

1-1 By: Coleman (Senate Sponsor - West) H.B. No. 2316  
1-2 (In the Senate - Received from the House May 12, 2011;  
1-3 May 12, 2011, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 21, 2011, reported adversely,  
1-5 with favorable Committee Substitute by the following vote: Yeas 3,  
1-6 Nays 0; May 21, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2316 By: Nichols

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to county powers, duties, and services, including the  
1-11 powers and duties of certain districts, and the authorization of  
1-12 certain health care programs and studies.

1-13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-14 SECTION 1. Article 26.13, Code of Criminal Procedure, is  
1-15 amended by adding Subsection (j) to read as follows:

1-16 (j) A person who is incarcerated in a facility operated by  
1-17 or under contract with the Texas Department of Criminal Justice may  
1-18 submit a plea of guilty or plea of nolo contendere regarding a  
1-19 misdemeanor charge in writing, transmitted by mail, facsimile, or  
1-20 other means. Before accepting a plea under this subsection, the  
1-21 court shall make the admonitions required by this article to the  
1-22 defendant in writing as provided by Subsection (d).

1-23 SECTION 2. Section 31.037, Election Code, is amended to  
1-24 read as follows:

1-25 Sec. 31.037. SUSPENSION OR TERMINATION OF EMPLOYMENT. The  
1-26 employment of the county elections administrator may be suspended,  
1-27 with or without pay, or terminated at any time for good and  
1-28 sufficient cause on the four-fifths vote of the county election  
1-29 commission and approval of that action by a majority vote of the  
1-30 commissioners court.

1-31 SECTION 3. Section 552.116(a), Government Code, is amended  
1-32 to read as follows:

1-33 (a) An audit working paper of an audit of the state auditor  
1-34 or the auditor of a state agency, an institution of higher education  
1-35 as defined by Section 61.003, Education Code, a county, a  
1-36 municipality, a school district, a hospital district, or a joint  
1-37 board operating under Section 22.074, Transportation Code,  
1-38 including any audit relating to the criminal history background  
1-39 check of a public school employee, is excepted from the  
1-40 requirements of Section 552.021. If information in an audit  
1-41 working paper is also maintained in another record, that other  
1-42 record is not excepted from the requirements of Section 552.021 by  
1-43 this section.

1-44 SECTION 4. Section 61.002(5), Health and Safety Code, is  
1-45 amended to read as follows:

1-46 (5) "General revenue levy" means:

1-47 (A) the property taxes imposed by a county that  
1-48 are not dedicated to:

1-49 (i) the construction and maintenance of  
1-50 farm-to-market roads under Article VIII, Section 1-a, Texas  
1-51 Constitution;

1-52 (ii) [~~or to~~] flood control under Article  
1-53 VIII, Section 1-a, [~~of the~~] Texas Constitution;

1-54 (iii) [~~or that are not dedicated to~~] the  
1-55 further maintenance of the public roads under Article VIII, Section  
1-56 9, [~~of the~~] Texas Constitution; or

1-57 (iv) the payment of principal or interest  
1-58 on county debt; and

1-59 (B) the sales and use tax revenue to be received  
1-60 by the county during the calendar year in which the state fiscal  
1-61 year begins under Chapter 323, Tax Code, as determined under  
1-62 Section 26.041(d), Tax Code.

1-63 SECTION 5. Section 363.156(b), Local Government Code, is

2-1 amended to read as follows:

2-2 (b) To the extent competitive bidding procedures in Title 8  
2-3 apply, the board may not enter purchasing contracts that involve  
2-4 spending more than \$50,000 [~~\$25,000~~] unless the board complies  
2-5 with:

2-6 (1) Subchapter C, Chapter 262, if the district was  
2-7 created by a county; or

2-8 (2) Chapter 252, if the district was created by a  
2-9 municipality.

2-10 SECTION 6. Sections 375.003(3) and (4), Local Government  
2-11 Code, are amended to read as follows:

2-12 (3) "Commission" means the Texas Commission on  
2-13 Environmental Quality [~~Natural Resource Conservation Commission~~].

2-14 (4) "Disadvantaged business" means:

2-15 (A) a corporation formed for the purpose of  
2-16 making a profit and at least 51 percent of all classes of the shares  
2-17 of stock or other equitable securities of which are owned by one or  
2-18 more persons who are socially disadvantaged because of their  
2-19 identification as members of certain groups that have suffered the  
2-20 effects of discriminatory practices or similar insidious  
2-21 circumstances over which they have no control, including black  
2-22 Americans, Hispanic Americans, women, Asian Pacific Americans, and  
2-23 American Indians;

2-24 (B) a sole proprietorship formed for the purpose  
2-25 of making a profit that is owned, operated, and controlled  
2-26 exclusively by one or more persons described by Paragraph (A);

2-27 (C) a partnership that is formed for the purpose  
2-28 of making a profit, in which 51 percent of the assets and interest  
2-29 in the partnership is owned by one or more persons described by  
2-30 Paragraph (A), and in which minority or women partners have a  
2-31 proportionate interest in the control, operation, and management of  
2-32 the partnership affairs;

2-33 (D) a joint venture between minority and women's  
2-34 group members formed for the purpose of making a profit and the  
2-35 minority participation in which is based on the sharing of real  
2-36 economic interest, including equally proportionate control over  
2-37 management, interest in capital, and interest earnings, other than  
2-38 a joint venture in which majority group members own or control debt  
2-39 securities, leasehold interest, management contracts, or other  
2-40 interests; [~~or~~]

2-41 (E) a supplier contract between persons  
2-42 described in Paragraph (A) and a prime contractor in which the  
2-43 disadvantaged business is directly involved for the manufacture or  
2-44 distribution of the supplies or materials or otherwise for  
2-45 warehousing and shipping the supplies; or

2-46 (F) a person certified as a disadvantaged  
2-47 business by:

2-48 (i) this state;  
2-49 (ii) a political subdivision of this state;

2-50 or

2-51 (iii) a regional planning commission,  
2-52 council of governments, or similar regional planning agency created  
2-53 under Chapter 391.

2-54 SECTION 7. Section 375.022(c), Local Government Code, is  
2-55 amended to read as follows:

2-56 (c) The petition must:

2-57 (1) describe the boundaries of the proposed district:

2-58 (A) by metes and bounds;

2-59 (B) by verifiable landmarks, including a road,  
2-60 creek, or railroad line; or

2-61 (C) [7] if there is a recorded map or plat and  
2-62 survey of the area, by lot and block number;

2-63 (2) state the specific purposes for which the district  
2-64 will be created;

2-65 (3) state the general nature of the work, projects, or  
2-66 services proposed to be provided, the necessity for those services,  
2-67 and the costs as estimated by the persons filing the petition;

2-68 (4) include a name of the district, which must be  
2-69 generally descriptive of the location of the district, followed by

3-1 "Management District" or "Improvement District";

3-2 (5) include a proposed list of initial directors that  
3-3 includes the directors' experience and initial term of service; and

3-4 (6) include a resolution of the governing body of the  
3-5 municipality in support of the creation of the district.

3-6 SECTION 8. Section 375.043, Local Government Code, is  
3-7 amended to read as follows:

3-8 Sec. 375.043. ANNEXATION. A district may annex land as  
3-9 provided by Section 49.301 and Chapter 54, Water Code, subject to  
3-10 the approval of the governing body of the municipality.

3-11 SECTION 9. Section 375.044(b), Local Government Code, is  
3-12 amended to read as follows:

3-13 (b) The board shall call a hearing on the exclusion of land  
3-14 or other property from the district if a signed petition evidencing  
3-15 the consent of the owners of a majority of the acreage in the  
3-16 district, according to the most recent certified tax roll of the  
3-17 county, is filed [~~landowner or property owner in the district~~  
3-18 ~~files]~~ with the secretary of the board [~~a written petition]~~  
3-19 requesting the hearing before the issuance of bonds.

3-20 SECTION 10. Section 375.061, Local Government Code, is  
3-21 amended to read as follows:

3-22 Sec. 375.061. NUMBER OF DIRECTORS; TERMS. A district is  
3-23 governed by a board of at least five [~~nine~~] but not more than 30  
3-24 directors who serve staggered four-year terms.

3-25 SECTION 11. Section 375.071, Local Government Code, is  
3-26 amended to read as follows:

3-27 Sec. 375.071. QUORUM. One-half of the serving directors  
3-28 constitutes a quorum, and a concurrence of a majority of a quorum of  
3-29 directors is required for any official action of the district. The  
3-30 written consent of at least two-thirds of the directors is required  
3-31 to authorize the levy of assessments, the levy of taxes, the  
3-32 imposition of impact fees, or the issuance of bonds.

3-33 SECTION 12. Section 375.091, Local Government Code, is  
3-34 amended to read as follows:

3-35 Sec. 375.091. GENERAL POWERS OF DISTRICT. [~~(a)~~] A district  
3-36 has the rights, powers, privileges, authority, and functions  
3-37 conferred by the general law of this state applicable to  
3-38 conservation and reclamation districts created under Article XVI,  
3-39 Section 59, of the Texas Constitution, including those conferred by  
3-40 Chapter 54, Water Code.

3-41 [~~(b) The district may contract and manage its affairs and~~  
3-42 ~~funds for any corporate purpose in accordance with Chapter 54,~~  
3-43 ~~Water Code.~~

3-44 [~~(c) The district has all the rights, powers, privileges,~~  
3-45 ~~authority, and functions of road districts and road utility~~  
3-46 ~~districts created pursuant to Article III, Section 52, of the Texas~~  
3-47 ~~Constitution, including the power to levy ad valorem taxes for the~~  
3-48 ~~construction, maintenance, and operation of macadamized, graveled,~~  
3-49 ~~or paved roads and turnpikes, or in aid thereof. This power~~  
3-50 ~~includes the power to levy ad valorem taxes to provide for mass~~  
3-51 ~~transit systems in the manner and subject to the limitations~~  
3-52 ~~provided in Article III, Section 52, and Article III, Section~~  
3-53 ~~52(a), of the Texas Constitution.~~

3-54 [~~(d) A district has those powers conferred by Chapters 365~~  
3-55 ~~and 441, Transportation Code, and the additional rights,~~  
3-56 ~~privileges, authority, and functions contained in those chapters.]~~

3-57 SECTION 13. Subchapter E, Chapter 375, Local Government  
3-58 Code, is amended by adding Sections 375.0921 and 375.0922 to read as  
3-59 follows:

3-60 Sec. 375.0921. AUTHORITY FOR ROAD PROJECTS. (a) Under  
3-61 Section 52, Article III, Texas Constitution, a district may design,  
3-62 acquire, construct, finance, issue bonds for, improve, operate,  
3-63 maintain, and convey to this state, a county, or a municipality for  
3-64 operation and maintenance macadamized, graveled, or paved roads, or  
3-65 improvements, including storm drainage, in aid of those roads.

3-66 (b) The district may impose ad valorem taxes to provide for  
3-67 mass transit systems in the manner and subject to the limitations  
3-68 provided by Section 52, Article III, and Section 52-a, Article III,  
3-69 Texas Constitution.

4-1 Sec. 375.0922. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
4-2 project must meet all applicable construction standards, zoning and  
4-3 subdivision requirements, and regulations of each municipality in  
4-4 whose corporate limits or extraterritorial jurisdiction the road  
4-5 project is located.

4-6 (b) If a road project is not located in the corporate limits  
4-7 or extraterritorial jurisdiction of a municipality, the road  
4-8 project must meet all applicable construction standards,  
4-9 subdivision requirements, and regulations of each county in which  
4-10 the road project is located.

4-11 (c) If the state will maintain and operate the road, the  
4-12 Texas Transportation Commission must approve the plans and  
4-13 specifications of the road project.

4-14 SECTION 14. Section 375.097(a), Local Government Code, is  
4-15 amended to read as follows:

4-16 (a) The board may appoint a hearings examiner to conduct any  
4-17 hearing called by the board, including a hearing required by  
4-18 Chapter 395. The hearings examiner may be an employee or contractor  
4-19 of the district, or a member of the district's board.

4-20 SECTION 15. Subchapter E, Chapter 375, Local Government  
4-21 Code, is amended by adding Section 375.098 to read as follows:

4-22 Sec. 375.098. DISTRICT ACT OR PROCEEDING PRESUMED VALID.

4-23 (a) A governmental act or proceeding of a district is conclusively  
4-24 presumed, as of the date it occurred, valid and to have occurred in  
4-25 accordance with all applicable statutes and rules if:

4-26 (1) the third anniversary of the effective date of the  
4-27 act or proceeding has expired; and

4-28 (2) a lawsuit to annul or invalidate the act or  
4-29 proceeding has not been filed on or before that third anniversary.

4-30 (b) This section does not apply to:

4-31 (1) an act or proceeding that was void at the time it  
4-32 occurred;

4-33 (2) an act or proceeding that, under a statute of this  
4-34 state or the United States, was a misdemeanor or felony at the time  
4-35 the act or proceeding occurred;

4-36 (3) a rule that, at the time it was passed, was  
4-37 preempted by a statute of this state or the United States, including  
4-38 Section 1.06 or 109.57, Alcoholic Beverage Code; or

4-39 (4) a matter that on the effective date of this  
4-40 section:

4-41 (A) is involved in litigation if the litigation  
4-42 ultimately results in the matter being held invalid by a final  
4-43 judgment of a court; or

4-44 (B) has been held invalid by a final judgment of a  
4-45 court.

4-46 SECTION 16. Section 375.112(a)(1), Local Government Code,  
4-47 is amended to read as follows

4-48 (1) landscaping, lighting, banners, and signs;  
4-49 streets and sidewalks; pedestrian skywalks, crosswalks, and  
4-50 tunnels; seawalls; marinas; drainage and navigation improvements;  
4-51 pedestrian malls; solid waste, water, sewer and power facilities,  
4-52 including electrical, gas, steam, cogeneration, and chilled water  
4-53 facilities; parks, plazas, lakes, rivers, bayous, ponds, and  
4-54 recreation and scenic areas; historic areas; fountains; works or  
4-55 art; off-street parking facilities, bus terminals, heliports, and  
4-56 mass transit systems; theatres, studios, exhibition halls,  
4-57 production facilities and ancillary facilities in support of the  
4-58 foregoing; and the cost of any demolition in connection with  
4-59 providing any of the improvement projects;

4-60 SECTION 17. Section 375.114, Local Government Code, is  
4-61 amended to read as follows:

4-62 Sec. 375.114. PETITION REQUIRED. The board may not finance  
4-63 services and improvement projects under this chapter unless a  
4-64 written petition has been filed with the board requesting those  
4-65 improvements or services signed by:

4-66 (1) the owners of 50 percent or more of the assessed  
4-67 value of the property in the district subject to assessment,  
4-68 according to ~~[as determined from]~~ the most recent certified county  
4-69 property tax rolls; or

5-1 (2) the owners of 50 percent or more of the surface  
5-2 area of the district, excluding roads, streets, highways, and  
5-3 utility rights-of-way, other public areas, and any other property  
5-4 exempt from assessment under Section 375.162 or 375.163, according  
5-5 to [as determined from] the most recent certified county property  
5-6 tax rolls.

5-7 SECTION 18. Section 375.202(e), Local Government Code, is  
5-8 amended to read as follows:

5-9 (e) If provided by the bond order or resolution, the  
5-10 proceeds from the sale of bonds may be used to pay interest on the  
5-11 bonds during and after the period of the acquisition or  
5-12 construction of any improvement project to be provided through the  
5-13 issuance of the bonds, to pay administrative and operation expenses  
5-14 to create a reserve fund for the payment of the principal of and  
5-15 interest on the bonds, to pay costs associated with the issuance of  
5-16 the bonds, and to create any other funds. The proceeds of the bonds  
5-17 may be placed on time deposit or invested, until needed, in  
5-18 securities in the manner provided by the bond order or resolution.

5-19 SECTION 19. Section 375.205(a), Local Government Code, is  
5-20 amended to read as follows:

5-21 (a) The district shall submit bonds and the appropriate  
5-22 proceedings authorizing their issuance to the attorney general for  
5-23 examination. This subsection applies only to bonds that are public  
5-24 securities, as that term is defined by Section 1202.001, Government  
5-25 Code.

5-26 SECTION 20. Subchapter J, Chapter 375, Local Government  
5-27 Code, is amended by adding Section 375.209 to read as follows:

5-28 Sec. 375.209. TAXES FOR BONDS. At the time the district  
5-29 issues bonds payable wholly or partly from ad valorem taxes, the  
5-30 board shall provide for the annual imposition of a continuing  
5-31 direct annual ad valorem tax, without limit as to rate or amount,  
5-32 while all or part of the bonds are outstanding as required and in  
5-33 the manner provided by Sections 54.601 and 54.602, Water Code.

5-34 SECTION 21. Section 375.221, Local Government Code, is  
5-35 amended to read as follows:

5-36 Sec. 375.221. APPLICABILITY OF WATER DISTRICTS LAW TO  
5-37 COMPETITIVE BIDDING ON CERTAIN [PUBLIC WORKS] CONTRACTS. (a)  
5-38 Except as provided by Subsection (b) of this section, Subchapter I,  
5-39 Chapter 49, Water Code, applies to a district contract for  
5-40 construction work, equipment, materials, or machinery.

5-41 (b) [A contract, other than a contract for services, for  
5-42 more than \$50,000 for the construction of improvements or the  
5-43 purchase of material, machinery, equipment, supplies, and other  
5-44 property, except real property, may be entered into only after  
5-45 competitive bids. Notice of the contract for the purpose of  
5-46 soliciting bids shall be published once a week for two consecutive  
5-47 weeks in a newspaper with general circulation in the area in which  
5-48 the district is located. The first publication of notice must be  
5-49 not later than the 14th day before the date set for receiving bids.]

5-50 The board may adopt rules governing receipt of bids and the award of  
5-51 the contract and providing for the waiver of the competitive bid  
5-52 requirement if:

5-53 (1) there is an emergency;  
5-54 (2) the needed materials are available from only one  
5-55 source;

5-56 (3) in a procurement requiring design by the supplier  
5-57 competitive bidding would not be appropriate and competitive  
5-58 negotiation, with proposals solicited from an adequate number of  
5-59 qualified sources, would permit reasonable competition consistent  
5-60 with the nature and requirements of the procurement; or

5-61 (4) after solicitation, it is ascertained that there  
5-62 will be only one bidder.

5-63 [(b) If a proposed contract for works, plant improvements,  
5-64 facilities other than land, or the purchase of equipment,  
5-65 appliances, materials, or supplies is for an estimated amount of  
5-66 more than \$50,000 or for a duration of more than two years,  
5-67 competitive sealed proposals shall be asked from at least three  
5-68 persons.]

5-69 SECTION 22. Section 375.263(a), Local Government Code, is

6-1 amended to read as follows:

6-2 (a) The ~~[Except as limited by Section 375.264, the]~~  
 6-3 governing body of a municipality in which a district is wholly  
 6-4 located, by a vote of not less than two-thirds of its membership,  
 6-5 may adopt an ordinance dissolving the district.

6-6 SECTION 23. Section 375.264, Local Government Code, is  
 6-7 amended to read as follows:

6-8 Sec. 375.264. LIMITATION ON DISSOLUTION BY BOARD. A  
 6-9 district may not be dissolved by its board ~~[or by a municipality]~~ if  
 6-10 the district has any outstanding bonded indebtedness until that  
 6-11 bonded indebtedness has been repaid or defeased in accordance with  
 6-12 the order or resolution authorizing the issuance of the bonds.

6-13 SECTION 24. Subchapter N, Chapter 375, Local Government  
 6-14 Code, is amended by adding Section 375.282 to read as follows:

6-15 Sec. 375.282. STRATEGIC PARTNERSHIP AGREEMENT. A district  
 6-16 with territory in the extraterritorial jurisdiction of a  
 6-17 municipality may negotiate and enter into a written strategic  
 6-18 partnership with the municipality under Section 43.0751.

6-19 SECTION 25. Section 382.002, Local Government Code, is  
 6-20 amended to read as follows:

6-21 Sec. 382.002. APPLICABILITY. This chapter applies only to:

6-22 (1) a county with a population of 1.5 million  
 6-23 ~~[825,000]~~ or more, other than a county that:

6-24 (A) borders on the Gulf of Mexico or a bay or  
 6-25 inlet of the gulf; or

6-26 (B) has two municipalities located wholly or  
 6-27 partly in its boundaries each having a population of 225,000  
 6-28 ~~[300,000]~~ or more; or

6-29 (2) a county with a population of 70,000 or more that  
 6-30 is adjacent to a county described by Subdivision (1) in which a  
 6-31 municipality with a population of 35,000 or more is primarily  
 6-32 situated and includes all or a part of the extraterritorial  
 6-33 jurisdiction of a municipality with a population of 1.1 million or  
 6-34 more.

6-35 SECTION 26. Subchapter C, Chapter 382, Local Government  
 6-36 Code, is amended by adding Section 382.113 to read as follows:

6-37 Sec. 382.113. ANNEXATION OR EXCLUSION OF LAND. (a) This  
 6-38 section applies only to a district created by a county described by  
 6-39 Section 382.002(1).

6-40 (b) A district may annex or exclude land from the district  
 6-41 as provided by Subchapter J, Chapter 49, Water Code.

6-42 (c) Before a district may adopt an order adding or excluding  
 6-43 land, the district must obtain the consent of:

6-44 (1) the county that created the district by a  
 6-45 resolution of the county commissioners court; and

6-46 (2) a municipality in whose extraterritorial  
 6-47 jurisdiction the district is located by a resolution adopted by the  
 6-48 municipality's governing body.

6-49 SECTION 27. Sections 382.155(b) and (d), Local Government  
 6-50 Code, are amended to read as follows:

6-51 (b) If authorized by a county, a district shall impose a  
 6-52 hotel occupancy tax in the same manner as provided [by Chapter 383,  
 6-53 Local Government Code, and] Section 352.107, Tax Code, [except that  
 6-54 a hotel occupancy tax:

6-55 (1) may be used for any purpose authorized in this  
 6-56 chapter; and

6-57 (2) is authorized by the county to be imposed by the  
 6-58 district.

6-59 (d) A hotel occupancy tax imposed by a district in a county  
 6-60 described by Section 382.002(1) may be used:

6-61 (1) for a purpose described by Chapter 352, Tax Code;

6-62 or

6-63 (2) to encourage the development or operation of a  
 6-64 hotel in the district, including an economic development program  
 6-65 for a grant, loan, service or improvement to a hotel in the district

6-66 ~~[may not be imposed on the occupants of a hotel unless the owner of~~  
 6-67 ~~the hotel agrees to the imposition of the hotel occupancy taxes~~  
 6-68 ~~under this chapter. After the owner agrees, the agreement may not~~  
 6-69 ~~be revoked by the owner of the hotel or any subsequent owner of the~~

7-1 ~~hotel. After an agreement under this section, the district may~~  
7-2 ~~impose hotel occupancy taxes as provided by this chapter.]~~

7-3 SECTION 28. Subchapter D, Chapter 382, Local Government  
7-4 Code, is amended by adding Section 382.1555 to read as follows:

7-5 Sec. 382.1555. USE OF HOTEL OCCUPANCY TAX FOR ANY PURPOSE.

7-6 (a) If authorized by a county, a district may impose a hotel  
7-7 occupancy tax under Section 382.155 and use the revenue from the tax  
7-8 for any purpose authorized by this chapter if the owner of the hotel  
7-9 agrees to the imposition of the tax.

7-10 (b) After the owner agrees, the agreement may not be revoked  
7-11 by the owner of the hotel or any subsequent owner of the hotel.

7-12 (c) To the extent of a conflict with Section 382.155(d),  
7-13 this section controls.

7-14 SECTION 29. Section 387.003, Local Government Code, is  
7-15 amended by amending Subsections (a), (b), (b-1), (c), (e), (f), and  
7-16 (h) and adding Subsections (a-1), (i), and (j) to read as follows:

7-17 (a) The commissioners court of the county may call an  
7-18 election on the question of creating a county assistance district  
7-19 under this chapter. More than one county assistance district may be  
7-20 created in a county.

7-21 (a-1) A district may ~~to~~ perform the following functions in  
7-22 the district:

7-23 (1) the construction, maintenance, or improvement of  
7-24 roads or highways;

7-25 (2) the provision of law enforcement and detention  
7-26 services;

7-27 (3) the maintenance or improvement of libraries,  
7-28 museums, parks, or other recreational facilities;

7-29 (4) the provision of services that benefit the public  
7-30 health or welfare, including the provision of firefighting and fire  
7-31 prevention services; or

7-32 (5) the promotion of economic development and tourism.

7-33 (b) The order calling the election must:

7-34 (1) define the boundaries of the district to include  
7-35 any portion of the county in which the combined tax rate of all  
7-36 local sales and use taxes imposed, including the rate to be imposed  
7-37 by the district if approved at the election, would not exceed the  
7-38 maximum combined rate of sales and use taxes imposed by political  
7-39 subdivisions of this state that is prescribed by Sections 321.101  
7-40 and 323.101, Tax Code ~~two percent~~; and

7-41 (2) call for the election to be held within those  
7-42 boundaries.

7-43 (b-1) If the proposed district includes any territory of a  
7-44 municipality, the commissioners court shall send notice by  
7-45 certified mail to the governing body of the municipality of the  
7-46 commissioners court's intent to create the district. If the  
7-47 municipality has created a development corporation under Chapter  
7-48 504 or 505, the commissioners court shall also send the notice to  
7-49 the board of directors of the corporation. The commissioners court  
7-50 must send the notice not later than the 60th day before the date the  
7-51 commissioners court orders the election. The governing body of the  
7-52 municipality may exclude the territory of the municipality from the  
7-53 proposed district by sending notice by certified mail to the  
7-54 commissioners court of the governing body's desire to exclude the  
7-55 municipal territory from the district. The governing body must  
7-56 send the notice not later than the 45th day after the date the  
7-57 governing body receives notice from the commissioners court under  
7-58 this subsection. The territory of a municipality that is excluded  
7-59 under this subsection may subsequently be included in:

7-60 (1) the district in an election held under Subsection  
7-61 (f) with the consent of the municipality; or

7-62 (2) another district after complying with the  
7-63 requirements of this subsection and after an election under  
7-64 Subsection (f).

7-65 (c) The ballot at the election must be printed to permit  
7-66 voting for or against the proposition: "Authorizing the creation  
7-67 of the \_\_\_\_\_ County Assistance District No. \_\_\_\_\_ (insert name of  
7-68 district) and the imposition of a sales and use tax at the rate of  
7-69 \_\_\_\_\_ ~~of one~~ percent (insert ~~one-eighth, one-fourth,~~

8-1 ~~three-eighths, or one-half, as]~~ appropriate rate) for the purpose  
8-2 of financing the operations of the district."

8-3 (e) If a majority of the votes received at the election are  
8-4 against the creation of the district, the district is not created  
8-5 and the county at any time may call one or more elections [~~another~~  
8-6 ~~election~~] on the question of creating one or more [~~a~~] county  
8-7 assistance districts [~~district may not be held in the county before~~  
8-8 ~~the first anniversary of the most recent election concerning the~~  
8-9 ~~creation of a district~~].

8-10 (f) The commissioners court may call an election to be held  
8-11 in an area of the county that is not located in a district created  
8-12 under this section to determine whether the area should be included  
8-13 in the district and whether the district's sales and use tax should  
8-14 be imposed in the area. An election may not be held in an area in  
8-15 which the combined tax rate of all local sales and use taxes  
8-16 imposed, including the rate to be imposed by the district if  
8-17 approved at the election, would exceed the maximum combined rate of  
8-18 sales and use taxes imposed by political subdivisions of this state  
8-19 that is prescribed by Sections 321.101 and 323.101, Tax Code [~~two~~  
8-20 ~~percent~~].

8-21 (h) If more than one election to authorize a local sales and  
8-22 use tax is held on the same day in the area of a proposed district or  
8-23 an area proposed to be added to a district and if the resulting  
8-24 approval by the voters would cause the imposition of a local sales  
8-25 and use tax in any area to exceed the maximum combined rate of sales  
8-26 and use taxes of political subdivisions of this state that is  
8-27 prescribed by Sections 321.101 and 323.101, Tax Code [~~two percent~~],  
8-28 only a tax authorized at an election under this section may be  
8-29 imposed.

8-30 (i) In addition to the authority to include an area in a  
8-31 district under Subsection (f), the governing body of a district by  
8-32 order may include an area in the district on receipt of a petition  
8-33 or petitions signed by the owner or owners of the majority of the  
8-34 land in the area to be included in the district. If there are no  
8-35 qualified voters in the area to be included in the district, no  
8-36 election is required.

8-37 (j) The commissioners court by order may exclude an area  
8-38 from the district if the district has no outstanding bonds payable  
8-39 wholly or partly from sales and use taxes and the exclusion does not  
8-40 impair any outstanding district debt or contractual obligation.

8-41 SECTION 30. Section 387.005, Local Government Code, is  
8-42 amended to read as follows:

8-43 Sec. 387.005. GOVERNING BODY. (a) The commissioners court  
8-44 of the county in which the district is created by order shall  
8-45 provide that:

8-46 (1) the commissioners court is the governing body of  
8-47 the district; or

8-48 (2) the commissioners court shall appoint a governing  
8-49 body of the district.

8-50 (b) A member of the governing body of the district  
8-51 [~~commissioners court~~] is not entitled to compensation for service  
8-52 [~~on the governing body of the district~~] but is entitled to  
8-53 reimbursement for actual and necessary expenses.

8-54 (c) A board of directors appointed by the commissioners  
8-55 court under this section shall consist of five directors who serve  
8-56 staggered terms of two years. To be eligible to serve as a  
8-57 director, a person must be at least 18 years of age and a resident of  
8-58 the county in which the district is located. The initial directors  
8-59 shall draw lots to achieve staggered terms, with three of the  
8-60 directors serving one-year terms and two of the directors serving  
8-61 two-year terms.

8-62 SECTION 31. Section 387.006(a), Local Government Code, is  
8-63 amended to read as follows:

8-64 (a) A district may:

8-65 (1) perform any act necessary to the full exercise of  
8-66 the district's functions;

8-67 (2) accept a grant or loan from:

8-68 (A) the United States;

8-69 (B) an agency or political subdivision of this



9-1 state; or  
 9-2 (C) a public or private person;  
 9-3 (3) acquire, sell, lease, convey, or otherwise dispose  
 9-4 of property or an interest in property under terms determined by the  
 9-5 district;  
 9-6 (4) employ necessary personnel; ~~and~~  
 9-7 (5) adopt rules to govern the operation of the  
 9-8 district and its employees and property; and  
 9-9 (6) enter into agreements with municipalities  
 9-10 necessary or convenient to achieve the district's purposes,  
 9-11 including agreements regarding the duration, rate, and allocation  
 9-12 between the district and the municipality of sales and use taxes.

9-13 SECTION 32. Section 387.007, Local Government Code, is  
 9-14 amended by amending Subsection (b) to read as follows:

9-15 (b) A district may not adopt a sales and use tax under this  
 9-16 chapter if the adoption of the tax would result in a combined tax  
 9-17 rate of all local sales and use taxes that would exceed the maximum  
 9-18 combined rate prescribed by Sections 321.101 and 323.101, Tax Code,  
 9-19 [of more than two percent] in any location in the district.

9-20 SECTION 33. Section 387.009, Local Government Code, is  
 9-21 amended to read as follows:

9-22 Sec. 387.009. TAX RATE. The rate of a tax adopted under  
 9-23 this chapter must be in increments of one-eighth~~[, one-fourth,~~  
 9-24 ~~three-eighths, or one-half]~~ of one percent.

9-25 SECTION 34. Sections 387.010(a), (b), and (c), Local  
 9-26 Government Code, are amended to read as follows:

9-27 (a) A district that has adopted a sales and use tax under  
 9-28 this chapter may, by order and subject to Section 387.007(b):

9-29 (1) reduce ~~[, change]~~ the rate of the tax or repeal the  
 9-30 tax without an election, except that the district may not repeal the  
 9-31 sales and use tax or reduce the rate of the sales and use tax below  
 9-32 the amount pledged to secure payment of an outstanding district  
 9-33 debt or contractual obligation;

9-34 (2) increase the rate of the sales and use tax, if the  
 9-35 increased rate of the sales and use tax will not exceed the rate  
 9-36 approved at an election held under Section 387.003; or

9-37 (3) increase the rate of the sales and use tax to a  
 9-38 rate that exceeds the rate approved at an election held under  
 9-39 Section 387.003 after ~~[if]~~ the increase ~~[change or repeal]~~ is  
 9-40 approved by a majority of the votes received in the district at an  
 9-41 election held for that purpose.

9-42 (b) The tax may be changed under Subsection (a) in one or  
 9-43 more increments of one-eighth of one percent ~~[to a maximum of~~  
 9-44 ~~one-half of one percent]~~.

9-45 (c) The ballot for an election to increase ~~[change]~~ the tax  
 9-46 shall be printed to permit voting for or against the proposition:  
 9-47 "The increase ~~[change]~~ of a sales and use tax for the \_\_\_\_ County  
 9-48 Assistance District No. \_\_\_\_ (insert name of district) from the rate  
 9-49 of \_\_\_\_ ~~[of one]~~ percent (insert ~~[one-fourth, three-eighths, or~~  
 9-50 ~~one-half, as]~~ appropriate rate) to the rate of \_\_\_\_ ~~[of one]~~ percent  
 9-51 (insert ~~[one-fourth, three-eighths, or one-half, as]~~ appropriate  
 9-52 rate)."

9-53 SECTION 35. Section 387.012, Local Government Code, is  
 9-54 amended to read as follows:

9-55 Sec. 387.012. EFFECTIVE DATE OF TAX. The adoption of the  
 9-56 tax, the increase or reduction ~~[change]~~ of the tax rate, or the  
 9-57 repeal of the tax takes effect on the first day of the first  
 9-58 calendar quarter occurring after the expiration of the first  
 9-59 complete quarter occurring after the date the comptroller receives  
 9-60 a copy of the order of the district's governing body ~~[notice of the~~  
 9-61 ~~results of the election]~~ adopting, increasing, reducing  
 9-62 [changing], or repealing the tax.

9-63 SECTION 36. Section 3815.051(a), Special District Local  
 9-64 Laws Code, is amended to read as follows:

9-65 (a) The district is governed by a board of 17 ~~[21]~~ directors  
 9-66 who serve staggered terms of four years, with eight ~~[10]~~ directors'  
 9-67 terms expiring June 1 of an odd-numbered year and nine ~~[11]~~  
 9-68 directors' terms expiring June 1 of the following odd-numbered  
 9-69 year.

10-1 SECTION 37. Subchapter B, Chapter 3815, Special District  
10-2 Local Laws Code, is amended by adding Section 3815.055 to read as  
10-3 follows:

10-4 Sec. 3815.055. INTERIM DIRECTORS. (a) The board serving on  
10-5 September 1, 2011, is abolished and is replaced by an interim board  
10-6 consisting of the following directors:

10-7	<u>Pos. No.</u>	<u>Name of Director</u>
10-8	<u>1</u>	<u>Alan D. Bergeron</u>
10-9	<u>2</u>	<u>Sharone</u>
10-10		<u>Mayberry</u>
10-11	<u>3</u>	<u>James Donatto</u>
10-12		<u>Sr.</u>
10-13	<u>4</u>	<u>Hexser J.</u>
10-14		<u>Holliday II</u>
10-15	<u>5</u>	<u>Osama</u>
10-16		<u>Abdullatif</u>
10-17	<u>6</u>	<u>Skye Thompson</u>
10-18	<u>7</u>	<u>Asmara Tekle</u>
10-19		<u>Johnson</u>
10-20	<u>8</u>	<u>Jaa St. Julien</u>
10-21	<u>9</u>	<u>Jimmy Arnold</u>
10-22	<u>10</u>	<u>Cyeoni Miles</u>
10-23	<u>11</u>	<u>Zinetta A.</u>
10-24		<u>Burney</u>
10-25	<u>12</u>	<u>Chris Hageney</u>
10-26	<u>13</u>	<u>Teddy A. McDavid</u>
10-27	<u>14</u>	<u>Brian G. Smith</u>
10-28	<u>15</u>	<u>Robert S.</u>
10-29		<u>Muhammad</u>
10-30	<u>16</u>	<u>Robert C. Combre</u>
10-31	<u>17</u>	<u>Janice M.</u>
10-32		<u>Sibley-Reid</u>

10-33 (b) The terms of the interim directors expire June 1, 2015.

10-34 (c) The mayor and the members of the governing body of the  
10-35 City of Houston shall appoint successor directors not later than  
10-36 June 1, 2015, and shall stagger the terms of the directors, with  
10-37 eight of the directors' terms expiring June 1, 2017, and the  
10-38 remaining directors' terms expiring June 1, 2019.

10-39 (d) This section expires September 1, 2015.

10-40 SECTION 38. (a) The Health and Human Services Commission  
10-41 shall study the health care delivery systems used by health care  
10-42 providers who are not physicians.

10-43 (b) The study shall examine using health care providers who  
10-44 are not physicians to perform basic emergency and non-emergency  
10-45 health care services and preventive health care services within the  
10-46 scope of the health care providers' practice and license, including  
10-47 evaluating:

10-48 (1) the potential cost savings of health care  
10-49 providers who are not physicians performing these health care  
10-50 services;

10-51 (2) any projected increase in access to health care  
10-52 services for underserved communities; and

10-53 (3) any projected impact on the quality of care for  
10-54 persons treated by health care providers who are not physicians.

10-55 (c) The study conducted under this section must  
10-56 specifically address the potential cost savings and other  
10-57 foreseeable consequences of expanding the authority of advanced  
10-58 practice nurses to prescribe medication to patients.

10-59 (d) In conducting the study under this section, the  
10-60 commission shall consult with:

10-61 (1) the Texas Medical Board;

10-62 (2) the Texas Board of Nursing;

10-63 (3) the Texas Physician Assistant Board;

10-64 (4) the Midwifery Board;

10-65 (5) the Texas State Board of Podiatric Medical

10-66 Examiners;

10-67 (6) the Texas Board of Chiropractic Examiners;

10-68 (7) the Texas Optometry Board; and

10-69 (8) any other regulatory body or professional

11-1 association that the department determines would be beneficial to  
 11-2 consult for the purposes of this study.

11-3 (e) The commission shall submit a report to the legislature  
 11-4 on the results of the study conducted under this section not later  
 11-5 than December 31, 2012. The report shall include any  
 11-6 recommendations for potential legislation relating to health care  
 11-7 providers who are not physicians.

11-8 (f) This section expires September 1, 2013.

11-9 SECTION 39. (a) An interim committee on health care  
 11-10 professionals is created to conduct a study of:

11-11 (1) the value of health care professionals in cost  
 11-12 containment and access to health care; and

11-13 (2) potential health care delivery systems that  
 11-14 include multiple types of providers.

11-15 (b) The committee is composed of five members as follows:

11-16 (1) two members appointed by the lieutenant governor,  
 11-17 one of whom must be a senator and one of whom must be a member of the  
 11-18 public; and

11-19 (2) three members appointed by the speaker of the  
 11-20 house of representatives, two of whom must be representatives and  
 11-21 one of whom must be a member of the public.

11-22 (c) The committee shall select a presiding officer and  
 11-23 convene at the call of the presiding officer.

11-24 (d) The committee has all other powers and duties provided  
 11-25 to a special or select committee by the rules of the senate and  
 11-26 house of representatives, by Subchapter B, Chapter 301, Government  
 11-27 Code, and by policies of the senate and house committees on  
 11-28 administration.

11-29 (e) From the contingent expense fund of the senate and the  
 11-30 contingent expense fund of the house of representatives equally,  
 11-31 the members of the committee are entitled to reimbursement for  
 11-32 expenses incurred in carrying out this section in accordance with  
 11-33 the rules of the senate and house of representatives and the  
 11-34 policies of the senate and house committees on administration.

11-35 (f) Not later than December 1, 2012, the committee shall  
 11-36 report the committee's findings and recommendations to the  
 11-37 lieutenant governor, the speaker of the house of representatives,  
 11-38 and the governor. The committee shall include in its  
 11-39 recommendations specific statutory and rule amendments that appear  
 11-40 necessary from the results of the committee's study conducted under  
 11-41 Subsection (a) of this section.

11-42 (g) Not later than November 1, 2011, the lieutenant governor  
 11-43 and the speaker of the house of representatives shall appoint the  
 11-44 members of the interim committee created under this section.

11-45 (h) This section expires September 1, 2013.

11-46 SECTION 40. (a) The legislature validates and confirms all  
 11-47 governmental acts and proceedings before the effective date of this  
 11-48 Act of a district created under Chapter 382, Local Government Code,  
 11-49 transferred from Subchapter C, Chapter 372, Local Government Code,  
 11-50 by Chapter 87 (S.B. 1969), Acts of the 81st Legislature, Regular  
 11-51 Session, 2009, before the effective date of this Act, including  
 11-52 acts of the district's board of directors.

11-53 (b) Subsection (a) does not apply to a matter that on the  
 11-54 effective date of this Act:

11-55 (1) is involved in litigation, if the litigation  
 11-56 ultimately results in the matter being held invalid by a final court  
 11-57 judgment; or

11-58 (2) has been held invalid by a final court judgment.

11-59 SECTION 41. (a) Article 26.13(j), Code of Criminal  
 11-60 Procedure, as added by this Act, applies only to an offense  
 11-61 committed on or after the effective date of this Act. An offense  
 11-62 committed before the effective date of this Act is governed by the  
 11-63 law in effect at the time the offense was committed, and the former  
 11-64 law is continued in effect for that purpose. For purposes of this  
 11-65 section, an offense was committed before the effective date of this  
 11-66 Act if any element of the offense occurred before that date.

11-67 (b) The change in law made by Section 552.116, Government  
 11-68 Code, as amended by this Act, applies to an audit working paper  
 11-69 created before, on, or after the effective date of this Act.

12-1 (c) The change in law made by Section 363.156, Local  
12-2 Government Code, as amended by this Act, applies only to a purchase  
12-3 made or contract executed on or after the effective date of this  
12-4 Act. A purchase made or contract executed before the effective date  
12-5 of this Act is governed by the law in effect immediately before that  
12-6 date, and the former law is continued in effect for that purpose.

12-7 (d) The change in law made by this Act to Section 375.221,  
12-8 Local Government Code, applies only to a contract awarded on or  
12-9 after January 1, 2012. A contract awarded before January 1, 2012,  
12-10 is governed by the law in effect on the date the contract was  
12-11 awarded, and that law is continued in effect for that purpose.

12-12 SECTION 42. Sections 375.021, 375.027, 375.064(f), and  
12-13 387.010(d), Local Government Code, are repealed.

12-14 SECTION 43. This Act takes effect September 1, 2011.

12-15

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