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| BILL ANALYSIS |

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| C.S.H.B. 1775 |
| By: Thompson, Ed |
| County Affairs |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE** In Brazoria County and other counties with emergency services districts with appointed boards of emergency services commissioners, when issues arise with a district, residents are directed to the county commissioners court. The commissioners court, despite its appointment authority of emergency services commissioners, has no power to direct or enforce district actions. These districts are growing and expanding far beyond the rural county service supplements they were originally designed to be. The level of accountability provided by an appointing county commissioners court is insufficient for the size and powers of modern districts. In some cases, unelected emergency services commissioners levy property taxes, sales taxes, and manage budgets exceeding $40 million. Further, in certain instances, an emergency services commissioner may be appointed to two districts at the same time. C.S.H.B. 1775 seeks to provide stronger accountability for emergency services commissioners by requiring the commissioners court of the county in which certain districts are located, after a district is created and initial emergency services commissioners are appointed, to choose whether the board of emergency services commissioners will be elected or the commissioners court will approve the district's annual budget and tax rate.  |
| **CRIMINAL JUSTICE IMPACT**It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **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. 1775 amends the Health and Safety Code to set out provisions relating to commissioners court oversight and the election of a board of emergency services commissioners with regard to an emergency services district that is located wholly in one county with a population of more than 200,000, but not in the following counties: * a county with a population of more than three million;
* a county that borders Lake Palestine; or
* a county that borders the United Mexican States, that has a population of more than 800,000, and for which the commissioners court appoints a board of emergency services commissioners under specified provisions.

The bill requires the commissioners court of the county in which a district is located, after the district is created and initial emergency services commissioners are appointed, to choose whether, in applicable manners provided by the bill, the board will be elected or the commissioners court will approve the district's annual budget and tax rate. The bill authorizes a commissioners court that initially chooses to approve district budgets and tax rates to instead choose, at any time, to require that the district's board be elected, but prohibits a commissioners court that chooses to require that a district's board be elected from approving the district's budgets and tax rates.**Election of Board**C.S.H.B. 1775 establishes that, with respect to a district that is required to have an elected board, the governing body of the district consists of a five-person board of emergency services commissioners elected at large from the district to serve staggered four-year terms. The bill requires a person to be at least 18 years of age and a district resident to be eligible as a candidate for emergency services commissioner and requires a candidate for emergency services commissioner on an initial elected board to give the county voter registrar a sworn notice of the candidate's intention to run for office that states the person's name, age, and address and states that the person is serving notice of intent to run for emergency services commissioner. The bill requires the county voter registrar to have the candidate's name placed on the ballot on receipt of the notice. C.S.H.B. 1775 requires the county voter registrar to appoint an election judge to certify the election results and requires the voter registrar or deputy registrar of the county, after the election is held, to prepare a sworn statement of the election costs incurred by the county. The bill requires the statement to be given to the newly elected board, which is required to order the appropriate official to reimburse the county for the county's election costs. C.S.H.B. 1775 establishes the following: * the initial emergency services commissioners' terms of office begin 30 days after canvassing of the election results;
* the two commissioners who received the fewest votes serve a term that expires on January 1 of the third year following the year in which the election was held; and
* the other commissioners serve terms that expire on January 1 of the fifth year following the year in which the election was held.

C.S.H.B. 1775 requires the county judge, after the commissioners court requires the district's board to be elected, to order an election to be held in the district to elect the initial emergency services commissioners on the next November uniform election date held in an even-numbered year. The bill requires the board, after the initial election, to hold the general election for the appropriate number of commissioners in each even-numbered year on the November uniform election date. The bill requires an election under these provisions of the bill to be held jointly with the county. The bill makes statutory provisions relating to a write-in candidate in a city election applicable to a write-in candidate for emergency services commissioner in the same manner those provisions apply to a write-in candidate for a city office.**Budget and Tax Rate Approval**C.S.H.B. 1775, with respect to a district the annual budget and tax rate of which are required to be approved by the commissioners court of the county in which the district is located, requires the commissioners court to adopt a schedule for the district to submit to the county for final approval of the district's annual budget, tax rate calculations and notices, and recommended tax rate. The bill requires the schedule to take into account certain statutory and constitutional requirements applicable to adopting a district tax rate, and to provide a reasonable amount of time for the commissioners court to review the required submissions. The bill requires the board, in accordance with the adopted schedule, to submit to the commissioners court the district's annual budget, tax rate calculations and notices, and recommended tax rate. The bill establishes the following:* if a commissioners court does not approve or deny a submitted budget before the 31st day after the date the budget is submitted, the commissioners court is considered to have approved the budget;
* if a commissioners court does not approve or deny a recommended tax rate before the 31st day after the date the recommended tax rate is submitted, the commissioners court is considered to have approved the recommended tax rate;
* if a commissioners court denies the submitted annual budget, the district may not make expenditures under that budget except for an obligation incurred before the beginning of the fiscal year for which the budget was submitted; and
* if a commissioners court denies the submitted tax rate, the district may not impose the tax at a rate greater than that imposed in the fiscal year preceding the one for which the tax rate was submitted.

**Procedural Provisions**C.S.H.B. 1775 requires the commissioners court of a county in which an emergency services district created before the bill's effective date and to which the bill applies is located, as soon as practicable after such date but not later than January 1, 2024, to choose whether the board of emergency services commissioners will be elected or the commissioners court will approve the annual budget and tax rate.C.S.H.B. 1775 expressly does not prohibit a person who is a member of an appointed board of emergency services commissioners on the bill's effective date from running for election to the board if the person has the required qualifications.  |
| **EFFECTIVE DATE** September 1, 2023. |
| **COMPARISON OF INTRODUCED AND SUBSTITUTE**While C.S.H.B. 1775 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.Whereas the introduced provided for the election of the board of emergency services commissioners of certain emergency services districts that are located wholly in one county with a population of more than 200,000, the substitute instead provides for the commissioners court of a county in which such a district is located, after the district is created and initial emergency services commissioners are appointed, to choose whether the board will be elected or the commissioners court will approve the district's annual budget and tax rate. The substitute includes the following provisions that were absent from the introduced:* an authorization for a commissioners court that initially chooses to approve district budgets and tax rates to instead choose, at any time, to require the district's board to be elected; and
* a prohibition against such a commissioners court approving the district's budgets and tax rates.

Whereas the introduced required the county judge, after a district is created, to establish a convenient day to conduct an election to elect the initial emergency services commissioners, the substitute requires the county judge, after the commissioners court requires the district's board to be elected, to order an election to be held in the district to elect the initial emergency services commissioners on the next November uniform election date held in an even-numbered year. The substitute includes a requirement absent from the introduced for such an election to be held jointly with the county.The substitute includes provisions absent from the introduced regarding the commissioners court approval of a district's budget and tax rate. The substitute exempts from the districts to which the bill's provisions apply an emergency services district that is located wholly in a county that borders the United Mexican States, that has a population of more than 800,000, and for which the commissioners court appoints a board of emergency services commissioners. The introduced did not provide for this specific exemption.The substitute includes a requirement absent from the introduced for the commissioners court of a county in which an emergency services district created before the bill's effective date and to which the bill applies is located, as soon as practicable after such date but not later than January 1, 2024, to choose whether the board of emergency services commissioners will be elected or the commissioners court will approve the annual budget and tax rate.The substitute omits several provisions from the introduced that provide for the following:* the effect of the bill's provisions on the terms of members of a board of emergency services commissioners;
* elections to replace appointed commissioners whose terms expire January 1, 2025, and January 1, 2026; and
* the length of a term served by an emergency services commissioner elected to replace those commissioners.

The substitute changes the bill's effective date from June 1, 2024, as in the introduced, to September 1, 2023. |
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