By:  Campbell S.B. No. 369

(Craddick, et al.)

Substitute the following for S.B. No. 369:

By:  Burns C.S.S.B. No. 369

A BILL TO BE ENTITLED

AN ACT

relating to disannexation of certain areas that do not receive full municipal services; providing a civil penalty.

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

SECTION 1.  Subchapter G, Chapter 43, Local Government Code, is amended by adding Section 43.1415 to read as follows:

Sec. 43.1415.  DISANNEXATION OF AREAS NOT RECEIVING FULL SERVICES.  (a)  In this section, "full municipal services" means:

(1)  the provision of police protection;

(2)  the provision of fire protection;

(3)  the provision of emergency medical services;

(4)  the provision of solid waste collection, other than those services that a municipality is not required to provide under Section 43.056(o) to an area subject to that section;

(5)  except as provided by Subsection (b), the operation and maintenance of water and wastewater facilities in an area not served by:

(A)  the holder of a certificate of convenience and necessity, other than the municipality or a municipally owned utility; or

(B)  a private septic system and an individual water well;

(6)  the operation and maintenance of roads and streets and lighting for roads and streets, other than private roads and streets; and

(7)  the operation and maintenance of any other facility, building, or service owned by the municipality.

(b)  This section does not apply to an area:

(1)  for which the municipality:

(A)  is not currently required to provide full municipal services under a service plan described by Section 43.056;

(B)  due to the pendency of an application for a permit from the Texas Commission on Environmental Quality or other state agency, is not yet able to operate and maintain water and wastewater facilities; or

(C)  has entered into a regulatory plan or other written agreement to extend the time for providing or waive provision of full municipal services;

(2)  located in the boundaries of or owned by a county or municipal airport established, acquired, maintained, or operated under Chapter 22, Transportation Code; or

(3)  located in an airport hazard area, as that term is defined by Section 241.003.

(c)  A person owning real property that is subject to ad valorem taxation by a municipality and is wholly or partly located in an area in which the municipality is not providing or causing the provision of full municipal services may file a complaint with the municipality. A property owner filing a complaint under this subsection shall:

(1)  submit the complaint:

(A)  by certified mail; and

(B)  if the municipality maintains an Internet website, through an online portal on the municipality's Internet website; and

(2)  include relevant documentation to support the owner's claim.

(d)  Not later than the 60th day after the date a complaint from a property owner is filed with a municipality under Subsection (c), the municipality shall:

(1)  provide to the owner a response that includes:

(A)  a statement of whether full municipal services are being provided to the property;

(B)  documentation identifying the services that have been provided to the property during the past year, including:

(i)  the manner in which the services were provided; and

(ii)  the location at which services were provided; and

(C)  documentation identifying the services that are not being provided to the property at the time the response is provided; and

(2)  if the municipality determines that the property is not receiving full municipal services, provide a plan of action for the provision of full municipal services to the property as provided by Subsection (g).

(e)  A complaint by a property owner under Subsection (c) and a response to a property owner by a municipality under Subsection (d), including a plan of action for the provision of full municipal services, is public information that is subject to disclosure under Chapter 552, Government Code.

(f)  If a municipality that receives a complaint under Subsection (c) fails to respond to the owner within the time required by Subsection (d), the property owner may file a complaint with the attorney general for enforcement of a civil penalty against the municipality in the amount of $500 for each day after the 60th day after the date the complaint was filed with the municipality. The attorney general may sue to collect a civil penalty under this subsection.

(g)  In this subsection, "major infrastructure project" means a project to construct a new physical infrastructure, energy, transportation, water, wastewater, or waste disposal facility. A municipality that provides a plan of action to a property owner under Subsection (d)(2) shall complete implementation of the plan of action not later than:

(1)  the first anniversary of the date of the complaint; or

(2)  the third anniversary of the date of the complaint, if the plan of action depends on the completion of a major infrastructure project that relates to the provision of services in the area in which the property that is the subject of the complaint is located.

(h)  A property owner who files a complaint under Subsection (c) may bring an action, or request that the attorney general bring an action, to enforce this section.  An action brought under this subsection must be brought in a court with jurisdiction over the area in which the property that is the subject of the complaint is located. The court shall:

(1)  order the municipality to hold an election on the question of disannexing the area from the municipality if the court finds that:

(A)  property in the area is not receiving full municipal services;

(B)  the municipality is required to provide a plan of action to a property owner in the area under Subsection (d)(2) and:

(i)  has failed to provide the plan of action; or

(ii)  has failed to implement the plan of action within the required period under Subsection (g); or

(C)  not later than the third anniversary of the date of the complaint, the municipality is not providing or causing the provision of full municipal services to the area in which the property is wholly or partly located; and

(2)  determine and include in the order entered under Subdivision (1) the boundaries of the area within which the voters of the municipality may participate in the election.

(i)  A municipality shall disannex an area described by Subsection (h)(2) if the voters approve the disannexation in the election held under Subsection (h).

(j)  If a property owner brings an action under Subsection (h) and a court orders an election under that subsection, the property owner may recover attorney's fees and court costs resulting from bringing the action.

(k)  A municipality's governmental immunity to suit and governmental immunity from liability are waived to the extent of liability created by this section.

SECTION 2.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution.  If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.