

## **BILL ANALYSIS**

C.S.H.B. 681  
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Urban Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

It has been noted that even though a county is authorized to propose the creation of a county assistance district in a municipality's territory, the governing body of a municipality has the authority to exclude that territory from such a district. There are concerns that the county residents of a proposed district who do not live in the municipality cannot vote for the governing body of the municipality and, consequently, have no voice in holding the governing body accountable for an exclusion. C.S.H.B. 681 seeks to address this issue by restricting the territory that the governing body of a municipality may exclude from a proposed county assistance district.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 681 amends the Local Government Code to restrict the territory that the governing body of a municipality may exclude from a proposed county assistance district to the incorporated territory of the municipality and to prohibit the governing body of a municipality from excluding any territory in the municipality's extraterritorial jurisdiction from such a proposed district. The bill removes the authorization for excluded municipal territory to be subsequently included in a district via an applicable election.

C.S.H.B. 681 requires a county assistance district, on a certain date, to exclude from the district territory annexed for full purposes by a municipality under the following conditions:

- the district has no outstanding bonds payable wholly or partly from sales and use taxes and the exclusion does not impair any outstanding district debt or contractual obligation; and
- the municipality provides notice to the district that full municipal services will be provided to the annexed territory by a specific date and requests that the district exclude the annexed territory from the district's territory.

### **EFFECTIVE DATE**

September 1, 2019.

## **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 681 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include a removal of the authorization for the governing body of a municipality to exclude the municipality's territory from a proposed county assistance district. The substitute includes provisions that instead restrict the territory that the governing body of a municipality may exclude from such a proposed district to the incorporated territory of the municipality and prohibit the governing body of a municipality from excluding any territory in the municipality's extraterritorial jurisdiction from a proposed district.

The substitute includes a provision requiring a county assistance district to exclude from the district territory annexed for full purposes by a municipality under certain conditions.