

## **Annexation Reform**

## The Issue

Annexation is the process by which cities are able to bring additional property into their city boundaries. Texas currently allows a regular process of annexation by cities only. Counties have fixed boundaries and school districts may only annex if another adjacent school district detaches its territory.

Municipal annexation has a storied history in Texas. In the early 20th century, cities wielded virtually unlimited authority to annex property, as long as the annexation was contiguous to current city boundaries. Not long after Houston's rapid territorial expansion and subsequent boundary war with surrounding cities stirred citizen concern for property rights in the 1960s, the annexation process was reformed to include what is now known as the Extra-Territorial Jurisdiction (ETJ). Thereafter, a city had virtually unlimited annexation authority, but how much annexation could take place at once was constrained to the limits of the ETJ.

In the mid-1990s, Houston again sparked controversy with annexation by rushing through the annexation of Kingwood, a large suburb north of Lake Houston, northeast of George Bush Intercontinental Airport, and far away from the then-city limits of Houston. It justified the expansion by arguing that Kingwood was within its ETJ, even though it was far away from the city limits. Because Kingwood was then isolated as an island of higher property values in that part of Harris County, Houston used what is now referred to as "shoestring annexation" to draw a line up Highway 59 to create a contiguous area for annexation purposes.

In the wake of this event, and the outrage that was stirred up as a result, the Texas Legislature moved to take basic action to ensure that annexations could not be rushed through without certain requirements being met. This new "fast-track" or "exempt" annexation could take place within a 90-day period, but only with a given population in the area. For most annexations, the process was extended to a two-year period.

These annexation reforms made a significant difference in limiting some of the more dangerous parts of annexation authority generally, but do not go far enough in addressing the basic problems with municipal annexation.

The most significant problem posed by present annexation law in Texas is that citizens in an area to be annexed are not able to have a say on their annexation. The process of annexation should consider the property rights of landowners and allow those in an area to be annexed to have a say.

## The Facts

- Texas does not require any kind of vote during the normal course of annexation, and exempt annexations are allowed by statute for areas that meet certain requirements.
- The majority of states (28) allow for some kind of formal election process by those in an area to be annexed.
- Current statutory authority allows for annexations to occur in as little as 90 days with limited citizen participation and few checks or balances.

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# <u>Recommendations</u>

- Abolish the exempt annexation process for all but voluntary annexations by petition, and review the petition process
  to ensure that citizens of an area to be annexed are adequately protected against fast-track annexation of their property.
- Create a process by which residents of an area to be annexed may formally participate in the normal two-year annexation process, through a petition to hold an election on whether or not to become joined with the municipality.

### Resources

Annexation: Its Past, Present, and Future in the Lone Star State by Jess Fields, Texas Public Policy Foundation (Oct. 2014).

