

BILL ANALYSIS

C.S.H.B. 2788
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County Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

There are currently two areas of statute under which emergency services districts operate and may be created: one governing districts in counties of 125,000 or less, and the other governing all other emergency services districts.

C.S.H.B. 2788 repeals the law relating to districts in counties of 125,000 or less and converts all districts created under that law to districts that operate under the law relating to all other districts, which brings all districts under one law and eliminates substantial duplication of legal authority. The bill authorizes the board of an emergency services district located wholly in a county with a population of 125,000 or less to create a new district by disannexing territory from the district and ordering a new district to be created in the disannexed territory.

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. 2788 amends the Health and Safety Code to repeal provisions relating to emergency services districts in counties with a population of 125,000 or less. The bill converts a district created under these provisions into a district operated under provisions relating to all other emergency services districts, and establishes that such a district continues in existence and is subject to provisions relating to all other emergency services districts. The bill makes each person serving as a fire commissioner of a district created under provisions relating to emergency services districts in counties with a population of 125,000 or less, on or after the bill's effective date, an emergency services commissioner, and requires the person to serve on the board of the district as an emergency services commissioner for the remainder of the unexpired term to which the person was elected. The bill makes conforming changes to the Local Government Code and the Tax Code.

C.S.H.B. 2788 amends the Health and Safety Code to authorize the board of an emergency services district located wholly in a county with a population of 125,000 or less to create a new district by disannexing territory from the district and ordering a new district to be created in the disannexed territory in the manner provided by the bill. The bill requires a district's board to receive a petition for division before the existing district may be divided signed by at least seven percent of the district's qualified voters or at least 100 of the district's qualified voters, whichever is the lesser number, and sets forth other requirements for the petition, notice of hearing, and appeal.

C.S.H.B. 2788 requires a board, on the granting of a petition to divide the district, to order an election held in the territory of the proposed new district to confirm the division of the existing district and sets forth requirements regarding the notice and date of the election and the form and language of the ballot. The bill requires the board to order the division if a majority of voters in

the proposed new district vote to divide the district. The bill requires the existing district and a new district to each pay a pro rata share of the cost of the election based on the assessed value of real property in each district subject to property taxes. The bill requires the board order to divide a district to disannex the land of the new district from the existing district contingent on the approval of the creation of the new district at the election to confirm the division, to create the new district in accordance with state law regarding emergency services districts in counties of 125,000 or less, to name the new district, and to include the metes and bounds description of the territory of the new district and the existing district after disannexation. The bill sets forth provisions for the administration of the districts after division. The bill provides that the disannexation of territory from a district does not diminish or impair the rights of the holders of any outstanding or unpaid bonds, warrants, or other obligations of that district. The bill provides that property disannexed is not released from its pro rata share of any of the district's bonded indebtedness on the date of disannexation and authorizes the district to continue to tax property in the disannexed territory until that debt is paid as if the territory had not been disannexed.

C.S.H.B. 2788 amends the Tax Code to set out provisions relating to the administration of taxes and defines "emergency services district" by reference for the purpose of these provisions.

C.S.H.B. 2788 repeals Chapter 776, Health and Safety Code.

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. 2788 adds provisions not in the original to authorize the board of an emergency services district located wholly in a county with a population of 125,000 or less to create a new district by disannexing territory from the district and ordering a new district to be created in the disannexed territory, and adds provisions relating to the creation of the district, and the administration of taxes. The substitute defines "emergency services district" for tax administration purposes, whereas the original contains no such definition.