

AN ACT

relating to the division of certain emergency services districts.

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

SECTION 1. Chapter 8489, Special District Local Laws Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. DIVISION OF EMERGENCY SERVICES DISTRICT THAT

OVERLAPS WITH THE DISTRICT

Sec. 8489.251. DEFINITION. In this subchapter, "improvement district" means the Comal County Water Improvement District No. 3.

Sec. 8489.252. AUTHORITY TO DIVIDE DISTRICT. A county in which the improvement district is located may by order divide an emergency services district located in whole or in part in the improvement district and wholly in the county in the manner provided by this subchapter.

Sec. 8489.253. PETITION FOR DIVISION; NOTICE OF HEARING. (a) Before an emergency services district may be divided under this subchapter, the county judge must receive a petition for division signed by at least 60 percent of the qualified voters of the improvement district.

(b) A petition for division must include:

(1) the name of the new emergency services district to be created; and

(2) a description of the proposed territory of the new

1 emergency services district.

2 (c) The petition may include an agreement with a neighboring
3 municipality to allow the municipality to provide fire and
4 emergency medical services through the new emergency services
5 district.

6 (d) Not later than the 30th day after the date the county
7 judge receives a petition under this section, the commissioners
8 court of the county shall set a place, date, and time for a hearing
9 to consider the petition. The commissioners court shall issue a
10 notice of the hearing that includes:

11 (1) the name of the proposed emergency services
12 district;

13 (2) a description of the proposed emergency services
14 district's boundaries; and

15 (3) the place, date, and time of the hearing on the
16 petition.

17 (e) A commissioners court of a county that issues notice of
18 a hearing under Subsection (d) shall publish the notice in a
19 newspaper of general circulation in the improvement district once a
20 week for two consecutive weeks. The first publication must occur
21 not later than the 21st day before the date on which the hearing
22 will be held.

23 Sec. 8489.254. HEARING ON DIVISION OF EMERGENCY SERVICES
24 DISTRICT. (a) At a hearing on a petition for the division of an
25 emergency services district under this subchapter, the
26 commissioners court shall consider the petition and each issue
27 relating to the division of the emergency services district.

1 (b) Any interested person may appear before the
2 commissioners court to support or oppose the division.

3 (c) The commissioners court shall approve the petition not
4 later than the 10th day after the date of the hearing if the
5 commissioners court finds that:

6 (1) the petition contains the number of signatures
7 required under Section 8489.253; and

8 (2) the proposed division is feasible.

9 (d) The commissioners court shall consider any agreement
10 described by Section 8489.253(c) submitted with the petition as
11 evidence that the division of the emergency services district is
12 feasible under Subsection (c) of this section.

13 Sec. 8489.255. ELECTION TO CONFIRM DIVISION. (a) If a
14 commissioners court of a county approves a petition under Section
15 8489.254 to divide an emergency services district, the
16 commissioners court shall order an election to be held in the
17 territory of the proposed new emergency services district to:

18 (1) confirm the division of the existing emergency
19 services district; and

20 (2) authorize the imposition of a tax in the territory
21 of the new emergency services district not to exceed the rate
22 allowed by Section 48-e, Article III, Texas Constitution.

23 (b) Notice of the election shall be given in the same manner
24 as the notice of a hearing under Section 8489.253.

25 (c) The election shall be held on the first authorized
26 uniform election date prescribed by the Election Code that allows
27 sufficient time to comply with the requirements of law.

1 (d) The ballot shall be printed to provide for voting for or
2 against the proposition: "Dividing the (insert name of emergency
3 services district) to create a new emergency services district and
4 authorizing the imposition of a tax."

5 (e) If a majority of the voters voting at the election vote
6 to divide the emergency services district, the commissioners court
7 by order shall divide the emergency services district.

8 (f) The existing emergency services district and new
9 emergency services district each shall pay a pro rata share of the
10 cost of an election held under this section, based on the assessed
11 value of real property in each emergency services district subject
12 to ad valorem taxation.

13 Sec. 8489.256. DIVISION ORDER. (a) A county order dividing
14 an emergency services district under this subchapter must:

15 (1) require the existing emergency services district
16 to disannex the land of the new emergency services district;

17 (2) create the new emergency services district in
18 accordance with Chapter 775, Health and Safety Code;

19 (3) name the new emergency services district;

20 (4) include the metes and bounds description of the
21 territories of the new emergency services district and the existing
22 emergency services district after disannexation; and

23 (5) appoint the board of the new emergency services
24 district in the manner described by Section 775.034, Health and
25 Safety Code.

26 (b) The county judge shall send to the comptroller by
27 certified or registered United States Mail a certified copy of a

1 county order dividing an emergency services district under this
2 subchapter. The certified copy must:

3 (1) include the effective date of the division of the
4 emergency services district; and

5 (2) be accompanied by a map clearly showing the
6 boundaries of the new emergency services district.

7 Sec. 8489.257. TERMINATION OF AUTHORITY TO IMPOSE SALES AND
8 USE TAXES. The authority of the existing emergency services
9 district to impose sales and use taxes in the territory of the new
10 emergency services district ends on the first day of the first
11 calendar quarter after the comptroller receives a copy of the
12 division order and map required by Section 8489.256.

13 Sec. 8489.258. ADMINISTRATION OF EMERGENCY SERVICES
14 DISTRICT AFTER DIVISION. The board of the existing emergency
15 services district continues in existence to govern the territory of
16 the existing emergency services district after disannexation of the
17 land of the new emergency services district.

18 Sec. 8489.259. TAXATION FOR OUTSTANDING BONDED DEBT. (a)
19 The disannexation of territory from an emergency services district
20 under this subchapter does not diminish or impair the rights of
21 holders of any outstanding and unpaid bonds of the existing
22 emergency services district.

23 (b) Property disannexed under this subchapter is not
24 released from its pro rata share of any of the existing emergency
25 services district's bonded indebtedness on the date of the
26 disannexation and the existing emergency services district may
27 continue to tax property in the disannexed territory until that

1 debt is paid as if the territory had not been disannexed.

2 (c) After the date a petition is filed under Section
3 8489.253 to divide an emergency services district, the emergency
4 services district may not pledge ad valorem tax revenue or sales tax
5 revenue from the territory that is proposed in the petition to be
6 disannexed from the emergency services district unless the division
7 of the emergency services district fails to be approved at an
8 election under this subchapter.

9 SECTION 2. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2370 passed the Senate on May 9, 2023, by the following vote: Yeas 30, Nays 0, one present not voting; and that the Senate concurred in House amendment on May 26, 2023, by the following vote: Yeas 30, Nays 0, one present not voting.

Secretary of the Senate

I hereby certify that S.B. No. 2370 passed the House, with amendment, on May 24, 2023, by the following vote: Yeas 119, Nays 19, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor