BILL ANALYSIS

Senate Research Center 80R6760 DRH-D

S.B. 1689 By: Watson Transportation & Homeland Security 3/23/2007 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Small cities have few tools to cope with the growth that a major new road can bring. This lack of tools can lead to development projects that eat away at the tax base and are harder to serve. One tool cities have requested is the ability to annex property for limited purposes. Taxes are not levied, public safety and infrastructure services are not provided, and residents are permitted to vote only in certain elections in property annexed in such a manner, but certain local ordinances are enforced, thereby aiding smaller cities in coping with growth. However, current law permits only cities of with a population of more than 225,000 residents to annex property in this manner.

As proposed, S.B. 1689 provides small cities with limited-purpose annexation powers if they lie within 15 miles of a new, state-owned and state-operated toll project at least 25 miles in length that is opened after October 1, 2006. The bill also provides that the city's authority over property annexed for such purposes is not lost if the road's ownership or operation is transferred from the state to another entity.

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 43.121, Local Government Code, by amending Subsection (a) and adding Subsection (d), as follows:
 - (a) Authorizes the governing body of any municipality meeting certain requirements set forth in this subsection relating to its proximity to a toll project or its population, rather than a home-rule municipality with more than 225,000 residents, to annex an area for certain limited purposes set forth in this subsection.
 - (d) Provides that a municipality qualifying under Subsection (a)(2) does not lose its authority to annex an area for limited purposes if the Texas Department of Transportation transfers ownership or operation of the toll project.
- SECTION 2. Amends the heading of Section 43.121, Local Government Code, to read as follows:
 - Sec. 43.121. AUTHORITY OF CERTAIN MUNICIPALITIES TO ANNEX FOR LIMITED PURPOSES; OTHER AUTHORITY NOT AFFECTED.

SECTION 3. Effective date: upon passage or September 1, 2007.