By: Dean, et al.

H.B. No. 3053

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the municipal disannexation of certain areas annexed 3 during a certain period of time. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Subchapter G, Chapter 43, Local Government Code, is amended by adding Section 43.1463 to read as follows: 6 7 Sec. 43.1463. DISANNEXATION OF AREAS ANNEXED DURING TRANSITION FROM NONCONSENT TO CONSENT ANNEXATION MODEL. (a) This 8 9 section applies only to an area: (1) for which an annexation was: 10 11 (A) initiated by a municipality with a population 12 of 500,000 or more; and 13 (B) finalized for full purposes between March 3, 14 2015, and December 1, 2017; and 15 (2) that had a population of greater than zero on the 16 date the area was annexed. (b) This section does not apply to a municipality: 17 18 (1) whose extraterritorial jurisdiction is adjacent to or includes all or part of a federal military installation in 19 active use as of May 1, 2023; or 20 21 (2) in which all or part of a federal military installation in active use as of May 1, 2023, is located. 22 23 (c) A municipality shall hold an election in an area 24 described by Subsection (a) on the question of disannexing the area

from the municipality. The municipality: 1 2 (1) may not use public money on promotional campaigns 3 or advocacy related to the election; and 4 (2) shall ensure that the ballot proposition for the 5 election: 6 (A) describes the area to be disannexed; 7 (B) identifies the area by the commonly used name of the area, if applicable; 8 (C) identifies the entities that will provide law 9 10 enforcement, fire, and emergency services after disannexation; (D) describes the effect of disannexation on ad 11 12 valorem taxes and fees in the area; and (E) describes the effect of disannexation on 13 14 special districts located in the area. 15 (d) A municipality shall disannex an area described by Subsection (a), including residential and commercial property in 16 17 the area, if the voters approve the disannexation in the election held under Subsection (c). 18 (e) A municipality shall retain ownership of 19 any infrastructure, including a water treatment and storage facility, 20 21 transferred to the municipality from a special district as part of 22 the annexation of an area disannexed under this section. 23 (f) After an area is disannexed under this section: 24 (1) a special district located in and serving the area may be dissolved only if the members of the governing body of the 25 26 district elect to dissolve the district after the disannexation; 27 and

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1 (2) an emergency services district located in or 2 adjacent to the area shall provide services to the area. (g) A disannexation under this section does not authorize 3 the impairment of a municipal debt obligation and, to the extent 4 applicable, the area is not released from its pro rata share of that 5 indebtedness. The municipality shall continue to impose a property 6 7 tax each year on the property in the area at the same rate that is imposed on other property in the municipality until the taxes 8 collected from the area equal its pro rata share of the 9 indebtedness. Those taxes may be charged only with the cost of 10 imposing and collecting the taxes, and the taxes shall be applied 11 exclusively to the payment of the pro rata share of the 12 indebtedness. This subsection does not prevent the inhabitants of 13 the area from paying in full at any time their pro rata share of the 14 indebtedness. 15

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## 16 (h) Section 43.148 does not apply to an area disannexed 17 under this section.

18 SECTION 2. A municipality required to hold an election 19 under Section 43.1463(c), Local Government Code, as added by this 20 Act, shall hold the election on the first uniform election date 21 after the effective date of this Act that allows sufficient time to 22 comply with any requirements of law.

23 SECTION 3. This Act takes effect immediately if it receives 24 a vote of two-thirds of all the members elected to each house, as 25 provided by Section 39, Article III, Texas Constitution. If this 26 Act does not receive the vote necessary for immediate effect, this 27 Act takes effect September 1, 2023.

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