

## **BILL ANALYSIS**

Senate Research Center

H.B. 2850  
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Intergovernmental Relations  
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Engrossed

### **DIGEST**

In the case of a very limited number of large-scale, planned community developments, such as The Woodlands, fire protection and emergency services are provided by a nonprofit corporation funded by assessments on real property which are imposed on an ad valorem basis. Meanwhile, rural fire prevention and emergency services districts impose taxes on the same area for the same services, resulting in double taxation. Chapters 775 and 794 of the Health and Safety Code presently contain provisions which allow for the exclusion of territory from a rural fire prevention district and emergency services district, respectively, which may overlap. This bill sets forth provisions regarding the exclusion from emergency services districts and rural fire prevention districts of certain territory subject to ad valorem assessments.

### **PURPOSE**

As proposed, H.B. 2850 sets forth provisions regarding the exclusion from emergency services districts and rural fire prevention districts of certain territory subject to ad valorem assessments.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 775B, Health and Safety Code, by adding Section 775.025, as follows:

Sec. 775.025. EXCLUSION OF CERTAIN TERRITORY SUBJECT TO AD VALOREM ASSESSMENTS. Sets forth provisions regarding a hearing to consider the exclusions from the emergency services district (district) of territory in a planned community. Sets forth provisions for a board of emergency service commissioners' resolution to exclude certain territory. Sets forth provisions regarding an election for creating a district. Sets forth provisions for the exclusion of certain territory under certain conditions. Defines "planned community" and "territory in a planned community."

SECTION 2. Amends Chapter 794D, Health and Safety Code, by adding Section 794.0526, as follows:

Sec. 794.0526. EXCLUSION OF CERTAIN TERRITORY SUBJECT TO AD VALOREM ASSESSMENTS. Sets forth provisions regarding a hearing to consider the exclusions from the rural fire prevention district (district) of territory in a planned community. Sets forth provisions for a board of fire commissioners' resolution to exclude certain territory. Sets forth provisions regarding an election for creating a district. Sets forth provisions for the exclusion of certain territory under certain conditions. Defines "planned community" and "territory in a planned community."

SECTION 3. Sets forth provisions regarding the governmental proceedings and acts of the governing body of a rural fire district. Provides that this section does not apply to certain matters.

SECTION 4. Emergency clause.  
Effective date: upon passage.