**BILL ANALYSIS**

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| Senate Research Center | H.B. 3514 |
| 88R15161 KBB-D | By: Burns (Birdwell) |
|  | Local Government |
|  | 5/5/2023 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, a municipality is prohibited from annexing an area in a water or sewer district unless it annexes the entire part of the district that is outside the municipality's boundaries. This is an issue for small municipalities in small counties, such as the City of Glen Rose where the water district is the size of the entire county. While there is a certain exception that allows for the consenting annexation of such an area, that exception is limited to an area that does not exceed a certain width, which is a problem for residential and commercial customers who wish to be annexed but whose property exceeds the width limitation. H.B. 3514 seeks to resolve this issue by providing for the annexation by a municipality with a population of less than 3,000 of a property in a district with the district's consent.

H.B. 3514 amends current law relating to the authority of a municipality to annex property in certain water districts.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 43.071(e), Local Government Code, to provide that Subsections (b) (relating to prohibiting a municipality from annexing area in a water or sewer district unless it annexes the entire part of the district that is outside the municipality's boundaries) through (d) (relating to providing that area annexed under Subsection (b) is included in computing the amount of area that a municipality is authorized to annex in a calendar year) do not apply to the annexation of certain areas, including a property by a municipality with a population of less than 3,000 if the governing body of a water or sewer district the boundaries of which include the property consents to the annexation.

SECTION 2. Effective date: September 1, 2023.