A BILL TO BE ENTITLED 1 AN ACT 2 relating to emergency service districts. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Section 775.018, Health and Safety Code, 4 is 5 amended by adding Subsections (f) and (g) to read as follows: (f) If the territory of a district proposed under this 6 chapter overlaps with the boundaries of another district created 7 under this chapter or Chapter 776, the commissioners court of each 8 9 county in which the proposed district is located shall send to the board of the existing district a copy of the petition for creation 10 of the proposed district. This subsection does not apply to a 11 proposed district located wholly in a county with a population of 12 mor<u>e than three million.</u> 13 14 (g) The board of the existing district shall adopt a statement before the date of the election required by this section 15 that specifies the types of emergency services the existing 16 district will provide or continue to provide in the overlapping 17 territory if the proposed district is created. This subsection 18 does not apply to a proposed district located wholly in a county 19 with a population of more than three million. 20 21 SECTION 2. Section 775.0205, Health and Safety Code, is amended by amending Subsection (a) and adding Subsections (d-1), 22

22 amended by amending Subsection (a) and adding Subsections (d-1), 23 (d-2), and (d-3) to read as follows:

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By: Wentworth

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(a) If the territory in a district created under this

1 chapter overlaps with the boundaries of another district created 2 under this chapter or a district created under Chapter 776, the most 3 recently created district may not provide services in the 4 overlapping territory that duplicate the services <u>described in the</u> 5 <u>statement required by Section 775.018(g)</u> [provided by the other 6 <u>district at the time the overlapping district was created</u>].

7 (d-1) The legislature finds that the performance of
 8 non-duplicative emergency services in the overlapping territory of
 9 emergency service districts is complementary to and not in conflict
 10 with the powers and duties of the respective districts.

11 (d-2) A person may serve as an emergency services 12 commissioner of a district created under this chapter at the same 13 time that the person serves as an emergency services commissioner 14 of another district with overlapping territory created under this 15 chapter or Chapter 776.

16 (d-3) A person serving as a commissioner of more than one 17 district under this section:

18 (1) may receive compensation for serving on only one 19 board; and

20 (2) is entitled to reimbursement for reasonable and 21 necessary expenses incurred in performing official duties for both 22 boards.

23 SECTION 3. Section 775.024, Health and Safety Code, is 24 amended to read as follows:

Sec. 775.024. <u>CONSOLIDATION</u> [MERCER] OF EMERGENCY SERVICES
 DISTRICTS. (a) Two or more emergency services districts may
 <u>consolidate</u> [merge] into a single emergency services district [as

S.B. No. 917 provided by this section] if[: 1 2 [(1)] the board of each district: (1) determines that consolidation would allow the 3 districts to provide services more economically and efficiently [of 4 the districts votes in favor of the merger]; and 5 6 (2) adopts a joint order of consolidation that 7 includes: 8 (A) the name and territory of the consolidated 9 district; 10 (B) the proposed date on which the former districts dissolve and the consolidated district is created and 11 12 will start offering services; and (C) if the maximum ad valorem tax rates in the 13 districts are different, a statement that the districts will 14 15 consolidate only if voters approve an ad valorem tax rate at the election required by Section 775.0241 [the residents of each 16 17 district approve the merger in an election held for that purpose]. The boards shall agree on a name for the proposed 18 (b) consolidated [merged] district and choose five commissioners from 19 among the membership of the boards to serve on the initial board for 20 21 the proposed district. The boards shall agree to stagger the terms appropriately. 22 If the boards do not make the appointments before the 23 (c) 24 31st day after the date the boards adopted the joint order, the commissioners courts shall jointly appoint commissioners to the 25

27 approve a merger shall be printed to permit voting for or against

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board of the consolidated district. [The ballot for the election to

the proposition: "The merger of the _____ (insert district 1 names) to create the ____ _____ (insert name of proposed 2 district), which assumes all outstanding debts of the merged 3 districts."] 4 5 The consolidated district is created on the latest of: (d) (1) the date stated in the joint order; 6 7 (2) the date the initial board of the consolidated 8 district is appointed; or 9 (3) the date the maximum ad valorem tax rates the consolidated district may impose under Section 775.0241 are 10 established, if necessary. [If a majority of the voters voting in 11 each district favor the merger, the merged district is created. If 12 less than a majority of the voters voting in any of the districts 13 14 are in favor of the merger, the vote fails and the districts are not 15 merged.] 16 (e) [The maximum tax rate that may be imposed by the merged 17 district may not exceed the maximum tax rate authorized for any the previous districts. 18 [(f)] The <u>consolidated</u> [merged] district assumes 19 all powers, rights, duties, assets, and liabilities of the former 20 21 districts without a change in status. The <u>consolidation</u> [merger]

22 does not diminish or impair the rights of the holders of any 23 outstanding and unpaid bonds, warrants, or obligations of the 24 district.

25 SECTION 4. Subchapter B, Chapter 775, Health and Safety 26 Code, is amended by adding Section 775.0241 to read as follows:

27 Sec. 775.0241. TAXES FOR CONSOLIDATED DISTRICT. (a) If two

districts that want to consolidate under Section 775.0241 have 1 2 different maximum ad valorem tax rates, the board of the district 3 with the lower maximum ad valorem tax rate shall order an election in its district under Section 775.0745 to authorize the imposition 4 5 of taxes in the territory of that district at a maximum rate that equals the maximum rate authorized in the district with the higher 6 7 maximum rate. 8 (b) If a majority of the voters do not favor the increase in the maximum ad valorem tax rate under Subsection (a), the districts 9 10 may not proceed with the consolidation. (c) If the districts have different sales and use tax rates, 11 12 the board of the consolidated district shall designate the territory of the former districts as subdistricts and shall 13 continue to impose the sales and use tax in each subdistrict at the 14 rate the tax was imposed by the former district. 15 (d) Subsection (c) does not limit the authority of the board 16 17 of the consolidated district to order an election under Section 775.0752 in a subdistrict or in the entire district. 18 19 SECTION 5. Subchapter C, Chapter 775, Health and Safety 20 Code, is amended by adding Sections 775.0365 and 775.0366 to read as 21 follows: Sec. 775.0365. BOARD TRAINING. (a) In this section, 22 "department" means the Texas Department of Rural Affairs. 23 24 (b) Each emergency services commissioner shall complete a 25 training course: 26 (1) for the commissioner's initial term, not later 27 than the earlier of:

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| 1 | (A) the 180th day after the date the commissioner |
| 2 | takes the oath of office; or |
| 3 | (B) the 180th day after the date the commissioner |
| 4 | assumes responsibilities as an emergency services commissioner; |
| 5 | and |
| 6 | (2) not later than the second anniversary of each date |
| 7 | the commissioner completes a training course. |
| 8 | (c) The department shall: |
| 9 | (1) determine the minimum course requirements; and |
| 10 | (2) make the course available. |
| 11 | (d) The department may provide the training course. The |
| 12 | department must approve any training course provided by an entity |
| 13 | other than the department. |
| 14 | (e) The training course must provide instruction in: |
| 15 | (1) district responsibilities; |
| 16 | (2) board responsibilities; |
| 17 | (3) government administration; |
| 18 | (4) ethics laws relating to public officers; and |
| 19 | (5) the governance and management of emergency |
| 20 | services. |
| 21 | (f) The entity providing the training course shall provide a |
| 22 | certificate of course completion to each person who completes the |
| 23 | course. |
| 24 | (g) An emergency services commissioner who completes the |
| 25 | training course shall file a copy of the certificate of course |
| 26 | completion with the commissioners court of each county in which the |
| 27 | district is located not later than the 10th day after the date the |

1 commissioner is required to complete the course under Subsection 2 (b). 3 Sec. 775.0366. SERVICE CONTRACTS. (a) In this section: 4 (1) "Local government" has the meaning assigned by 5 Section 791.003, Government Code. (2) "Volunteer fire department" means an association 6 7 that: 8 (A) operates firefighting equipment; is organized primarily to provide and 9 (B) 10 actively provides firefighting services; (C) does not pay its members compensation other 11 12 than nominal compensation; and (D) does not distribute any of its income to its 13 14 members, officers, or governing body, other than for reimbursement 15 of expenses. (b) The board may contract with a volunteer fire department 16 17 or a local government, including another district, to provide staff, facilities, equipment, programs, or services the board 18 19 considers necessary to provide or obtain emergency services. (c) A person acting under a contract under this section, 20 including an emergency services commissioner, does not, because of 21 that action, hold more than one civil office of emolument or more 22 than one office of honor, trust, or profit. 23 24 (d) Except as provided by Subsection (e), if a district contracts with a local government under this section to provide or 25 26 obtain emergency services, the district is responsible for any civil liability that arises from furnishing those services if the 27

1 <u>district would have been responsible for furnishing the services in</u>
2 <u>the absence of the contract.</u>

3 (e) The parties to a contract between governmental entities under this section may agree to assign responsibility for civil 4 5 liability that arises from services provided under the contract in any manner agreed to by the parties. The parties must assign that 6 7 responsibility in a written provision of the contract that 8 specifically references this subsection and states that the assignment of liability is intended to be different from liability 9 10 otherwise assigned under Subsection (d).

11 (f) This section does not change the liability limits and 12 immunities for a governmental unit under Chapter 101, Civil 13 Practice and Remedies Code, or other law.

14 (g) A contract under this section is not a joint enterprise
15 for liability purposes.

16 SECTION 6. The heading to Section 775.0422, Health and 17 Safety Code, is amended to read as follows:

Sec. 775.0422. REMOVAL OF APPOINTED BOARD MEMBER BY
 COMMISSIONERS COURT [FOR FAILURE TO GIVE REPORT].

20 SECTION 7. Section 775.0422, Health and Safety Code, is 21 amended by amending Subsections (b) and (c) and adding Subsection 22 (b-1) to read as follows:

(b) The commissioners court of the county in which a district is located, by an order adopted by a majority vote after a hearing, may remove one or more board members if the board failed to give <u>a</u> [the] report required by Section <u>775.036</u> [775.036(a)(4)] to the commissioners court before the 91st day after the date on which

1 the report is [was] due under that section.

2 (b-1) The commissioners court of the county in which a 3 district is located, by an order adopted by a majority vote after a 4 hearing, may remove a board member if the board member does not 5 complete a training course and file a copy of the certificate of 6 course completion as required by Section 775.0365. If the district 7 is located in more than one county, the commissioners court of each 8 county must adopt the order before the board member may be removed.

9 (c) Before the 60th day after the date on which the report <u>or</u> 10 <u>certificate of course completion is</u> [was] due, each commissioners 11 court seeking removal under this section must notify the board 12 members that it is considering that action.

SECTION 8. Section 775.074, Health and Safety Code, is amended by adding Subsection (d-1) to read as follows:

15 (d-1) The board may not set the tax rate for a fiscal year
 16 before the date the board adopts a budget for that fiscal year.

SECTION 9. Section 775.082, Health and Safety Code, isamended by adding Subsection (e-1) to read as follows:

19 (e-1) When a district located wholly in one county fails to 20 complete and file the audit report by September 1 of each year and a 21 county auditor is not ordered to prepare the report, the board is 22 abolished and the commissioners court shall appoint a new board as 23 provided by Section 775.034.

24 SECTION 10. Section 776.019, Health and Safety Code, is 25 amended by adding Subsections (e) and (f) to read as follows:

(e) If the territory of a district proposed under this
 chapter overlaps with the boundaries of another district created

under this chapter or Chapter 775, the commissioners court of each 1 county in which the proposed district is located shall send to the 2 3 board of the existing district a copy of the petition for creation of the proposed district. 4 5 (f) The board of the existing district shall adopt a statement before the date of the election required by this section 6 7 that specifies the types of emergency services the existing district will provide or continue to provide in the overlapping 8 territory if the proposed district is created. 9

10 SECTION 11. Section 776.021, Health and Safety Code, is 11 amended by amending Subsection (a) and adding Subsections (e), (f), 12 and (g) to read as follows:

(a) If the territory in a district created under this chapter overlaps with the boundaries of another district created under this chapter or a district operating under Chapter 775, the most recently created district may not provide services in the overlapping territory that duplicate the services <u>described in the</u> <u>statement required by Section 776.019(f)</u> [provided by the other <u>district</u>].

20 <u>(e) The legislature finds that the performance of</u> 21 <u>non-duplicative emergency services in the overlapping territory of</u> 22 <u>emergency service districts is complementary to and not in conflict</u> 23 <u>with the powers and duties of the respective districts.</u>

24 (f) A person may serve as an emergency services commissioner
25 of a district created under this chapter at the same time that the
26 person serves as an emergency services commissioner of another
27 district with overlapping territory created under this chapter or

S.B. No. 917 1 Chapter 775. 2 (g) A person serving as a commissioner of more than one 3 district under this section: 4 (1) may receive compensation for serving on only one 5 board; and 6 (2) is entitled to reimbursement for reasonable and 7 necessary expenses incurred in performing official duties for both 8 boards. 9 SECTION 12. Subchapter C, Chapter 776, Health and Safety 10 Code, is amended by adding Sections 776.0355, 776.0356, and 776.038 to read as follows: 11 Sec. 776.0355. BOARD TRAINING. (a) In this section, 12 "department" means the Texas Department of Rural Affairs. 13 14 (b) Each emergency commissioner shall complete a training 15 course: 16 (1) for the commissioner's initial term, not later 17 than the earlier of: (A) the 180th day after the date the commissioner 18 19 takes the oath of office; or 20 (B) the 180th day after the date the commissioner assumes responsibilities as an emergency commissioner; and 21 22 (2) not later than the second anniversary of each date the commissioner completes a training course. 23 24 (c) The department shall: (1) determine the minimum course requirements; and 25 26 (2) make the course available. (d) The department may provide the training course. The 27

| 1 | department must approve any training course provided by an entity |
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| 2 | other than the department. |
| 3 | (e) The training course must provide instruction in: |
| 4 | (1) district responsibilities; |
| 5 | (2) board responsibilities; |
| 6 | (3) government administration; |
| 7 | (4) ethics laws relating to public officers; and |
| 8 | (5) the governance and management of emergency |
| 9 | services. |
| 10 | (f) The entity providing the training course shall provide a |
| 11 | certificate of course completion to each person who completes the |
| 12 | course. |
| 13 | (g) An emergency commissioner who completes the training |
| 14 | course shall file a copy of the certificate of course completion |
| 15 | with the commissioners court of each county in which the district is |
| 16 | located not later than the 10th day after the date the commissioner |
| 17 | is required to complete the course under Subsection (b). |
| 18 | Sec. 776.0356. REMOVAL OF APPOINTED BOARD MEMBER BY |
| 19 | COMMISSIONERS COURT. (a) The commissioners court of each county in |
| 20 | which a district is located, by an order adopted by a majority vote |
| 21 | after a hearing, may remove an appointed board member if the board |
| 22 | member fails to complete a training course and file a copy of the |
| 23 | certificate of course completion as required by Section 776.0355. |
| 24 | (b) Before the 60th day after the date the certificate of |
| 25 | completion is due, each commissioners court seeking removal under |
| 26 | this section must notify the board members that it is considering |
| 27 | that action. |

1 Sec. 776.038. SERVICE CONTRACTS. (a) In this section: "Local government" has the meaning assigned by 2 (1)3 Section 791.003, Government Code. 4 (2) "Volunteer fire department" means an association 5 that: 6 (A) operates firefighting equipment; 7 (B) is organized primarily to provide and 8 actively provides firefighting services; does not pay its members compensation other 9 (C) 10 than nominal compensation; and (D) does not distribute any of its income to its 11 12 members, officers, or governing body, other than for reimbursement 13 of expenses. 14 (b) The board may contract with a volunteer fire department 15 or a local government, including another district, to provide staff, facilities, equipment, programs, or services the board 16 17 considers necessary to provide or obtain emergency services. (c) A person acting under a contract under this section, 18 including an emergency commissioner, does not, because of that 19 action, hold more than one civil office of emolument or more than 20 one office of honor, trust, or profit. 21 (d) Except as provided by Subsection (e), if a district 22 contracts with a local government under this section to provide or 23 24 obtain emergency services, the district is responsible for any civil liability that arises from furnishing those services if the 25 26 district would have been responsible for furnishing the services in the absence of the contract. 27

1 (e) The parties to a contract between governmental entities 2 under this section may agree to assign responsibility for civil liability that arises from services provided under the contract in 3 any manner agreed to by the parties. The parties must assign that 4 responsibility in a written provision of the contract that 5 specifically references this subsection and states that the 6 7 assignment of liability is intended to be different from liability 8 otherwise assigned under Subsection (d). 9 (f) This section does not change the liability limits and immunities for a governmental unit under Chapter 101, Civil 10 Practice and Remedies Code, or other law. 11 12 (g) A contract under this section is not a joint enterprise 13 for liability purposes. SECTION 13. Section 776.075, Health and Safety Code, is 14 15 amended by adding Subsection (d-1) to read as follows:

16 (d-1) The board may not set the tax rate for a fiscal year
17 before the date the board adopts a budget for that fiscal year.

18 SECTION 14. (a) In this section, "department" means the 19 Texas Department of Rural Affairs.

(b) Not later than June 1, 2012, the department shall make
available a training course as required by Sections 775.0365 and
776.0355, Health and Safety Code, as added by this Act.

(c) The deadlines to take the course under Sections 775.0365(b) and 776.0355(b), Health and Safety Code, as added by this Act, do not apply to an emergency services commissioner or emergency commissioner appointed or elected to a board of emergency services commissioners or a board of emergency commissioners for a

1 term that starts before June 1, 2012. Not later than the 90th day 2 after the date the department makes available a training course 3 under Subsection (b) of this section, an emergency services 4 commissioner or emergency commissioner described by this 5 subsection must complete the course.

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6 SECTION 15. The changes in law made by this Act to Chapter 7 776, Health and Safety Code, take effect only if Senate Bill 359 or 8 another similar bill of the Regular Session of the 82nd Legislature relating to repealing Chapter 776, Health and Safety Code, is not 9 enacted. If Senate Bill 359 or another similar bill of the Regular 10 Session of the 82nd Legislature relating to repealing Chapter 776, 11 Health and Safety Code, is enacted and becomes law, the changes in 12 law made by this Act to Chapter 776, Health and Safety Code, do not 13 take effect. 14

15 SECTION 16. This Act takes effect immediately if it 16 receives a vote of two-thirds of all the members elected to each 17 house, as provided by Section 39, Article III, Texas Constitution. 18 If this Act does not receive the vote necessary for immediate 19 effect, this Act takes effect September 1, 2011.