

## **BILL ANALYSIS**

C.S.H.B. 527  
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County Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Emergency services districts are political subdivisions established by local voters for the purpose of raising money through property taxes on real property located within the district. Some districts also use sales taxes to help fund the district. The property and sales taxes support district services designed to protect life and property through emergency rescue and ambulance services, as well as fire services.

Currently, boards of emergency services districts are required to file a report regarding the district's financial condition and administration for the preceding calendar year. Also, a board is required to file an audit report regarding the district's fiscal accounts and records. However, commissioners courts have no authority to take action against a district that does not file the reports, and some commissioners court members believe that emergency services district boards lack adequate accountability.

C.S.H.B. 527 authorizes a commissioners court to remove appointed board members of an emergency services district if the board fails to file certain required reports regarding the district's finances.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 527 amends the Health and Safety Code to specify that a report, required to be given by the board of directors of an emergency services district to the commissioners court of the county in which the district is located, be given on written request from the commissioners court received on or before December 31 for a report due by February 1. The bill clarifies the reporting requirement to prescribe that the report address the district's budget, tax rate, and debt service for the preceding fiscal year, instead of addressing the district's administration and financial condition for the preceding calendar year.

C.S.H.B. 527 authorizes a commissioners court of a county in which an emergency services district is located to remove one or more appointed district board members by an order adopted by a majority vote after a hearing if the board has failed to supply to the commissioners court the requested report regarding the district's budget, tax rate, and debt service for the preceding fiscal year before the 91st day after the date on which the report was due. The bill requires each commissioners court seeking removal of a board member under the provisions of the bill to notify the board members before the 60th day after the date on which the report was due that the commissioners court is considering the removal action. The bill provides that the validity of a board action is not affected because it is taken when a ground for removal of a board member exists.

C.S.H.B. 527 makes its provisions applicable only to an appointed emergency services district board member and inapplicable to a board member who is elected or who is appointed to fill a vacancy in an elected board member position.

C.S.H.B. 527 repeals Section 775.036(d), Health and Safety Code, relating to a written report the board is required to give to the commissioners court.

**EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 527 differs from the original by modifying the requirement that an emergency services district board give a written financial report to a commissioners court to include in the reporting process a written request by the commissioners court. The substitute removes a requirement from the original requiring the district to file an audit, and makes conforming changes. The substitute adds to the authorization of a commissioners court to remove a district board member that this removal may be done after a hearing, and by an order adopted by the commissioners court. The substitute removes a provision from the original requiring each commissioners court in a district that is located in more than one county to vote for removal of a board member. The substitute adds a provision not in the original repealing Section 775.036(d), Health and Safety Code, relating to a written report the board is required to give to the commissioners court.