3 population of less than 500,000.

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

8 SECTION 35. Subchapter E, Chapter 43, Local Government
9 Code, is amended by adding Section 43.1055 to read as follows:

10 Sec. 43.1055. ANNEXATION OF ROADS AND RIGHTS-OF-WAY IN
11 CERTAIN LARGE COUNTIES. (a) Notwithstanding any other law, a
12 municipality wholly or partly located in a county with a population
13 of 500,000 or more may by ordinance annex a road or the right-of-way
14 of a road on request of the owner of the road or right-of-way or the
15 governing body of the political subdivision that maintains the road
16 or right-of-way under the procedures applicable to a municipality
17 wholly located in one or more counties each with a population of
18 less than 500,000.

19 (b) A municipality described by Section 43.103 or 43.105
20 that proposes to annex a road or right-of-way in a county with a
21 population of 500,000 or more must comply with this section.

22 SECTION 36. Sections 43.121(a) and (c), Local Government
23 Code, are amended to read as follows:

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

1 (c) The provisions of this subchapter, other than Sections
2 43.1211 and [~~Section~~] 43.136, do not affect the authority of a
3 municipality to annex an area for limited purposes under Section
4 43.136 or any other statute granting the authority to annex for
5 limited purposes.

6 SECTION 37. Subchapter F, Chapter 43, Local Government
7 Code, is amended by adding Section 43.1211 to read as follows:

8 Sec. 43.1211. AUTHORITY OF MUNICIPALITIES WHOLLY OR PARTLY
9 LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE TO ANNEX FOR
10 LIMITED PURPOSES. Except as provided by Section 43.0711(b) or
11 43.0751, beginning September 1, 2017, a municipality described
12 below may not annex an area for the limited purposes of applying its
13 planning, zoning, health, and safety ordinances in the area:

14 (1) a municipality wholly or partly located in a
15 county with a population of 500,000 or more; or

16 (2) a municipality wholly located in one or more
17 counties each with a population of 500,000 or less that proposes to
18 annex an area in a county with a population of 500,000 or more.

19 SECTION 38. Sections 43.141(a) and (b), Local Government
20 Code, are amended to read as follows:

21 (a) A majority of the qualified voters of an annexed area
22 may petition the governing body of the municipality to disannex the
23 area if the municipality fails or refuses to provide services or to
24 cause services to be provided to the area:

25 (1) if the municipality is wholly located in one or
26 more counties each with a population of less than 500,000, within
27 the period specified by Section 43.056 or by the service plan

1 prepared for the area under that section; or

2 (2) if the municipality is wholly or partly located in
3 a county with a population of 500,000 or more or is a municipality
4 described by Subdivision (1) that proposes to annex an area in a
5 county with a population of 500,000 or more, within the period
6 specified by the written agreement under Section 43.0672 or the
7 resolution under Section 43.0682 or 43.0692, as applicable.

8 (b) If the governing body fails or refuses to disannex the
9 area within 60 days after the date of the receipt of the petition,
10 any one or more of the signers of the petition may bring a cause of
11 action in a district court of the county in which the area is
12 principally located to request that the area be disannexed. On the
13 filing of an answer by the governing body, and on application of
14 either party, the case shall be advanced and heard without further
15 delay in accordance with the Texas Rules of Civil Procedure. The
16 district court shall enter an order disannexing the area if the
17 court finds that a valid petition was filed with the municipality
18 and that the municipality failed to:

19 (1) perform its obligations in accordance with:

20 (A) the service plan under Section 43.056;

21 (B) the written agreement entered into under
22 Section 43.0672; or

23 (C) the resolution adopted under Section 43.0682
24 or 43.0692, as applicable; or

25 (2) [~~failed to~~] perform in good faith.

26 SECTION 39. Sections 43.203(a) and (b), Local Government
27 Code, are amended to read as follows:

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

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

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

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

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

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

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

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

27 SECTION 40. Section 43.905(a), Local Government Code, is

1 amended to read as follows:

2 (a) A municipality that proposes to annex an area shall
3 provide written notice of the proposed annexation to each public
4 school district located in the area proposed for annexation within
5 the period prescribed for providing [~~publishing~~] the notice of the
6 first hearing under Section 43.0561, [~~or~~] 43.063, 43.0673, 43.0683,
7 or 43.0693, as applicable.

8 SECTION 41. Section 8489.109, Special District Local Laws
9 Code, is amended to read as follows:

10 Sec. 8489.109. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT.
11 For the purposes of Section 43.003(2) [~~43.021(2)~~], Local Government
12 Code, or other law, including a municipal charter or ordinance
13 relating to annexation, an area adjacent to the district or any new
14 district created by the division of the district is considered
15 adjacent to a municipality in whose corporate limits or
16 extraterritorial jurisdiction any of the land in the area described
17 by Section 2 of the Act enacting this chapter is located.

18 SECTION 42. Section 9038.110, Special District Local Laws
19 Code, is amended to read as follows:

20 Sec. 9038.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT.
21 For the purposes of Section 43.003(2) [~~43.021(2)~~], Local Government
22 Code, or other law, including a municipal charter or ordinance
23 relating to annexation, an area adjacent to the district or any new
24 district created by the division of the district is considered
25 adjacent to a municipality in whose corporate limits or
26 extraterritorial jurisdiction any of the land in the area described
27 by Section 2 of the Act creating this chapter is located.

1 SECTION 43. Section 9039.110, Special District Local Laws
2 Code, is amended to read as follows:

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

11 SECTION 44. (a) Sections 43.036, 43.0546, 43.056(d), (h),
12 and (p), 43.0565, 43.0567, 43.1025(e) and (g), and 43.906, Local
13 Government Code, are repealed.

14 (b) Section 5.701(n)(6), Water Code, is repealed.

15 (c) The repeal of Section 43.036, Local Government Code, by
16 this Act does not affect a boundary change agreement entered into
17 under that section, the release and transfer of area under a
18 boundary change agreement entered into under that section, or the
19 requirements related to a boundary change agreement entered into
20 under that section.

21 (d) The repeal of Sections 43.056(d), (h), and (p) and
22 Sections 43.0565 and 43.0567, Local Government Code, by this Act
23 and the change in law made by this Act to Section 43.056(l), Local
24 Government Code, do not affect a right, requirement, limitation, or
25 remedy provided for under those sections and applicable in an area
26 annexed by a municipality for which the first hearing notice
27 required by Section 43.0561 or 43.063, Local Government Code, as

1 applicable, was published before September 1, 2017.

2 SECTION 45. The changes in law made by this Act apply only
3 to the annexation of an area that is not final on the effective date
4 of this Act. An annexation of an area that was final before the
5 effective date of this Act is governed by those portions of Chapter
6 43, Local Government Code, that relate to post-annexation
7 procedures and requirements in effect immediately before the
8 effective date of this Act, and that law is continued in effect for
9 that purpose.

10 SECTION 46. This Act takes effect September 1, 2017.