BILL ANALYSIS

Senate Research Center 86R27716 JCG-F C.S.S.B. 1579 By: Alvarado Intergovernmental Relations 4/25/2019 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1579 amends the Health and Safety Code to allow an existing emergency services district board to call an election to decide if it should separate the functions of fire protection and suppression services (FIRE) and emergency medical services (EMS). Current law allows for the correction of issues with overlapping districts where portions of an emergency service district (ESD) might overlap another ESD due to an error or other event that resulted in an overlapped area. However, the law was not intended to provide for an ESD to separate its functions. Interested parties note the current ESD statute (Section 775.018) excludes Harris County ESDs from separating because it does not apply to proposed districts located wholly in counties with a population of more than three million. Interested parties note that separation of ESDs is needed due to the costs and administrative issues associated with trying to run both services as one ESD. This would allow emergency to operate in manner that is more efficient in comparison to their current operation.

S.B. 1579 seeks to solve this problem by allowing for the separation of ESDs by providing the authority and guidance to the board of emergency services commissioners about how assets can be most efficiently transferred between the two overlapping areas that are intended to serve the same members of the community. While there are sections of chapter 775 that allow a new petition process through the county, this bill would allow the ESD board to go directly to the voters. This process could be more efficient as it would allow for an orderly separation of the management of services and dividing assets among the new and old districts. This bill is bracketed to Harris County, and would not force a separation of services on districts but rather allow taxpayers to approve this via an election held by the ESD. (Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 1579 amends current law relating to the creation of certain emergency services districts.

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 Subchapter B, Chapter 775, Health and Safety Code, by adding Section 775.0206, as follows:

Sec. 775.0206. SEPARATION OF DISTRICT SERVICES; ALTERNATIVE CREATION PROCEDURE. (a) Provides that this section applies only to a an emergency services district (district) located in a county with a population of more than 3.3 million.

(b) Authorizes the board of emergency services commissioners of a district (board), notwithstanding the procedures required by this subchapter, to create another district under this section if:

(1) the board determines that the creation would enable the services currently provided by the creating district to be provided in a more economical and efficient manner by the creating district and the other district; and

(2) the boundaries of the other district are identical to the boundaries of the creating district.

(c) Requires the board creating the district, to create the other district, to adopt an order creating the other district that provides certain information.

(d) Prohibits the order from providing for the creating district and the other district to provide the same service.

(e) Requires the board of the creating district to hold an election under Section 775.018 (Election) to confirm the other district's creation and authorize the imposition of a tax by the other district. Provides that the creation of the other district is confirmed only if a majority of voters voting in the election approve the creation of the other district and the imposition of the tax by the other district.

(f) Requires the notice of the election to separate district services, subject to Section 4.003 (Method of Giving Notice), Election Code, to be given in the same manner as the notice of a petition hearing under Section 775.015 (Filing of Petition and Notice of Hearing).

(g) Requires an election to create a district under this section to be held on a uniform election date as described by Section 775.018(e) (relating to requiring the election to be held on the first authorized uniform election date prescribed by the Election Code that allows sufficient time to comply with other requirements of law).

(h) Requires the board of the creating district, except as provided by Subsection (i), to appoint the initial board of the other district. Provides that the appointed commissioners serve until December 31 of the year the other district is created. Requires the commissioners court or commissioners courts, on the expiration of the terms of the initial commissioners, to appoint commissioners for a full term under Section 775.034 (Appointment of Board in District Located Wholly in One County) or 775.0341 (Appointment of Board in Certain Districts Located in More Than One County), as applicable.

(i) Requires the board of the creating district, if Section 775.0345 (Election of Board in Certain Counties) or 775.035 (Election of Board in District Located in More Than One County) applies to a district created under this section, to appoint the initial board of the other district. Provides that the appointed commissioners serve until the next election date of the commissioners of the creating district. Requires the board of the creating district to hold an election for both the board of the creating district and the board of the other district under Section 775.0345 or 775.035, as applicable. Requires the five commissioner positions on each board to be filled at the election held by the creating district. Provides that, for each board, the three elected commissioners receiving the most votes serve four-year terms and the two remaining elected commissioners serve two-year terms. Requires each district, after the initial election, to hold separately an election on the dates and in the manner described by Section 775.0345 or 775.035, as applicable.

(j) Authorizes the creating district, to promote the economical and efficient delivery of services provided by a creating district and a district created under this section, to convey assets and transfer indebtedness, other than bonded indebtedness, to the other district.

(k) Requires a district created under this section, if a creating district has bonded indebtedness at the time the district's board creates a district under this section, to

pay to the creating district annually an amount equal to one-half of the amount required to service the bonded indebtedness in that year.

(1) Requires overlapping districts resulting from the creation of a district under this section shall comply with Section 775.020 (Overlapping Districts Located Wholly in Populous County) or 775.0205 (Overlapping Districts), as applicable.

SECTION 2. Effective date: September 1, 2019.