

By: Alvarado

S.B. No. 1579

A BILL TO BE ENTITLED

AN ACT

relating to the separation of services provided by an emergency services district.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 775, Health and Safety Code, is amended by adding Sections 775.0206 and 775.0207 to read as follows:

Sec. 775.0206. SEPARATION OF DISTRICT SERVICES. (a) A district created to perform both fire prevention and emergency medical services may separate into two completely overlapping districts as provided by this section. Before separation, the board of the original district must:

(1) determine that separation would allow the resulting districts to provide services more economically and efficiently; and

(2) adopt an order of separation that includes:

(A) the names of the two resulting districts;

(B) the services to be provided by each district;

(C) the proposed date on which the original district will cease to provide one service and the newly created district will begin to provide that service; and

(D) a statement that the original district will be separated into two completely overlapping districts only if a majority of the residents of the original district approve the

1 separation in an election held for that purpose.

2 (a-1) Subject to Section 4.003, Election Code, the notice of  
3 the election to separate district services shall be given in the  
4 same manner as the notice of a petition hearing under Section  
5 775.015.

6 (b) An election to separate district services shall be held  
7 on a uniform election date as described by Section 775.018(e).

8 (c) No public hearing is required prior to ordering an  
9 election to separate district services.

10 (d) Commissioners serving on the board of the original  
11 district shall serve out their terms according to Section 775.034,  
12 775.0341, 775.0345, or 775.035, as applicable.

13 (e) For a newly created district to which Section 775.034 or  
14 775.0341 applies, the board of the original district shall appoint  
15 the initial board of the newly created district. The appointed  
16 commissioners will serve until December 31 of the year the new  
17 district is created. The commissioners court shall then appoint  
18 commissioners for a full term under Section 775.034 or 775.0341, as  
19 applicable.

20 (f) For a newly created district to which Section 775.0345  
21 or 775.035 applies, the board of the original district shall  
22 appoint the initial board of the newly created district. The  
23 appointed commissioners will serve until the next election date of  
24 the commissioners of the original district. The board of the  
25 original district shall hold an election for both the board of the  
26 original district and the board of the new district on the election  
27 date of the original district's commissioners according to the

1 requirements of Section 775.0345 or 775.035, as applicable. The  
2 five commissioner positions on each board shall be filled at the  
3 election held by the original district. For each board, the three  
4 elected commissioners receiving the most votes will serve four-year  
5 terms and the two elected commissioners receiving the fewest votes  
6 will serve two-year terms. After the initial election, each  
7 district shall separately hold an election on the dates and in the  
8 manner described by Section 775.0345 or 775.035, as applicable.

9 (g) Within two years after the election held to separate the  
10 district under this section, the boards of the two districts may  
11 transfer any real or personal property or any indebtedness between  
12 the districts to promote the delivery of services provided by each  
13 district.

14 (h) If any bonded debt was held by the original district  
15 before the election held under this section, the newly created  
16 district shall annually pay to the original district an amount  
17 equal to one-half of the original district's annual debt  
18 obligations.

19 (i) Districts resulting from a separation under this  
20 section shall comply with Section 775.020 or 775.0205, as  
21 appropriate.

22 Sec. 775.0207. TAXES FOR SEPARATED DISTRICTS. For the  
23 first tax year after separation, the effective tax rate and  
24 rollback tax rate, as those terms are defined by Section 26.04, Tax  
25 Code, of each resulting district shall be calculated based on the  
26 most recently adopted tax rate of the original district. For each  
27 subsequent tax year, the rates shall be calculated based on the tax

1 rate adopted in the prior year by the board of each district  
2 according to the requirements of the Tax Code.

3 SECTION 2. This Act takes effect September 1, 2019.