

1-1 By: Campbell S.B. No. 1168  
 1-2 (In the Senate - Filed March 8, 2021; March 18, 2021, read  
 1-3 first time and referred to Committee on Local Government;  
 1-4 April 14, 2021, reported favorably by the following vote: Yeas 9,  
 1-5 Nays 0; April 14, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Bettencourt	X			
1-8 Menéndez	X			
1-9 Eckhardt	X			
1-10 Gutierrez	X			
1-11 Hall	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 Springer	X			
1-15 Zaffirini	X			

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to the authority of a municipality to impose a fine or fee  
 1-20 in certain areas in the municipality's extraterritorial  
 1-21 jurisdiction.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Subchapter 2, Chapter 42, Local Government Code,  
 1-24 is amended by adding Section 42.9025 to read as follows:

1-25 Sec. 42.9025. RESTRICTION ON IMPOSING FINE OR FEE IN  
 1-26 CERTAIN AREAS IN EXTRATERRITORIAL JURISDICTION. (a) This section  
 1-27 applies only to an area that is located in a municipality's  
 1-28 extraterritorial jurisdiction and:

1-29 (1) that has been disannexed from the municipality  
 1-30 under Subchapter G, Chapter 43; or

1-31 (2) for which the municipality has attempted and  
 1-32 failed to obtain consent for annexation under Subchapter C-4 or  
 1-33 C-5, Chapter 43.

1-34 (b) Notwithstanding any other law, a municipality may not  
 1-35 impose under a municipal ordinance a fine or fee on a person on the  
 1-36 basis of:

1-37 (1) an activity that occurs wholly in an area  
 1-38 described by Subsection (a); or

1-39 (2) the management or ownership of property located  
 1-40 wholly in an area described by Subsection (a).

1-41 (c) This section does not limit a municipality, including a  
 1-42 municipally owned retail water, wastewater, or drainage utility,  
 1-43 from imposing in an area described by Subsection (a) a fine or fee,  
 1-44 including through the adoption and enforcement of rates, for water,  
 1-45 sewer, drainage, or other related utility services.

1-46 (d) This section does not apply to development or  
 1-47 redevelopment in an area in which an election was held under Section  
 1-48 43.0117.

1-49 SECTION 2. This Act takes effect immediately if it receives  
 1-50 a vote of two-thirds of all the members elected to each house, as  
 1-51 provided by Section 39, Article III, Texas Constitution. If this  
 1-52 Act does not receive the vote necessary for immediate effect, this  
 1-53 Act takes effect September 1, 2021.

1-54 \* \* \* \* \*