87R6508 MCF-D

By:  Gates H.B. No. 1547

A BILL TO BE ENTITLED

AN ACT

relating to the inclusion of territory of a municipality in a county assistance district.

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

SECTION 1.  Section 387.003, Local Government Code, is amended by amending Subsection (b-1) and adding Subsection (l) to read as follows:

(b-1)  If the proposed district includes any territory of a municipality, the commissioners court shall send notice by certified mail to the governing body of the municipality of the commissioners court's intent to create the district. If the municipality has created a development corporation under Chapter 504 or 505, the commissioners court shall also send the notice to the board of directors of the corporation. The commissioners court must send the notice not later than the 60th day before the date the commissioners court orders the election. The governing body of the municipality may exclude the incorporated territory of the municipality from the proposed district by sending notice by certified mail to the commissioners court of the governing body's desire to exclude the [~~municipal~~] territory from the district. The governing body of the municipality may not exclude any territory in the municipality's extraterritorial jurisdiction from the proposed district. The governing body must send the notice not later than the 45th day after the date the governing body receives notice from the commissioners court under this subsection. [~~The territory of a municipality that is excluded under this subsection may subsequently be included in:~~

[~~(1)  the district in an election held under Subsection (f) with the consent of the municipality; or~~

[~~(2)  another district after complying with the requirements of this subsection and after an election under Subsection (f).~~]

(l)  On the date specified under Subdivision (2)(A), a district shall exclude from the district territory annexed for full purposes by a municipality, if:

(1)  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

(2)  the municipality:

(A)  provides notice to the district that full municipal services, as defined by Section 43.056, will be provided to the annexed territory by a specific date; and

(B)  requests that the district exclude the annexed territory from the territory of the district.

SECTION 2.  Section 387.003(b-1), Local Government Code, as amended by this Act, applies to notice sent to a municipality by a commissioners court under that section on or after the effective date of this Act. Notice sent before the effective date of this Act is governed by the law as it existed on the date the notice was sent, and that law is continued in effect for that purpose.

SECTION 3.  This Act takes effect September 1, 2021.