

## **BILL ANALYSIS**

Senate Research Center

S.B. 1502  
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Intergovernmental Relations  
5/28/2007  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

An emergency services district (ESD) is a political subdivision established by local voters for the purpose of raising money through ad valorem taxes on all real property located within the district for emergency rescue, fire, and ambulance services. Current statute authorizes the board of an ESD to increase its tax rate as high as allowed by the Texas Constitution. Several members of the Bexar County Commissioners Court believe that the existing ESD tax rate increase process lacks transparency.

S.B. 1502 authorizes ESDs to adopt, change the rate, or abolish its sales and use tax at an election if the board of emergency services commissioners takes certain actions, including making a public presentation to the commissioners court of each county in the ESD regarding any proposed tax rate increase.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 775.0751, Health and Safety Code, by amending Subsections (c) and (d) and adding Subsection (c-1), as follows:

(c) Provides an exception as provided by Subsection (c-1).

(c-1) Authorizes an emergency services district (ESD) that would be precluded from adopting a sales and use tax under Subsection (c) to adopt, change the rate, or abolish its sales and use tax at an election held as provided by Section 775.0752 (Sales and Use Tax Election Procedures) if the board of emergency services commissioners takes certain actions.

(d) Provides that the election to adopt a sales and use tax in an ESD under this subchapter (Finance and Bonds) has no effect if the voters of the ESD approve the adoption of the tax or an increase in the tax rate at an election held on the same election date on which another political subdivision of this state adopts a sales and use tax or approves the increase in the rate of its sales and use tax and as a result the combined rate of all sales and use taxes imposed by the ESB and other political subdivisions of this state having territory in the portion of the ESB in which the ESB sales and use tax will apply, rather than in any part of the ESB, would exceed two percent at any location in that portion of the ESB, rather than at any location in the ESB.

SECTION 2. Effective date: upon passage or September 1, 2007.