

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3485 by Coleman (Relating to the administration of certain county services and duties, including the administration of county assistance districts.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, and Occupations Code relating to administration of various county services and duties. Included in amendments to the Code of Criminal Procedure would be changes relating to the use of video teleconferencing systems in certain criminal proceedings.

The bill would amend various sections of the Code of Criminal Procedure relating to requirements for justices of the peace and medical examiners regarding autopsies and investigations. Among the changes that would have a fiscal impact would be the requirement that a chief medical examiner hold an inquest when a person dies within 24 hours after the person was placed into law enforcement custody or dies as a result of medical treatment or therapy. Various reporting requirements by medical examiners to county officials under current statute would be removed.

The bill would also add Subchapter C to Article 49 of the Code of Criminal Procedure to establish procedures for obtaining informed consent prior to the conduct of an autopsy. The commissioner of the Department of State Health Services (DSHS) in consultation with the Texas Medical Board (TMB) would be required to develop an informed autopsy consent form that includes information stated in the bill.

The bill would amend Chapter 61, Education Code, to stipulate that approval by the Higher Education Coordinating Board would not be required for buildings or other facilities financed by a public improvement district under Chapter 372, Local Government Code.

The bill would amend Chapter 281, Health and Safety Code, regarding the Dallas County Hospital District and its employment of health care providers and physicians.

The bill would add Subchapter E to Chapter 311 of the Health and Safety Code to authorize certain hospitals to employ a physician and retain all or part of the professional income generated by the physician for medical services provided at the hospital. The bill would set forth policies and bylaws required of the hospitals, including requirements related to liability insurance.

The bill would amend Section 157 of the Local Government Code to authorize an intergovernmental pool operating under Chapter 119 or its successor, pursuant to certain policies, to require reimbursement for the provision of punitive damage coverage from a person to whom the pool provides coverage.

The bill would amend Chapter 250, Local Government Code, to require a county or municipality issuing a citation for a violation of a county or municipal rule or ordinance related to real property to mail notice of the citation to the property owner at the address most recently provided to the county or municipality by the property owner or by the employee of the owner or management company.

The bill would amend Subchapter C, Chapter 372, Local Government Code, relating to the powers and duties of certain public improvement districts regarding procedures for annexing or excluding land from the district. The bill would adjust the population criteria regarding the counties to which Subchapter C would apply.

The bill would amend Chapter 372 of the Local Government Code to expand the methods that can be used to fund public improvement projects, to add projects that qualify for funding as a public improvement project, and to provide for additional uses of public improvement district funds. In addition, the bill would make changes to operational procedures of a district such as those relating to posting and filing notices, dissolving a district, revising assessment rolls, and revising assessments.

Provisions of the bill specify that a public improvement district is not a separate body politic or corporate from the municipality or county that created it.

All governmental acts and proceedings conducted under Chapter 372, Local Government Code, prior to the effective date of the bill related to establishing a public improvement district, designating improvements, levying assessments, and financing costs of improvements in response to a petition filed that conform with Section 372.005, Local Government Code, as it existed prior to the effective date of the bill would be validated and confirmed.

The bill would amend Section 387 of the Local Government Code to authorize the creation of more than one county assistance district in a county and sets out procedures for creating more than one district. The bill would also amend statutes regarding powers, duties, operations, elections, and sales and use tax change of a county assistance district. Under current statute, if an election is held and the vote is against the creation of a district, another election may not be held prior to the first anniversary of the most recent election concerning the creation. Under the proposed change in statute, one or more elections may be held, and the limit on when the election could be held would be removed.

The bill would amend Chapter 162, Occupations Code, related to requirements of the Texas Medical Board regarding certification of a health organization and would allow the board to charge a reasonable fee as necessary for the certification of an organization and for the investigation, review, and enforcement of the organization's compliance with applicable statutes.

The bill would add Section 51.0022 to the Property Code to require, beginning with a sale on or after January 1, 2010, a person filing a notice of sale of foreclosed residential property to submit to the county clerk a completed form that provides the zip code of the property. On completion of the sale of real property, the trustee or sheriff would be required to submit a form to the county clerk that contains certain information. Not later than the 30th day after receipt of a form under the section, the county clerk would be required to transmit the form to the Texas Department of Housing and Community Affairs (TDHCA). By not later than January 1, 2010, TDHCA would be required to prescribe the forms required under the section and to report the information received from the county clerks to the legislature on a quarterly basis.

Proposed changes to Section 250.003, Local Government Code, would take effect on or after January 1, 2010. Otherwise, the bill would take effect September 1, 2009.

Based on analysis by affected agencies, it is anticipated that any costs associated with implementing provisions of the bill could be absorbed within existing resources.

Local Government Impact

It is anticipated that the proposed changes in the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, and Occupations Code relating to administration of various county services and duties would provide a positive fiscal impact for counties that would vary by county.

It is anticipated that the proposed amendments to the Code of Criminal Procedure regarding video teleconferencing systems would create a savings related to court proceedings if a system is already in place.

The fiscal impact to local governments under Article 49, Code of Criminal Procedure, regarding inquests of deaths of persons in law enforcement custody or as a result of medical treatment or therapy would depend on the number of such deaths that occur. The costs are not anticipated to be significant. As an example of potential impact, Midland County (2000 U.S. Census population of 116,009) reports that the current cost of performing an autopsy is \$2,000.

It is anticipated that the proposed addition to Chapter 157, Local Government Code, would provide a positive fiscal impact that would depend on the costs associated with punitive damage coverage.

Under proposed changes to Chapter 250, Local Government Code, a county or municipality would incur costs that would vary depending on how many citations are issued.

A municipality or county that has created or would create a public improvement district under provisions of chapter 372, Local Government Code, would benefit from the additional methods of financing. The positive fiscal impact would vary depending on decisions made by the governing body. Procedural changes are not anticipated to have significant fiscal implications.

Based on analysis provided from the Texas Association of Counties (TAC), the costs to implement the changes in Section 387 of the Local Government Code would vary by county depending on if an associated election coincides with other elections previously determined to take place in the county or if an election is held alone. As an example, TAC cited special election costs for Waller County at \$20,920 and Kaufman County at \$35,000. (Election costs vary depending not only on the type of election, but also on the number of eligible voters and number of precincts.)

Costs associated with requirements for gathering and submitting foreclosure data would vary by county and would depend on the number of foreclosures; however, based on information provided by TAC, those costs are not expected to be significant.

According to the Texas Hospital Association, provisions of the bill under Chapters 281 and 311, Health and Safety Code, and Chapter 162, Occupations Code, would provide a significant positive fiscal impact to the applicable hospitals.

Source Agencies: 332 Department of Housing and Community Affairs, 503 Texas Medical Board, 537 State Health Services, Department of, 781 Higher Education Coordinating Board

LBB Staff: JOB, DB