

BILL ANALYSIS

Senate Research Center

C.S.H.B. 2316
By: Coleman (West)
Intergovernmental Relations
5/21/2011
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.H.B. 2316 amends current law relating to county powers, duties, and services, including the powers and duties of certain districts, and the authorization of certain health care programs and studies.

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 Article 26.13, Code of Criminal Procedure, by adding Subsection (j), as follows:

(j) Authorizes a person who is incarcerated in a facility operated by or under contract with the Texas Department of Criminal Justice (TDCJ) to submit a plea of guilty or plea of nolo contendere regarding a misdemeanor charge in writing, transmitted by mail, facsimile, or other means. Requires the court, before accepting a plea under this subsection, to make the admonitions required by this article to the defendant in writing as provided by Subsection (d).

SECTION 2. Amends Section 31.037, Election Code, as follows:

Sec. 31.037. New heading: SUSPENSION OR TERMINATION OF EMPLOYMENT. Authorizes the employment of the county elections administrator to be suspended, with or without pay, or terminated at any time for good and sufficient cause on the four-fifths vote of the county election commission and approval of that action by a majority vote of the commissioners court.

SECTION 3. Amends Section 552.116(a), Government Code, to provide that an audit working paper of an audit of the state auditor or the auditor of a state agency, an institution of higher education as defined by Section 61.003 (Definitions), Education Code, a county, a municipality, a school district, a hospital district, or a joint board operating under Section 22.074 (Joint Board), Transportation Code, including any audit relating to the criminal history background check of a public school employee, is excepted from the requirements of Section 552.021 (Availability of Public Information).

SECTION 4. Amends Section 61.002(5), Health and Safety Code, to redefine "general revenue levy."

SECTION 5. Amends Section 363.156(b), Local Government Code, as follows:

(b) Prohibits the board of directors of a district (board), to the extent competitive bidding procedures in Title 8 apply, from entering purchasing contracts that involve spending more than \$50,000, rather than more than \$25,000, unless the board complies with:

- (1) Subchapter C (Competitive Bidding in General), Chapter 262 (Purchasing and Contracting Authority of Counties), if the district was created by a county; or
- (2) Chapter 252 (Purchasing and Contracting Authority of Municipalities), if the district was created by a municipality.

SECTION 6. Amends Sections 375.003(3) and (4), Local Government Code, to redefine "commission" and "disadvantaged business."

SECTION 7. Amends Section 375.022(c), Local Government Code, to set forth the required content of the petition, including that the petition describe the boundaries of the proposed district by metes and bounds; by verifiable landmarks, including a road, creek, or railroad line; or if there is a recorded map or plat and survey of the area, by lot and block number; and include a name of the district, which is required to be generally descriptive of the location of the district, followed by "Management District" or "Improvement District."

SECTION 8. Amends Section 375.043, Local Government Code, to authorize a district to annex land as provided by Section 49.301 (Adding Land by Petition of Landowner) and Chapter 54 (Municipal Utility Districts), Water Code, subject to the approval of the governing body of the municipality.

SECTION 9. Amends Section 375.044(b), Local Government Code, to require the board to call a hearing on the exclusion of land or other property from the district if a signed petition evidencing the consent of the owners of a majority of the acreage in the district, according to the most recent certified tax roll of the county, is filed with the secretary of the board requesting the hearing before the issuance of bonds, rather than if a land landowner or property owner in the district files with the secretary of the board a written petition requesting the hearing before the issuance of bonds.

SECTION 10. Amends Section 375.061, Local Government Code, to provide that a district is governed by a board of at least five but not more than 30 directors, rather than at least nine but not more than 30 directors, who serve staggered four-year terms.

SECTION 11. Amends Section 375.071, Local Government Code, to provide that one-half of the serving directors constitutes a quorum, and a concurrence of a majority of a quorum of directors is required for any official action of the district.

SECTION 12. Amends Section 375.091, Local Government Code, as follows:

Sec. 375.091. GENERAL POWERS OF DISTRICT. Deletes existing Subsection (a) designation. Makes no further changes to this subsection.

Deletes existing Subsection (b) authorizing the district to contract and manage its affairs and funds for any corporate purpose in accordance with Chapter 54, Water Code.

Deletes existing Subsection (c) providing that the district has all the rights, powers, privileges, authority, and functions of road districts and road utility districts created pursuant to Article III, Section 52, of the Texas Constitution, including the power to levy ad valorem taxes for the construction, maintenance, and operation of macadamized, graveled, or paved roads and turnpikes, or in aid thereof. Deletes existing text providing that this power includes the power to levy ad valorem taxes to provide for mass transit systems in the manner and subject to the limitations provided in Article III, Section 52, and Article III, Section 52(a), of the Texas Constitution.

Deletes existing Subsection (d) providing that a district has those powers conferred by Chapters 365 and 441, Transportation Code, and the additional rights, privileges, authority, and functions contained in those chapters.

SECTION 13. Amends Subchapter E, Chapter 375, Local Government Code, by adding Sections 375.0921 and 375.0922, as follows:

Sec. 375.0921. AUTHORITY FOR ROAD PROJECTS. (a) Authorizes a district, under Section 52, Article III, Texas Constitution, to design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

(b) Authorizes the district to impose ad valorem taxes to provide for mass transit systems in the manner and subject to the limitations provided by Section 52, Article III, and Section 52-a, Article III, Texas Constitution.

Sec. 375.0922. ROAD STANDARDS AND REQUIREMENTS. (a) Requires that a road project meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) Requires that a road project, if the road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, to meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) Requires the Texas Transportation Commission to approve the plans and specifications of the road project.

SECTION 14. Amends Section 375.097(a), Local Government Code, to authorize the hearings examiner to be an employee or contractor of the district, or a member of the district's board.

SECTION 15. Amends Subchapter E, Chapter 375, Local Government Code, by adding Section 375.098, as follows:

Sec. 375.098. DISTRICT ACT OR PROCEEDING PRESUMED VALID. (a) Provides that a governmental act or proceeding of a district is conclusively presumed, as of the date it occurred, valid and to have occurred in accordance with all applicable statutes and rules if the third anniversary of the effective date of the act or proceeding has expired, and a lawsuit to annul or invalidate the act or proceeding has not been filed on or before that third anniversary.

(b) Provides that this section does not apply to:

(1) an act or proceeding that was void at the time it occurred;

(2) an act or proceeding that, under a statute of this state or the United States, was a misdemeanor or felony at the time the act or proceeding occurred;

(3) a rule that, at the time it was passed, was preempted by a statute of this state or the United States, including Section 1.06 (Code Exclusively Governs) or 109.57 (Application of Code; Other Jurisdictions), Alcoholic Beverage Code; or

(4) a matter that on the effective date of this section is involved in litigation if the litigation ultimately results in the matter being held invalid by a final judgment of a court, or has been held invalid by a final judgment of a court.

SECTION 16. Amends Section 375.112(a)(1), Local Government Code, as follows:

(1) landscaping, lighting, banners, and signs; streets and sidewalks; pedestrian skywalks, crosswalks, and tunnels; seawalls; marinas; solid waste, water sewage and power facilities, including electrical gas, steam, cogeneration, and chilled water facilities; parks,

plazas, lakes, rivers, bayous, ponds, and recreation and scenic areas; historic areas; fountains; works of art; off-street parking facilities, bus terminals, heliports, and mass transit systems; theatres, studios, exhibition halls, production facilities and ancillary facilities in support of the foregoing; and the cost of any demolition in connection with providing any of the improvement projects.

SECTION 17. Amends Section 375.114, Local Government Code, as follows:

Sec. 375.114. PETITION REQUIRED. Prohibits the board from financing services and improvement projects under this chapter unless a written petition has been filed with the board requesting those improvements or services signed by:

(1) the owners of 50 percent or more of the assessed value of the property in the district subject to assessment, according to, rather than as determined from, the most recent certified county property tax rolls; or

(2) the owners of 50 percent or more of the surface area of the district, excluding roads, streets, highways, and utility rights-of-way, other public areas, and any other property exempt from assessment under Section 375.162 or 375.163, according to the most recent certified county property tax rolls.

Makes a conforming change.

SECTION 18. Amends Section 375.202(e), Local Government Code, to authorize the proceeds from the sale of bonds, if provided by the bond order or resolution, to be used to pay interest on the bonds during and after the period of the acquisition or construction of any improvement project to be provided through the issuance of the bonds, to pay administrative and operation expenses to create a reserve fund for the payment of the principal of and interest on the bonds, to pay costs associated with the issuance of the bonds, and to create any other funds.

SECTION 19. Amends Section 375.205(a), Local Government Code, to provide that this subsection applies only to bonds that are public securities, as that term is defined by Section 1202.001, Government Code.

SECTION 20. Amends Subchapter J, Chapter 375, Local Government Code, by adding Section 375.209, as follows:

Sec. 375.209. TAXES FOR BONDS. Requires the board, at the time the district issues bonds payable wholly or partly from ad valorem taxes, to provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 (Tax Levy for Bonds) and 54.602 (Establishment of Tax Rate in Each Year), Water Code.

SECTION 21. Amends Section 375.221, Local Government Code, as follows:

Sec. 375.221. New heading: APPLICABILITY OF WATER DISTRICTS LAW TO COMPETITIVE BIDDING ON CERTAIN CONTRACTS. (a) Provides that, except as provided by Subsection (b) of this section, Subchapter I (Construction, Equipment, Materials, and Machinery Contracts), Chapter 49 (Provisions Applicable to All Districts), Water Code, applies to a district contract for construction work, equipment, materials, or machinery.

(b) Redesignates existing text of Subsection (a) as Subsection (b). Deletes existing text authorizing a contract, other than a contract for services, for more than \$50,000 for the construction of improvements or the purchase of material, machinery, equipment, supplies, and other property, except real property, to be entered into only after competitive bids. Deletes existing text requiring that notice of the contract for the purpose of soliciting bids be published once a week for two consecutive weeks in a newspaper with general circulation in the area in

which the district is located. Deletes existing text requiring that the first publication of notice be not later than the 14th day before the date set for receiving bids.

Deletes existing Subsection (b) requiring that competitive sealed proposals, if a proposed contract for works, plant improvements, facilities other than land, or the purchase of equipment, appliances, materials, or supplies is for an estimated amount of more than \$50,000 or for a duration of more than two years, be asked from at least three persons.

SECTION 22. Amends Section 375.263(a), Local Government Code, as follows:

(a) Authorizes the governing body of a municipality in which a district is wholly located, by a vote of not less two-thirds of its membership, to adopt an ordinance dissolving the district. Deletes existing text providing an exception as limited by Section 375.264.

SECTION 23. Amends Section 375.264, Local Government Code, as follows:

Sec. 375.264. New heading: **LIMITATION ON DISSOLUTION BY BOARD.** Prohibits a district from being dissolved by its board, rather than by its board or by a municipality, if the district has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds.

SECTION 24. Amends Subchapter N, Chapter 375, Local Government Code, by adding Section 375.282, as follows:

Sec. 375.282. **STRATEGIC PARTNERSHIP AGREEMENT.** Authorizes a district with territory in the extraterritorial jurisdiction of a municipality to negotiate and enter into a written strategic partnership with the municipality under Section 43.0751.

SECTION 25. Amends Section 382.002, Local Government Code, as follows:

Sec. 382.002. **APPLICABILITY.** Provides that this chapter applies only to:

- (1) a county with a population of 1.5 million or more, rather than 825,000 or more, other than a county that borders on the Gulf of Mexico or a bay or inlet of the gulf; or has two municipalities located wholly or partly in its boundaries each having a population of 225,000 or more, rather than 300,000 or more; or
- (2) Makes no changes to this subdivision.

SECTION 26. Amends Subchapter C, Chapter 382, Local Government Code, by adding Section 382.113, as follows:

Sec. 382.113. **ANNEXATION OR EXCLUSION OF LAND.** (a) Provides that this section applies only to a district created by a county described by Section 382.002(1).

(b) Authorizes a district to annex or exclude land from the district as provided by Subchapter J (Annexation or Exclusion of Land), Chapter 49 (Provisions Applicable to all Districts), Water Code.

(c) Requires the district, before a district is authorized to adopt an order adding or excluding land, to obtain the consent of:

- (1) the county that created the district by a resolution of the county commissioners court; and

(2) a municipality in whose extraterritorial jurisdiction the district is located by a resolution adopted by the municipality's governing body.

SECTION 27. Amends Sections 382.155(b) and (d), Local Government Code, as follows:

(b) Requires a district, if authorized by a county, to impose a hotel occupancy tax in the same manner as provided Section 352.107 (Hotel Tax Authorized for County Development Districts), Tax Code. Deletes existing text requiring a district, if authorized by a county, to impose a hotel occupancy tax as provided by Chapter 383, Local Government Code, and Section 352.107, Tax Code, except that a hotel occupancy tax may be used for any purpose authorized in this chapter, and is authorized by the county to be imposed by the district.

(d) Authorizes a hotel occupancy tax imposed by a district in a county described by Section 382.002(1) to be used for a purpose described by Chapter 352, Tax Code, or to encourage the development or operation of a hotel in the district, including an economic development program for a grant, loan, service or improvement to a hotel in the district. Deletes existing text prohibiting a hotel occupancy tax from being imposed on the occupants of a hotel unless the owner of the hotel agrees to the imposition of the hotel occupancy taxes under this chapter. Deletes existing text prohibiting the agreement, after the owner agrees, from being revoked by the owner of the hotel or any subsequent owner of the hotel. Deletes existing text authorizing the district, after an agreement under this section, to impose hotel occupancy taxes as provided by this chapter.

SECTION 28. Amends Subchapter D, Chapter 382, Local Government Code, by adding Section 382.1555, as follows:

Sec. 382.1555. USE OF HOTEL OCCUPANCY TAX FOR ANY PURPOSE. (a) Authorizes a district, if authorized by a county, to impose a hotel occupancy tax under Section 382.155 and use the revenue from the tax for any purpose authorized by this chapter if the owner of the hotel agrees to the imposition of the tax.

(b) Prohibits the agreement, after the owner agrees, from being revoked by the owner of the hotel or any subsequent owner of the hotel.

(c) Provides that, to the extent of a conflict with Section 382.155(d), this section controls.

SECTION 29. Amends Section 387.003, Local Government Code, by amending Subsections (a), (b), (b-1), (c), (e), (f), and (h) and adding Subsections (a-1), (i), and (j), as follows:

(a) Authorizes the commissioners court of the county to call an election on the question of creating a county assistance district under this chapter. Authorizes more than one county assistance district to be created in a county.

(a-1) Creates this subsection from existing text. Authorizes a district to perform the following functions in the district:

- (1) the construction, maintenance, or improvement of roads or highways;
- (2) the provision of law enforcement and detention services;
- (3) the maintenance or improvement of libraries, museums, parks, or other recreational facilities;
- (4) the provision of services that benefit the public health or welfare, including the provision of firefighting and fire prevention services; or
- (5) the promotion of economic development and tourism.

(b) Requires that the order calling the election:

(1) define the boundaries of the district to include any portion of the county in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by the district if approved at the election, would not exceed the maximum combined rate of sales and use taxes imposed by political subdivisions of this state that is prescribed by Sections 321.101 (Tax Authorized) and 323.101 (Tax Authorized), Tax Code, rather than would not exceed two percent; and

(2) call for the election to be held within those boundaries.

(b-1) Authorizes the territory of a municipality that is excluded under this subsection to subsequently be included in:

(1) the district in an election held under Subsection (f) with the consent of the municipality; or

(2) another district after complying with the requirements of this subsection and after an election under Subsection (f).

(c) Requires that the ballot at the election be printed to permit voting for or against the proposition: "Authorizing the creation of the ____ County Assistance District No. ____ (insert name of district) and the imposition of a sales and use tax at the rate of ____ percent (insert appropriate rate) for the purpose of financing the operations of the district." Deletes existing text providing that the rate of imposition of the sales tax is one-eighth, one-fourth, three-eighths, or one-half.

(e) Provides that if a majority of the votes received at the election are against the creation of the district, the district is not created and the county at any time may call one or more elections on the question of creating one or more county assistance districts. Deletes existing text prohibiting another election from being held on the question of creating a county assistance program in the county before the first anniversary of the most recent election concerning the creation of a district, if a majority of the voters received at the election are against the creation of the district.

(f) Prohibits an election from being held in an area in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by the district if approved at the election, would exceed the maximum combined rate of sales and use taxes imposed by political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code. Makes a conforming change.

(h) Provides that if more than one election to authorize a local sales and use tax is held on the same day in the area of a proposed district or an area proposed to be added to a district and if the resulting approval by the voters would cause the imposition of a local sales and use tax in any area to exceed the maximum combined rate of sales and use taxes of political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code, only a tax authorized at an election under this section may be imposed.

(i) Authorizes the governing body of a district by order, in addition to the authority to include an area in a district under Subsection (f), to include an area in the district on receipt of a petition or petitions signed by the owner or owners of the majority of the land in the area to be included in the district. Provides that if there are no qualified voters in the area to be included in the district, no election is required.

(j) Authorizes the commissioners court by order to exclude an area from the district if the district has no outstanding bonds payable wholly or partly from sales and use taxes and the exclusion does not impair any outstanding district debt or contractual obligation.

SECTION 30. Amends Section 387.005, Local Government Code, as follows:

Sec. 387.005. GOVERNING BODY. (a) Requires the commissioners court of the county in which the district is created by order to provide that:

(1) the commissioners court is the governing body of the district; or

(2) the commissioners court shall appoint a governing body of the district.

(b) Provides that a member of the governing body of the district is not entitled to compensation for service, rather than a member of the commissioners court is not entitled to compensation for service on the governing body of the district, but is entitled to reimbursement for actual and necessary expenses.

(c) Requires a board of directors appointed by the commissioners court under this section to consist of five directors who serve staggered terms of two years. Requires a person, to be eligible to serve as a director, to be at least 18 years of age and a resident of the county in which the district is located. Requires the initial directors to draw lots to achieve staggered terms, with three of the directors serving one-year terms and two of the directors serving two-year terms.

SECTION 31. Amends Section 387.006(a), Local Government Code, as follows:

(a) Authorizes a district to:

(1)-(5) Makes no changes to these subdivisions; and

(6) enter into agreements with municipalities necessary or convenient to achieve the district's purposes, including agreements regarding the duration, rate, and allocation between the district and the municipality of sales and use taxes.

SECTION 32. Amends Section 387.007, Local Government Code, by amending Subsection (b), to prohibit a district from adopting a sales and use tax under this chapter if the adoption of the tax would result in a combined tax rate of all local sales and use taxes that would exceed the maximum combined rate prescribed by Sections 321.101 and 323.101, Tax Code, in any location in the district. Makes a conforming change.

SECTION 33. Amends Section 387.009, Local Government Code, to require the rate of a tax adopted under this chapter to be in increments of one-eighth of one percent, rather than be one-fourth, three-eighths, or one-half of one percent.

SECTION 34. Amends Sections 387.010(a), (b), and (c), Local Government Code, as follows:

(a) Authorizes a district that has adopted a sales and use tax under this chapter to, by order and subject to Section 387.007(b):

(1) reduce, rather than change, the rate of the tax or repeal the tax without an election, except that the district may not repeal the sales and use tax or reduce the rate of the sales and use tax below the amount pledged to secure payment of an outstanding district debt or contractual obligation;

(2) increase the rate of the sales and use tax, if the increased rate of the sales and use tax will not exceed the rate approved at an election held under Section 387.003; or

(3) increase the rate of the sales and use tax to a rate that exceeds the rate approved at an election held under Section 387.003 after the increase, rather than change or repeal, is approved by a majority of the votes received in the district at an election held for that purpose.

(b) Authorizes the tax to be changed under Subsection (a) in one or more increments of one-eighth of one percent, rather than authorizing it to be changed to a maximum of one-half of one percent.

(c) Requires that the ballot for an election to increase the tax be printed to permit voting for or against the proposition: "The increase of a sales and use tax for the ____ County Assistance District No. ____ (insert name of district) from the rate of ____ percent (insert appropriate rate) to the rate of ____ percent (insert appropriate rate)." Makes conforming and nonsubstantive changes.

SECTION 35. Amends Section 387.012, Local Government Code, as follows:

Sec. 387.012. EFFECTIVE DATE OF TAX. Provides that the adoption of the tax, the increase or reduction of the tax rate, or the repeal of the tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete quarter occurring after the date the comptroller receives a copy of the order of the district's governing body, rather than a notice of the results of the election, adopting, increasing, reducing, or repealing the tax. Makes conforming and nonsubstantive changes.

SECTION 36. Amends Section 3815.051(a), Special District Local Laws Code, to provide that the district is governed by a board of 17 directors, rather than 21 directors, who serve staggered terms of four years, with eight directors', rather than 10 directors', terms expiring June 1 of an odd-numbered year and nine directors', rather than 11 directors', terms expiring June 1 of the following odd-numbered year.

SECTION 37. Amends Subchapter B, Chapter 3815, Special District Local Laws Code, by adding Section 3815.055, as follows:

Sec. 3815.055. INTERIM DIRECTORS. (a) Provides that the board serving on September 1, 2011, is abolished and is replaced by an interim board consisting of certain named directors.

(b) Provides that the terms of the interim directors expire June 1, 2015.

(c) Requires the mayor and the members of the governing body of the City of Houston to appoint successor directors not later than June 1, 2015, and to stagger the terms of the directors, with eight of the directors' terms expiring June 1, 2017, and the remaining directors' terms expiring June 1, 2019.

(d) Provides that this section expires September 1, 2015.

SECTION 38. (a) Requires the Health and Human Services Commission (HHSC) to study the health care delivery systems used by health care providers who are not physicians.

(b) Requires the study to examine using health care providers who are not physicians to perform basic emergency and non-emergency health care services and preventive health care services within the scope of the health care providers' practice and license, including evaluating:

(1) the potential cost savings of health care providers who are not physicians performing these health care services;

(2) any projected increase in access to health care services for underserved communities; and

(3) any projected impact on the quality of care for persons treated by health care providers who are not physicians.

(c) Requires that the study conducted under this section specifically address the potential cost savings and other foreseeable consequences of expanding the authority of advanced practice nurses to prescribe medication to patients.

(d) Requires HHSC, in conducting the study under this section, to consult with:

- (1) the Texas Medical Board;
- (2) the Texas Board of Nursing;
- (3) the Texas Physician Assistant Board;
- (4) the Midwifery Board;
- (5) the Texas State Board of Podiatric Medical Examiners;
- (6) the Texas Board of Chiropractic Examiners;
- (7) the Texas Optometry Board; and
- (8) any other regulatory body or professional association that HHSC determines would be beneficial to consult for the purposes of this study.

(e) Requires HHSC to submit a report to the legislature on the results of the study conducted under this section not later than December 31, 2012. Requires that the report include any recommendations for potential legislation relating to health care providers who are not physicians.

(f) Provides that this section expires September 1, 2013.

SECTION 39. (a) Provides that an interim committee on health care professionals (committee) is created to conduct a study of:

- (1) the value of health care professionals in cost containment and access to health care; and
- (2) potential health care delivery systems that include multiple types of providers.

(b) Provides that the committee is composed of five members as follows:

- (1) two members appointed by the lieutenant governor, one of whom must be a senator and one of whom must be a member of the public; and
- (2) three members appointed by the speaker of the house of representatives, two of whom must be representatives and one of whom must be a member of the public.

(c) Requires the committee to select a presiding officer and convene at the call of the presiding officer.

(d) Provides that the committee has all other powers and duties provided to a special or select committee by the rules of the senate and house of representatives, by Subchapter B (Legislative Reorganization Act), Chapter 301 (Legislative Organization), Government Code, and by policies of the senate and house committees on administration.

(e) Provides that, from the contingent expense fund of the senate and the contingent expense fund of the house of representatives equally, the members of the committee are entitled to reimbursement for expenses incurred in carrying out this section in accordance with the rules of the senate and house of representatives and the policies of the senate and house committees on administration.

(f) Requires the committee, not later than December 1, 2012, to report the committee's findings and recommendations to the lieutenant governor, the speaker of the house of representatives, and the governor. Requires the committee to include in its recommendations specific statutory and rule amendments that appear necessary from the results of the committee's study conducted under Subsection (a) of this section.

(g) Requires the lieutenant governor and the speaker of the house of representatives, not later than November 1, 2011, to appoint the members of the interim committee created under this section.

(h) Provides that this section expires September 1, 2013.

SECTION 40. (a) Provides that the legislature validates and confirms all governmental acts and proceedings before the effective date of this Act of a district created under Chapter 382, Local Government Code, transferred from Subchapter C, Chapter 372, Local Government Code, by Chapter 87 (S.B. 1969), Acts of the 81st Legislature, Regular Session, 2009, before the effective date of this Act, including acts of the district's board of directors.

(b) Provides that Subsection (a) does not apply to a matter that on the effective date of this Act:

(1) is involved in litigation, if the litigation ultimately results in the matter being held invalid by a final court judgment; or

(2) has been held invalid by a final court judgment.

SECTION 41. (a) Makes application of Article 26.13(j), Code of Criminal Procedure, as added by this Act, prospective.

(b) Provides that the change in law made by Section 552.116, Government Code, as amended by this Act, applies to an audit working paper created before, on, or after the effective date of this Act.

(c) Makes application of Section 363.156, Local Government Code, as amended by this Act, prospective.

(d) Makes application of Section 375.221, Local Government Code, as amended by this Act, prospective to January 1, 2012.

SECTION 42. Repealers: Sections 375.021 (Areas Eligible for Creation of District), 375.027 (Municipality with Population More than 1,500,000), 375.064(f) (requiring the governing body of the municipality or the commission, as appropriate, to make appointments to the board so that places on the board are occupied by persons with experience in one or more certain areas), and 387.010(d) (relating to language required to be printed on proposition), Local Government Code.

SECTION 43. Effective date: September 1, 2011.