### **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1277
By: Lucio
Intergovernmental Relations
4-17-97
Committee Report (Substituted)

## **DIGEST**

Currently, an emergency services district (ESD) is a special district to provide health and safety related services to the property within its boundaries. An ESD is usually created to provide fire protection service to areas that do not receive municipal fire service. ESDs may also provide emergency medial treatment, hazardous material spill response, and other emergency services. This bill sets forth certain provisions relating to emergency service districts.

# **PURPOSE**

As proposed, C.S.S.B. 1277 sets forth provisions for emergency service districts.

## **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 Section 775.022, Health and Safety Code, by amending Subsection (c) and adding Subsection (d), to require a municipality that annexes a portion of an emergency services district (district) to compensate the district in a certain amount. Requires the district to apply compensation received from a municipality exclusively to the payment of the annexed territory's, rather than disannexed territory's, pro rata share of the district's indebtedness. Deletes provisions relating to disannexed territory under this subsection. Requires a municipality to purchase from the district at fair market value any real or personal property under to provide emergency services in territory disannexed used this section.

SECTION 2. Amends Section 775.031(a), Health and Safety Code, to authorize a district to perform the function of the district and to provide emergency services by construction, leasing, owning, and maintaining real property, improvements, and fixtures necessary to house, repair, and maintain emergency services vehicle and equipment among other functions.

SECTION 3. Amends Section 775.038, Health and Safety Code, to provide that an emergency services commissioner is entitled to receive compensation of not more than \$50 a day for each day the commissioner actually spends performing the duties of a commissioner. Prohibits the compensation from exceeding \$3,000 per annum. Authorizes the commissioners to be reimbursed for reasonable and necessary expenses incurred in performing official duties. Authorizes a commission to elect to receive per diem compensation of \$50 for each day the director actually spends performing the duties of the commissioner. Prohibits a commissioner from being reimbursed for reasonable and necessary expenses. Provides that per diem payments may not exceed \$3,000 per year. Deletes a provision prohibiting a commissioner from having an interest in certain contracts or transactions. Requires each commissioner to file with the district a verified statement showing the number of days actually spent performing the duties of a commissioner and a general description of the duties performed for each day of service in order to receive certain payments. Provides that commissioners are subject to the provisions of Chapter 171, Local Government Code.

SECTION 4. Amends Chapter 775C, Health and Safety Code, by adding Section 775.039, as follows:

Sec. 775.039. EMINENT DOMAIN. Provides that a district has eminent domain authority to acquire land, easement, or other property inside the district boundaries necessary to carry out the purposes of the district. Authorizes the district to elect to condemn with the fee simple title or a lesser property interest. Requires the right of eminent domain to be exercised in accordance with Chapter 21, Property Code, except under certain circumstances.

SECTION 5. Amends Chapter 775C, Health and Safety Code, by adding Section 775.040, as follows:

Sec. 775.040. FEES FOR PROVIDING SERVICES. Authorizes a district to charge a reasonable fee for emergency services performed for or on behalf of a person or entity.

SECTION 6. Amends Section 775.082(b), Health and Safety Code, to require certain districts to prepare and file with the commissioners court of the county on or before June 1 of each year, rather than the 120th day after the last day of the district's fiscal year, an audit report of the district's fiscal accounts and records.

SECTION 7. Amends Chapter 775E, Health and Safety Code, by adding Section 775.083, as follows:

Sec. 775.083. ANNUAL REPORT. Require a district to file with the secretary of state an annual report that includes certain information. Prohibits the secretary of state from charging a fee for filing the report.

SECTION 8. Amends Chapter 775E, Health and Safety Code, by adding Section 775.084, as follows:

775.084. COMPETITIVE BIDS. Requires the board of emergency services commissioners (board) to submit to competitive bids an expenditure of more than \$25,000 for a certain number of item or service. Requires the board to request bids on items to be purchased or leased or services to be performed as provided by this subsection. Requires the board to notify suppliers, vendors, or purchasers with written notice by mail of the intended purchase. Requires the board to give written notice directly to certain persons related to the intended purchase if the board decides to advertise for bids. Sets forth the procedures for the board in relation to the number of bids received under this section. Requires the advertisement or notice for competitive bidding to contain information. Prohibits the board from preparing restrictive bid specifications. Authorizes bids to be opened only by the board at a public meeting or by a district officer or employee at or in a district office. Authorizes the board to reject any bid. Prohibits the board from awarding a contract to a bidder who is not the lowest under certain circumstances. Provides that a contract awarded in violation of this section is void. Provides than this section applies to an expenditure of district tax revenues by any party or entity for the purchase of services, vehicles, equipment, or goods. Provides that this section does not apply to certain other purchases, items, services, or emergency expenditures. Provides that Subsection (i) does not prohibit the board from soliciting competitive bids for any item, service, or contract listed in Subsection (i). Requires a contract for public works projects to be administered in accordance with Chapter 271B, Local Government Code, except as provided by this section.

SECTION 9. Effective date: September 1, 1997.

SECTION 10. Emergency clause.

## **SUMMARY OF COMMITTEE CHANGES**

Adds a new SECTION 1.

SECTION 1.

Amends Section 775.022, Health and Safety Code, by amending Subsection (c) and adding Subsection (d), to set forth certain requirements for a municipality and district relating to annexed territory. Deletes provisions relating to disannexed territory. Sets forth requirements for a municipality relating to disannexed territory.

Redesignates proposed SECTION 7 as new SECTION 2.

### SECTION 2.

Amends Section 775.031(a), Health and Safety Code, to delete Subdivisions (11)(a)-(d).

Redesignates proposed SECTION 1 as new SECTION 3.

### SECTION 3.

Amends Section 775.038, Health and Safety Code, to provide that a commissioner is entitled to compensation, rather than fees of office, for performing certain duties. Sets forth provisions relating to specific compensation under this section. Makes conforming and nonsubstantive changes.

#### SECTION 4.

Amends Chapter 775C, Health and Safety Code, to make nonsubstantive changes.

Adds new SECTION 6.

#### SECTION 6.

Amends Section 775.082, Health and Safety Code, to change the date on which certain districts are required to prepare and file with the commissioners court of the county an audit report to June 1, rather than the 120th day after the last day of the district's fiscal year.

Adds new SECTION 7.

#### SECTION 7.

Amends Chapter 775E, Health and Safety Code, by adding Section 775.083, relating to annual reports.

Redesignates proposed SECTION 2 as new SECTION 8.

### SECTION 8.

Amends Chapter 77E, Health and Safety Code, by adding Section 775.084, to add a new heading: COMPETITIVE BIDS. Adds a new Subsection (j) and redesignates proposed Subsection (j) as new Subsection (i). Provides that Subsection (i) does not prohibit the board from soliciting bids for any item, service, or contract listed in Subsection (i). Makes nonsubstantive changes.

Adds a new SECTION 9 to set forth the effective date.

Adds a new SECTION 10 to set forth the emergency clause.