

## Chapter 941

H.B. No. 4059

### AN ACT

relating to limitations on annexation by and extraterritorial jurisdiction of certain municipalities.

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

SECTION 1. Section 42.023, Local Government Code, is amended to read as follows:

Sec. 42.023. REDUCTION OF EXTRATERRITORIAL JURISDICTION.

The extraterritorial jurisdiction of a municipality may not be reduced unless the governing body of the municipality gives its written consent by ordinance or resolution, except:

(1) in cases of judicial apportionment of overlapping extraterritorial jurisdictions under Section 42.901; [~~or~~]

(2) in accordance with an agreement under Section 42.022(d); or

(3) as necessary to comply with Section 42.0235.

SECTION 2. Subchapter B, Chapter 42, Local Government Code, is amended by adding Section 42.0235 to read as follows:

Sec. 42.0235. LIMITATION ON EXTRATERRITORIAL JURISDICTION OF CERTAIN MUNICIPALITIES. (a) Notwithstanding Section 42.021, the extraterritorial jurisdiction of a municipality with a population of more than 175,000 located in a county that contains an international border and borders the Gulf of Mexico terminates two miles from the extraterritorial jurisdiction of a neighboring municipality if extension of the extraterritorial jurisdiction

1 beyond that limit would:

2 (1) completely surround the corporate boundaries or  
3 extraterritorial jurisdiction of the neighboring municipality; and

4 (2) limit the growth of the neighboring municipality  
5 by precluding the expansion of the neighboring municipality's  
6 extraterritorial jurisdiction.

7 (b) A municipality shall release extraterritorial  
8 jurisdiction as necessary to comply with Subsection (a).

9 (c) Notwithstanding any other law, a municipality that owns  
10 an electric system and that releases extraterritorial jurisdiction  
11 under Subsection (b) may provide electric service in the released  
12 area to the same extent that the service would have been provided if  
13 the municipality had annexed the area.

14 SECTION 3. Subchapter B, Chapter 43, Local Government Code,  
15 is amended by adding Section 43.037 to read as follows:

16 Sec. 43.037. PROHIBITION AGAINST ANNEXATION TO SURROUND  
17 MUNICIPALITY IN CERTAIN COUNTIES. A municipality with a population  
18 of more than 175,000 located in a county that contains an  
19 international border and borders the Gulf of Mexico may not annex an  
20 area that would cause another municipality to be entirely  
21 surrounded by the corporate limits or extraterritorial  
22 jurisdiction of the annexing municipality.

23 SECTION 4. The change in law made by Section 43.037, Local  
24 Government Code, as added by this Act, applies to any annexation,  
25 including an annexation proposed in an annexation plan under  
26 Section 43.052, Local Government Code, that is not final before the  
27 effective date of this Act.

1           SECTION 5. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2015.

*Jan Hub*  
President of the Senate

*Joe Straus*  
Speaker of the House

I certify that H.B. No. 4059 was passed by the House on May 12, 2015, by the following vote: Yeas 144, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 4059 on May 29, 2015, by the following vote: Yeas 145, Nays 0, 2 present, not voting.

*Robert Haney*  
Chief Clerk of the House

I certify that H.B. No. 4059 was passed by the Senate, with amendments, on May 27, 2015, by the following vote: Yeas 31, Nays 0.

*Patsy Spaw*  
Secretary of the Senate

APPROVED: 6-16-2015

Date

*Breg Abbott*  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
8:00 *pm* O'CLOCK

*Cwillc*  
Secretary of State

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 28, 2015**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4059** by Oliveira (Relating to limitations on annexation by and extraterritorial jurisdiction of certain municipalities.), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, SD, KVe, EK

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 22, 2015**

**TO:** Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4059** by Oliveira (Relating to limitations on annexation by and extraterritorial jurisdiction of certain municipalities.), **Committee Report 2nd House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, KVe, EK

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 14, 2015**

**TO:** Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4059** by Oliveira (Relating to limitations on annexation by and extraterritorial jurisdiction of certain municipalities.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, KVe, EK

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 27, 2015**

**TO:** Honorable Carol Alvarado, Chair, House Committee on Urban Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4059** by Oliveira (Relating to limitations on annexation by and extraterritorial jurisdiction of certain municipalities.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:**

**LBB Staff:** UP, KVe, EK