

SENATE AMENDMENTS

2nd Printing

By: Craddick

H.B. No. 2212

A BILL TO BE ENTITLED

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 775, Health and Safety Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. DIVISION OF DISTRICT

Sec. 775.221. AUTHORITY TO DIVIDE DISTRICT. The board of a district located wholly in one county with a population of 125,000 or less may create a new district by disannexing territory from the existing district and ordering a new district to be created in the disannexed territory in the manner provided by this subchapter.

Sec. 775.222. PETITION FOR DIVISION; NOTICE OF HEARING.

(a) Before the existing district may be divided, the district's board must receive a petition for division 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.

(b) A petition for division must include:

(1) the name of the new district to be created; and
(2) a description of the territory proposed to be the new district's territory.

(c) On receipt of a petition in the proper form, the board shall set a place, date, and time for a hearing to consider the petition.

(d) The board shall issue a notice of the hearing that

1 includes:

2 (1) the name of the proposed district;

3 (2) a description of the proposed district's
4 boundaries; and

5 (3) the place, date, and time of the hearing on the
6 petition.

7 (e) The board shall publish the notice in a newspaper of
8 general circulation in the district once a week for two consecutive
9 weeks. The first publication must occur not later than the 21st day
10 before the date on which the hearing will be held.

11 Sec. 775.223. HEARING ON DIVISION OF DISTRICT. (a) At the
12 hearing on the petition for division of the existing district, the
13 board shall consider the petition and each issue relating to the
14 division of the district.

15 (b) Any interested person may appear before the board to
16 support or oppose the division.

17 (c) If the board finds that the petition contains the number
18 of signatures required under Section 775.222(a), the board shall
19 approve the petition not later than the 10th day after the date of
20 the hearing.

21 Sec. 775.224. APPEAL. A resident of the district or an
22 owner of real or personal property located in the district may
23 appeal the board's decision on the division of the district by
24 filing an appeal in the district court in the county in which a
25 district is located only on the basis that the board incorrectly
26 tabulated the number of signatures on the petition.

27 Sec. 775.225. ELECTION TO CONFIRM DIVISION. (a) On

1 granting a petition to divide the district, the board shall order an
2 election to be held in the territory of the proposed new district to
3 confirm the division of the existing district.

4 (b) Notice of the election shall be given in the same manner
5 as the notice of hearing under Section 775.222.

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

9 (d) The ballot shall be printed to provide for voting for or
10 against the proposition: "Dividing the _____ Emergency Services
11 District to create a new emergency services district."

12 (e) If a majority of voters voting at the election vote to
13 divide the district, the board shall order the division.

14 (f) If a majority of those voting at the election vote
15 against dividing the existing district, the board may not order
16 another election on the issue before the first anniversary of the
17 date of the canvass of the election.

18 (g) The existing district and the new district each shall
19 pay a pro rata share of the cost of an election held under this
20 section, based on the assessed value of real property in each
21 district subject to ad valorem taxation.

22 Sec. 775.226. DIVISION ORDER. A board order to divide a
23 district must:

24 (1) disannex the land of the new district from the
25 existing district contingent on the approval of the creation of the
26 new district at the election held under this subchapter;

27 (2) create the new district in accordance with this

1 chapter;

2 (3) name the new district; and

3 (4) include the metes and bounds description of the
4 territory of the new district and the existing district after
5 disannexation.

6 Sec. 775.227. ADMINISTRATION OF DISTRICTS AFTER DIVISION.

7 (a) The existing board continues in existence to govern the
8 territory of the existing district after disannexation.

9 (b) If the new district is located wholly in one county, the
10 commissioners court shall appoint a board in the manner described
11 by Section 775.034 not later than the 14th day after the date of the
12 board order dividing the district.

13 Sec. 775.228. TAXATION FOR OUTSTANDING BONDED DEBT. The
14 disannexation of territory from a district under this subchapter
15 does not diminish or impair the rights of the holders of any
16 outstanding and unpaid bonds, warrants, or other obligations of
17 that district. Property disannexed under this subchapter is not
18 released from its pro rata share of any of the district's bonded
19 indebtedness on the date of the disannexation, and the district may
20 continue to tax property in the disannexed territory until that
21 debt is paid as if the territory had not been disannexed.

22 Sec. 775.229. FURTHER DIVISION PROHIBITED. Once a district
23 has been divided under this subchapter, neither the existing
24 district nor the new district may be divided under this subchapter.

25 SECTION 2. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

H.B. No. 2212

1 Act does not receive the vote necessary for immediate effect, this
2 Act takes effect September 1, 2009.

ADOPTED

MAY 27 2009

Lotay Spaw
Secretary of the Senate

By: Duncan

H.B. No. 2212

Substitute the following for H.B. No. 2212:

By: M. Gallego

C.S. H.B. No. 2212

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SECTION 1. Chapter 775, Health and Safety Code, is amended by adding Subchapter I to read as follows:

SUBCHAPTER I. DIVISION OF DISTRICT

Sec. 775.221. AUTHORITY TO DIVIDE DISTRICT. The board of a district located wholly in one county with a population of 20,000 or less may create a new district by disannexing territory from the existing district and ordering a new district to be created in the disannexed territory in the manner provided by this subchapter.

Sec. 775.222. PETITION FOR DIVISION; NOTICE OF HEARING.

(a) Before the existing district may be divided, the district's board must receive a petition for division 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.

(b) A petition for division must include:

- (1) the name of the new district to be created; and
- (2) a description of the territory proposed to be the new district's territory.

(c) On receipt of a petition in the proper form, the board

1 shall set a place, date, and time for a hearing to consider the
2 petition.

3 (d) The board shall issue a notice of the hearing that
4 includes:

5 (1) the name of the proposed district;

6 (2) a description of the proposed district's
7 boundaries; and

8 (3) the place, date, and time of the hearing on the
9 petition.

10 (e) The board shall publish the notice in a newspaper of
11 general circulation in the district once a week for two
12 consecutive weeks. The first publication must occur not later
13 than the 21st day before the date on which the hearing will be
14 held.

15 Sec. 775.223. HEARING ON DIVISION OF DISTRICT. (a) At
16 the hearing on the petition for division of the existing
17 district, the board shall consider the petition and each issue
18 relating to the division of the district.

19 (b) Any interested person may appear before the board to
20 support or oppose the division.

21 (c) If the board finds that the petition contains the
22 number of signatures required under Section 775.222(a), the
23 board shall approve the petition not later than the 10th day
24 after the date of the hearing.

25 Sec. 775.224. APPEAL. A resident of the district or an
26 owner of real or personal property located in the district may
27 appeal the board's decision on the division of the district by

1 filing an appeal in the district court in the county in which a
2 district is located only on the basis that the board incorrectly
3 tabulated the number of signatures on the petition.

4 Sec. 775.225. ELECTION TO CONFIRM DIVISION. (a) On
5 granting a petition to divide the district, the board shall
6 order an election to be held in the territory of the proposed
7 new district to confirm the division of the existing district.

8 (b) Notice of the election shall be given in the same
9 manner as the notice of hearing under Section 775.222.

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

13 (d) The ballot shall be printed to provide for voting for
14 or against the proposition: "Dividing the Emergency
15 Services District to create a new emergency services district."

16 (e) If a majority of voters voting at the election vote to
17 divide the district, the board shall order the division.

18 (f) If a majority of those voting at the election vote
19 against dividing the existing district, the board may not order
20 another election on the issue before the first anniversary of
21 the date of the canvass of the election.

22 (g) The existing district and the new district each shall
23 pay a pro rata share of the cost of an election held under this
24 section, based on the assessed value of real property in each
25 district subject to ad valorem taxation.

26 Sec. 775.226. DIVISION ORDER. A board order to divide a
27 district must:

1 (1) disannex the land of the new district from the
2 existing district contingent on the approval of the creation of
3 the new district at the election held under this subchapter;

4 (2) create the new district in accordance with this
5 chapter;

6 (3) name the new district; and

7 (4) include the metes and bounds description of the
8 territory of the new district and the existing district after
9 disannexation.

10 Sec. 775.227. ADMINISTRATION OF DISTRICTS AFTER DIVISION.

11 (a) The existing board continues in existence to govern the
12 territory of the existing district after disannexation.

13 (b) If the new district is located wholly in one county,
14 the commissioners court shall appoint a board in the manner
15 described by Section 775.034 not later than the 14th day after
16 the date of the board order dividing the district.

17 Sec. 775.228. TAXATION FOR OUTSTANDING BONDED DEBT. The
18 disannexation of territory from a district under this subchapter
19 does not diminish or impair the rights of the holders of any
20 outstanding and unpaid bonds, warrants, or other obligations of
21 that district. Property disannexed under this subchapter is not
22 released from its pro rata share of any of the district's bonded
23 indebtedness on the date of the disannexation, and the district
24 may continue to tax property in the disannexed territory until
25 that debt is paid as if the territory had not been disannexed.

26 Sec. 775.229. FURTHER DIVISION PROHIBITED. Once a
27 district has been divided under this subchapter, neither the

1 existing district nor the new district may be divided under this
2 subchapter.

3 SECTION 2. This Act takes effect immediately if it
4 receives a vote of two-thirds of all the members elected to each
5 house, as provided by Section 39, Article III, Texas
6 Constitution. If this Act does not receive the vote necessary
7 for immediate effect, this Act takes effect September 1, 2009.

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 27, 2009

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

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

IN RE: HB2212 by Craddick (Relating to the division of certain emergency services districts.), As Passed 2nd House

No fiscal implication to the State is anticipated.

The bill would add Subchapter I to Chapter 775, Health and Safety Code, to authorize certain emergency services districts located in a county with a population of 20,000 or less to create a new district by disannexing territory from the existing district by ordering a new district to be created in the manner set forth in the provisions of the bill. Requirements would include the district's board holding a public hearing upon receipt of a petition requesting the division, signed by at least 7 percent of the district's qualified voters or at least 100 qualified voters in the district, whichever is less. Notice of the hearing must be published in a newspaper of general circulation in the district once a week for two consecutive weeks.

Upon granting a petition to divide the district, the district board would be required to order an election to be held in the territory of the proposed new district to confirm the division of the existing district. Notice must be published of the election, and the election shall be held on the first authorized uniform election date prescribed by the Election Code that would allow sufficient time to comply with the requirements of law.

The bill establishes the method for appointing a board for the new district if it is located wholly in one county.

Property disannexed would not be released from its pro rata share of any of the district's bonded indebtedness on the date of the disannexation, and the district may continue to tax property in the disannexed territory until that debt is paid as if the territory had not been disannexed.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, SZ, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: HB2212 by Craddick (Relating to the division of certain emergency services districts.),
Committee Report 2nd House, Substituted

No fiscal implication to the State is anticipated.

The bill would add Subchapter I to Chapter 775, Health and Safety Code, to authorize certain emergency services districts located in a county with a population of 20,000 or less to create a new district by disannexing territory from the existing district by ordering a new district to be created in the manner set forth in the provisions of the bill. Requirements would include the district's board holding a public hearing upon receipt of a petition requesting the division, signed by at least 7 percent of the district's qualified voters or at least 100 qualified voters in the district, whichever is less. Notice of the hearing must be published in a newspaper of general circulation in the district once a week for two consecutive weeks.

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Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 20, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: HB2212 by Craddick (Relating to the division of certain emergency services districts.), As
Engrossed

No fiscal implication to the State is anticipated.

The bill would add Subchapter I to Chapter 775, Health and Safety Code, to authorize certain emergency services districts located in a county with a population of 125,000 or less to create a new district by disannexing territory from the existing district by ordering a new district to be created in the manner set forth in the provisions of the bill. Requirements would include the district's board holding a public hearing upon receipt of a petition requesting the division, signed by at least 7 percent of the district's qualified voters or at least 100 qualified voters in the district, whichever is less. Notice of the hearing must be published in a newspaper of general circulation in the district once a week for two consecutive weeks.

Upon granting a petition to divide the district, the district board would be required to order an election to be held in the territory of the proposed new district to confirm the division of the existing district. Notice must be published of the election, and the election shall be held on the first authorized uniform election date prescribed by the Election Code that would allow sufficient time to comply with the requirements of law.

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Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, DB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 15, 2009

TO: Honorable Yvonne Davis, Chair, House Committee on Urban Affairs

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

IN RE: HB2212 by Craddick (Relating to the division of certain emergency services districts.),
Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill would add Subchapter I to Chapter 775, Health and Safety Code, to authorize certain emergency services districts located in a county with a population of 125,000 or less to create a new district by disannexing territory from the existing district by ordering a new district to be created in the manner set forth in the provisions of the bill. Requirements would include the district's board holding a public hearing upon receipt of a petition requesting the division, signed by at least 7 percent of the district's qualified voters or at least 100 qualified voters in the district, whichever is less. Notice of the hearing must be published in a newspaper of general circulation in the district once a week for two consecutive weeks.

Upon granting a petition to divide the district, the district board would be required to order an election to be held in the territory of the proposed new district to confirm the division of the existing district. Notice must be published of the election, and the election shall be held on the first authorized uniform election date prescribed by the Election Code that would allow sufficient time to comply with the requirements of law.

The bill establishes the method for appointing a board for the new district if it is located wholly in one county.

Property disannexed would not be released from its pro rata share of any of the district's bonded indebtedness on the date of the disannexation, and the district may continue to tax property in the disannexed territory until that debt is paid as if the territory had not been disannexed.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 4, 2009

TO: Honorable Yvonne Davis, Chair, House Committee on Urban Affairs

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

IN RE: HB2212 by Craddick (Relating to the division of certain emergency services districts.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would add Subchapter F to Chapter 776, Health and Safety Code, to authorize certain emergency services districts located in a county with a population of 125,000 or less to divide the district by disannexing territory from the district by ordering a new district to be created in the manner set forth in the provisions of the bill. Requirements would include the district's board holding a public hearing upon receipt of a petition requesting the division, signed by at least 100 qualified voters in the district. Notice of the hearing must be published in a newspaper of general circulation in the district once a week for two consecutive weeks.

Upon granting approval for the division, the district board would be required to order an election to be held in the new district to confirm the division. Notice must be published of the election, and the election shall be held on the first authorized uniform election date prescribed by the Election Code that would allow sufficient time to comply with the requirements of law.

The bill establishes the method for appointing a board for the new district if it is located wholly in one county.

Property disannexed would not be released from its pro rata share of any of the district's bonded indebtedness on the date of the disannexation, and the district may continue to tax property in the disannexed territory until that debt is paid as if the territory had not been disannexed.

Local Government Impact

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Source Agencies:

LBB Staff: JOB, DB