

CHAPTER 1072

S.B. No. 865

AN ACT

relating to territory de-annexed or excluded from a rural fire prevention district.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 57, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 2351a-6, Vernon's Texas Civil Statutes), is amended by adding Section to read as follows:

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Sec. 9B. EXCLUSION OF TERRITORY INSIDE OTHER TAXING AUTHORITY.

(a) *The Board of Fire Commissioners of a district may exclude from the district territory that is inside the boundaries of another taxing authority if the other taxing authority provides the same services to the territory as the district provides.*

(b) *The Board of Fire Commissioners may, at its discretion, hold a hearing to consider the exclusion of territory.*

(c) *The board shall hold a hearing to consider the exclusion of territory if the board receives a petition requesting a hearing on the issue that is signed by at least five percent of the qualified voters who own taxable real property in the district. A petition submitted under this subsection must describe the proposed new boundaries of the district or describe the boundaries of the territory to be excluded from the district.*

(d) *The board shall issue a notice of a hearing under Subsection (b) or (c) of this section. The provisions of Section 4 of this Act relating to the procedure for issuing notice of a hearing to create the district apply to the notice for the hearing prescribed by this section. The notice must state:*

(1) *the proposed new boundaries of the district or the territory to be excluded;*

(2) *the time and place of the meeting; and*

(3) *that each person who has an interest in the exclusion or nonexclusion of the territory is invited to attend the hearing and to present the person's opinion for or against the exclusion of the territory.*

(e) *After the hearing the Board of Fire Commissioners may either call an election on the question of exclusion or, unless the owners of at least three percent of the property located in the district protest the exclusion, declare by resolution the territory excluded from the district.*

(f) *If the board excludes the territory by resolution, the board shall state in the resolution the new boundaries of the district. The board shall file a copy of the resolution in the office of the county clerk of each county in which the district is located. Each county clerk shall record the resolution in the county records. After the resolution is recorded, the excluded territory is no longer part of the district.*

(g) *The Board of Fire Commissioners shall call an election on the question of exclusion if:*

(1) *the owners of at least three percent of the property located in the district protest the exclusion; or*

(2) *the board:*

(A) *despite the lack of protest, refuses to exclude the territory; and*

(B) *after refusing to exclude the territory, receives a petition requesting an election that is signed by a majority of the qualified voters who own taxable real property in the proposed territory to be excluded.*

(h) *Except as otherwise required by the Election Code, the election notice, the manner and time of giving the notice, and the manner of holding the election are governed by the applicable provisions of this Act relating to the original creation election.*

(i) *If a majority of the votes in an election favor excluding the territory from the district, the Board of Fire Commissioners shall enter an order declaring the territory excluded from the district and stating the new boundaries of the district. The board shall file a copy of the order in the office of the county clerk of each county in which the district is located. Each county clerk shall record the order in the county records. After the order is recorded, the excluded territory is no longer part of the district.*

(j) *If a majority of the votes in the election do not favor excluding the territory, the Board of Fire Commissioners may not act on a petition to exclude all or any part of the territory for at least one year after the date of the most recent election to exclude the territory from the district.*

(k) The exclusion of territory under this section does not diminish or impair the rights of the holders of any outstanding and unpaid bonds, warrants, or other obligations of the district.

(l) Territory excluded under this section is not released from the payment of its pro rata share of the district's indebtedness. The district shall continue to levy taxes each year on the excluded territory at the same rate levied on territory in the district until the taxes collected from the excluded territory equals its pro rata share of the indebtedness of the district at the time the territory was excluded. The taxes collected under this subsection shall be applied exclusively to the payment of the excluded territory's pro rata share of the indebtedness. The owner of all or part of the excluded territory may pay in full, at any time, his share of the pro rata share of the district's indebtedness.

SECTION 2. Chapter 57, Acts of the 55th Legislature, Regular Session, 1957, as amended (Article 2351a-6, Vernon's Texas Civil Statutes), is amended by adding Section 14c to read as follows:

Sec. 14c. PAYMENT OF DEBT BY DE-ANNEXED OR EXCLUDED TERRITORY.

(a) The de-annexation or exclusion of territory under Section 8B or 14b of this Act does not diminish or impair the rights of the holders of any outstanding and unpaid bonds, warrants, or other obligations of the district.

(b) Territory de-annexed or excluded under Section 8B or 14b of this Act is not released from the payment of its pro rata share of the district's indebtedness. The district shall continue to levy taxes each year on the de-annexed or excluded territory at the same rate levied on territory in the district until the taxes collected from the de-annexed or excluded territory equals its pro rata share of the indebtedness of the district at the time the territory was de-annexed or excluded. The taxes collected under this subsection shall be applied exclusively to the payment of the de-annexed or excluded territory's pro rata share of the indebtedness. The owner of all or part of the de-annexed or excluded territory may pay in full, at any time, his share of the pro rata share of the district's indebtedness.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on April 24, 1987, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on June 1, 1987, by a viva-voce vote.

Passed the House, with amendment, on May 30, 1987, by a non-record vote.

Approved June 20, 1987.

Effective Aug. 31, 1987, 90 days after date of adjournment.