BILL ANALYSIS

Senate Research Center 86R835 SCL-D

H.B. 1038 By: Burns; Lozano (Birdwell) Intergovernmental Relations 5/3/2019 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

During the 85th Legislative Session major reforms were made to the annexation process. In short, S.B. 6 ended forced annexation by municipalities in counties with populations of 500,000 or more so that residents living in the extraterritorial jurisdiction of a city have a greater say in the annexation process.

Representative Phil King amended S.B. 6 on the House floor to allow residents of a tier 1 county—defined as less than 500,000—to petition the commissioner's court to become a tier 2 county. The commissioners would call a countywide election on the question of becoming a tier 2 county if they receive a petition signed by 10 percent of the registered voters of the county. However, as written, it is possible for a municipality to continue annexation plans all the way up to the moment of the election.

- H.B. 1038 seeks to strengthen property owners ability to utilize this "opt-in" mechanism by suspending a city's pending annexation plans once a petition's signatures are received and verified by the county and an election is held.
- H.B. 1038 amends current law relating to a petition by residents of certain counties for an election regarding voter approval of municipal annexation.

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 Subchapter A, Chapter 43, Local Government Code, by adding Section 43.004, as follows:

Sec. 43.004. PETITION FOR ELECTION ON CONSIDERATION AS TIER 2 COUNTY. (a) Authorizes the registered voters of a tier 1 county to file a petition with the commissioners court of the county requesting an election in the county to determine whether the county should be considered a tier 2 county for the purposes of this chapter (Municipal Annexation). Requires the petition to contain the signatures of at least 10 percent of the registered voters of the county.

- (b) Requires the commissioners court of a county that receives a petition for an election under Subsection (a) to:
 - (1) verify the signatures on the petition; and
 - (2) if the county verifies that the petition satisfies the signature requirement under Subsection (a):
 - (A) order the election; and

- (B) provide notice of the verified petition as soon as practicable to the governing body of each municipality:
 - (i) located wholly or partly in the county; or
 - (ii) with extraterritorial jurisdiction in the county.
- (c) Requires the governing body, on receipt of the notice described by Subsection (b)(2)(B), to suspend any pending annexation that would be affected by the outcome of the election until after the election is held.
- (d) Provides that, if a majority of the votes cast at an election held under Subsection (b) favor the proposition, the county is considered a tier 2 county for the purposes of this chapter.

SECTION 2. Amends Section 43.001(3), Local Government Code, to redefine "tier 2 county" to mean a county that is not a tier 1 county, rather than is not a tier 1 county or is a tier 1 county in which a majority of the registered voters of the county have approved being a tier 2 county at an election ordered by the commissioners court on the request by petition of a number of registered voters of the county equal to or greater than 10 percent of the registered voters of the county.

SECTION 3. Effective date: upon passage or September 1, 2019.