

## **BILL ANALYSIS**

C.S.H.B. 1124  
By: Workman  
Special Purpose Districts  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Emergency 9-1-1 communications are currently delivered by emergency communication districts authorized by state law, and by regional planning commissions, which must secure funding from the Commission on State Emergency Communications. Because emergency communication districts have a predictable source of revenue to support full deployment of digital 9-1-1 services, commonly referred to as Next Generation 9-1-1 (NG9-1-1), from emergency service fees paid by district residents, a regional planning commission that includes one or more emergency communications districts within its territory is more likely to have the necessary digital infrastructure for NG9-1-1.

One regional planning commission, the Capital Area Council of Governments, which serves 10 counties including Travis County, has no emergency communication districts operating within its territory and is at a disadvantage in implementing NG9-1-1. C.S.H.B. 1124 seeks to address this disadvantage by providing for the creation of regional emergency communications districts that would have the same governing and financing authority as emergency communication districts.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 1124 amends the Health and Safety Code to set out provisions relating to the creation and territory of a regional emergency communications district and designates such a district as a political subdivision of this state created to carry out essential governmental functions. The bill establishes that the bill's provisions apply to a state planning region with a population of more than 1.5 million, that is composed of counties and municipalities that operate a 9-1-1 system solely through a regional planning commission, and in which the governing bodies of each county and the principal municipality in the region adopt a resolution to participate in a regional emergency communications district. The bill authorizes the district to exercise all powers necessary or convenient to carry out the purposes of the bill's provisions.

C.S.H.B. 1124 specifies that a district is governed by a board of managers and sets out provisions relating to the board and its powers and duties. The bill requires the district's board of managers to appoint an advisory committee and sets out provisions relating to the committee. The bill specifies that the executive director of the regional planning commission in the district's region serves as director of the district and sets out provisions relating to the director and district staff. The bill requires the director to prepare, under the direction of the board of managers, an annual budget for the district, sets out requirements relating to the annual budget, and requires the board to annually have an independent financial audit made of the district.

C.S.H.B. 1124 requires a district to provide 9-1-1 service to each participating jurisdiction through certain specified methods and features or equivalent state-of-the-art technology. The bill requires the district to recommend minimum standards for a 9-1-1 system and requires the

system to be computerized. The bill specifies that, for each individual telephone subscriber in the district, 9-1-1 service is mandatory and is not an optional service under any definition of terms relating to telephone service.

C.S.H.B. 1124 exempts a service supplier involved in providing 9-1-1 service, a manufacturer of equipment used in providing 9-1-1 service, or an officer or employee of a service supplier involved in providing 9-1-1 service from liability for any claim, damage, or loss arising from the provision of 9-1-1 service unless the act or omission proximately causing the claim, damage, or loss constitutes gross negligence, recklessness, or intentional misconduct.

C.S.H.B. 1124 establishes that the digits 9-1-1 are the primary emergency telephone number in the district. The bill authorizes a public safety agency whose services are available through a 9-1-1 system to maintain a separate number for an emergency telephone call and requires such an agency to maintain a separate number for a nonemergency telephone call. The bill requires a 9-1-1 system to be capable of transmitting requests for firefighting, law enforcement, ambulance, and medical services to a public safety agency that provides the requested service at the location from which the call originates and sets out provisions relating to the transmission of other requests for emergency aid.

C.S.H.B. 1124 authorizes a district's board of managers to impose a 9-1-1 emergency service fee on service users in the district and sets out provisions relating to the imposition of the fee, including requirements relating to the rate of the fee. The bill caps the fee at not more than six percent of the monthly base rate the principal service supplier in the participating jurisdiction charges a service user. The bill sets out provisions relating to the collection of the fee, including provisions regarding delinquency.

C.S.H.B. 1124 establishes requirements relating to the selection of a district depository by the district's board of managers and specifies that a district's allowable expenses include all costs attributable to designing a 9-1-1 system and all equipment and personnel necessary to establish and operate a public safety answering point and other related operations that the board considers necessary. The bill establishes requirements for a service supplier or business service user to provide number and location identification for each call.

C.S.H.B. 1124 requires the district's board of managers to periodically solicit public comments and hold a public review hearing on the continuation of the district and the 9-1-1 emergency service fee. The bill sets out provisions relating to such hearings and the required actions of the board of managers following such a hearing. The bill sets out procedures for the dissolution of a district.

C.S.H.B. 1124 authorizes a district's board of managers to issue bonds in the name of the district to finance the acquisition by any method of facilities, equipment, or supplies necessary for the district to provide 9-1-1 service to each participating jurisdiction or the installation of equipment necessary for the district to provide 9-1-1 service to each participating jurisdiction. The bill sets out provisions relating to the repayment of bonds, additional security for bonds, the form and provisions of bonds, approval and registration of bonds, and the issuance of refunding bonds. The bill designates district bonds as legal and authorized investments for certain specified entities and as security for certain deposits. The bill exempts from taxation a bond issued by a district, any transaction relating to the bond, and profits made in the sale or redemption of the bond.

C.S.H.B. 1124 authorizes a regional planning commission for the region in which the district is established to transfer to the district any assets acquired by the regional planning commission in relation to the provision of 9-1-1 services if a regional emergency communications district is established under the bill's provisions.

C.S.H.B. 1124 amends the definition of "emergency communication district" applicable to provisions relating to state administration of emergency communications to include a regional emergency communications district created under the bill's provisions.

**EFFECTIVE DATE**

September 1, 2013.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 1124 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

**INTRODUCED**

**HOUSE COMMITTEE SUBSTITUTE**

SECTION 1. Chapter 772, Health and Safety Code, is amended by adding Subchapter G to read as follows:

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SUBCHAPTER G. REGIONAL EMERGENCY COMMUNICATIONS DISTRICTS: STATE PLANNING REGION WITH POPULATION OVER 1.5 MILLION

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Sec. 772.501. SHORT TITLE.

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Sec. 772.502. DEFINITIONS.

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Sec. 772.503. APPLICATION OF SUBCHAPTER. This subchapter applies to a region:

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(1) with a population of more than 1.5 million;

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(2) composed of counties and municipalities that operate a 9-1-1 system through a regional planning commission; and

(2) composed of counties and municipalities that operate a 9-1-1 system solely through a regional planning commission; and

(3) in which the governing bodies of each county and the principal municipality in the region adopt a resolution under Section 772.504 to participate in the district.

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Sec. 772.504. CREATION OF DISTRICT.

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Sec. 772.505. POLITICAL SUBDIVISION; DISTRICT POWERS.

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Sec. 772.506. TERRITORY OF DISTRICT.

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Sec. 772.507. BOARD.

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Sec. 772.508. POWERS AND DUTIES OF BOARD.

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Sec. 772.509. ADVISORY COMMITTEE.

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Sec. 772.510. DIRECTOR OF DISTRICT; STAFF.

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Sec. 772.511. BUDGET; ANNUAL REPORT; AUDIT.

Sec. 772.512. PROVISION OF 9-1-1 SERVICE.

Sec. 772.513. LIABILITY.

Sec. 772.514. PRIMARY EMERGENCY TELEPHONE NUMBER.

Sec. 772.515. TRANSMITTING REQUESTS FOR EMERGENCY AID.

Sec. 772.516. 9-1-1 EMERGENCY SERVICE FEE.

Sec. 772.517. COLLECTION OF FEE.

Sec. 772.518. DISTRICT DEPOSITORY.

Sec. 772.519. ALLOWABLE EXPENSES.

Sec. 772.520. NUMBER AND LOCATION IDENTIFICATION.

Sec. 772.521. PUBLIC REVIEW.

Sec. 772.522. DISSOLUTION PROCEDURES.

Sec. 772.523. ISSUANCE OF BONDS.

Sec. 772.524. REPAYMENT OF BONDS.

Sec. 772.525. ADDITIONAL SECURITY FOR BONDS.

Sec. 772.526. FORM OF BONDS.

Sec. 772.527. PROVISIONS OF BONDS.

Sec. 772.528. APPROVAL AND REGISTRATION OF BONDS.

Sec. 772.529. REFUNDING BONDS.

Sec. 772.530. BONDS AS INVESTMENTS AND SECURITY FOR DEPOSITS. (a) District bonds are legal and authorized investments for:

(1) a bank;

(2) a savings bank;

(3) a trust company;

(4) a savings and loan association;

Sec. 772.511. BUDGET; ANNUAL REPORT; AUDIT.

Sec. 772.512. PROVISION OF 9-1-1 SERVICE.

Sec. 772.513. LIABILITY.

Sec. 772.514. PRIMARY EMERGENCY TELEPHONE NUMBER.

Sec. 772.515. TRANSMITTING REQUESTS FOR EMERGENCY AID.

Sec. 772.516. 9-1-1 EMERGENCY SERVICE FEE.

Sec. 772.517. COLLECTION OF FEE.

Sec. 772.518. DISTRICT DEPOSITORY.

Sec. 772.519. ALLOWABLE EXPENSES.

Sec. 772.520. NUMBER AND LOCATION IDENTIFICATION.

Sec. 772.521. PUBLIC REVIEW.

Sec. 772.522. DISSOLUTION PROCEDURES.

Sec. 772.523. ISSUANCE OF BONDS.

Sec. 772.524. REPAYMENT OF BONDS.

Sec. 772.525. ADDITIONAL SECURITY FOR BONDS.

Sec. 772.526. FORM OF BONDS.

Sec. 772.527. PROVISIONS OF BONDS.

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Sec. 772.530. BONDS AS INVESTMENTS AND SECURITY FOR DEPOSITS. (a) District bonds are legal and authorized investments for:

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(3) a credit union;

(4) a trust company;

(5) a savings and loan association;

- (5) an insurance company;
- (6) a fiduciary;
- (7) a trustee;
- (8) a guardian; and
- (9) a sinking fund of a municipality, county, school district, special district, and other political subdivision of this state and other public funds of this state and state agencies, including the permanent school fund.
- (b) District bonds may secure deposits of public funds of the state or a municipality, county, school district, or other political subdivision of this state. The bonds are lawful and sufficient security for deposits to the extent of the bonds' value if accompanied by all unmatured coupons.
- (c) District bonds are authorized investments under Chapter 2256, Government Code.

Sec. 772.531. EXEMPTION FROM TAXATION.

Sec. 772.532. TRANSFER OF ASSETS.

No equivalent provision.

SECTION 2. This Act takes effect September 1, 2013.

- (6) an insurance company;
- (7) a fiduciary;
- (8) a trustee;
- (9) a guardian; and
- (10) a sinking fund of a municipality, county, school district, special district, and other political subdivision of this state and other public funds of this state and state agencies, including the permanent school fund.
- (b) District bonds may secure deposits of public funds of the state or a municipality, county, school district, or other political subdivision of this state. The bonds are lawful and sufficient security for deposits to the extent of the bonds' value if accompanied by all unmatured coupons.
- (c) District bonds are authorized investments under Chapter 2256, Government Code.

Sec. 772.531. EXEMPTION FROM TAXATION.

Sec. 772.532. TRANSFER OF ASSETS.

SECTION 2. Section 771.001(3), Health and Safety Code, is amended to read as follows:  
(3) "Emergency communication district" means:  
(A) a public agency or group of public agencies acting jointly that provided 9-1-1 service before September 1, 1987, or that had voted or contracted before that date to provide that service; or  
(B) a district created under Subchapter B, C, D, [Ø] F, or G, Chapter 772.

SECTION 3. Same as introduced version.