By: Stephenson   H.B. No. 681

Substitute the following for H.B. No. 681:

By: Button   C.S.H.B. No. 681

A BILL TO BE ENTITLED

1   AN ACT

2 relating to the inclusion of territory of a municipality in a county

3 assistance district.

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

5   SECTION 1. Section 387.003, Local Government Code, is

6 amended by amending Subsection (b-1) and adding Subsection (l) to

7 read as follows:

8   (b-1) If the proposed district includes any territory of a

9 municipality, the commissioners court shall send notice by

10 certified mail to the governing body of the municipality of the

11 commissioners court's intent to create the district. If the

12 municipality has created a development corporation under Chapter

13 504 or 505, the commissioners court shall also send the notice to

14 the board of directors of the corporation. The commissioners court

15 must send the notice not later than the 60th day before the date the

16 commissioners court orders the election. The governing body of the

17 municipality may exclude the incorporated territory of the

18 municipality from the proposed district by sending notice by

19 certified mail to the commissioners court of the governing body's

20 desire to exclude the [municipal] territory from the district. The

21 governing body of the municipality may not exclude any territory in

22 the municipality's extraterritorial jurisdiction from the proposed

23 district. The governing body must send the notice not later than

24 the 45th day after the date the governing body receives notice from

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1 the commissioners court under this subsection. [The territory of a

2 municipality that is excluded under this subsection may

3 subsequently be included in:

4 [(1) the district in an election held under Subsection

5 (f) with the consent of the municipality; or

6 [(2) another district after complying with the

7 requirements of this subsection and after an election under

8 Subsection (f).]

9 (l) On the date specified under Subdivision (2)(A), a

10 district shall exclude from the district territory annexed for full

11 purposes by a municipality, if:

12 (1) the district has no outstanding bonds payable

13 wholly or partly from sales and use taxes and the exclusion does not

14 impair any outstanding district debt or contractual obligation; and

15 (2) the municipality:

16 (A) provides notice to the district that full

17 municipal services, as defined by Section 43.056, will be provided

18 to the annexed territory by a specific date; and

19 (B) requests that the district exclude the

20 annexed territory from the territory of the district.

21 SECTION 2. Section 387.003(b-1), Local Government Code, as

22 amended by this Act, applies to notice sent to a municipality by a

23 commissioners court under that section on or after the effective

24 date of this Act. Notice sent before the effective date of this Act

25 is governed by the law as it existed on the date the notice was sent,

26 and that law is continued in effect for that purpose.

27 SECTION 3. This Act takes effect September 1, 2019.