

BILL ANALYSIS

C.S.H.B. 737
By: Aycock
Special Purpose Districts
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Emergency 9-1-1 communications are currently delivered throughout Texas by emergency communications districts and by regional planning commissions. A 9-1-1 system provided by an emergency communications district is funded directly by service fees on telephone bills paid by individuals in a district's service area, while a 9-1-1 system provided by a regional planning commission is funded indirectly by such fees only after the fees are collected and appropriated to a state agency. Interested parties note that certain regions such as those served by the Central Texas Council of Governments, which operates a 9-1-1 system solely through a regional planning commission, would benefit from independence from the state agency. C.S.H.B. 737 seeks to address this issue.

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. 737 amends the Health and Safety Code to provide for the creation of a regional emergency communications district in a region with a population of at least 425,000, composed of counties each with a population of 4,500 or more but less than 311,000, composed of counties and municipalities that operate a 9-1-1 system solely through a regional planning commission, and in which the governing bodies of each county and the principal municipality in the region adopt a resolution to participate in the district. The bill designates such a district as a political subdivision of the state created to carry out essential governmental functions and authorizes a district to exercise all powers necessary or convenient to carry out the bill's purposes.

C.S.H.B. 737 sets out requirements for the district's creation and establishes the territory of a district. The bill establishes that the district is governed by a board of managers and sets out provisions relating to the board's powers and duties. The bill requires the board to appoint an advisory committee and sets out provisions relating to the committee. The bill establishes that the executive director of the regional planning commission in the district's region is the director of the district and sets out provisions relating to the director. The bill requires the director to prepare, under the direction of the board, an annual budget for the district, sets out requirements for the budget and an annual report of district funds, and requires the board to annually have an independent financial audit made of the district.

C.S.H.B. 737 requires a district to provide computerized 9-1-1 service to each participating jurisdiction through one or a combination of specified methods. The bill requires the district to

recommend minimum standards for a 9-1-1 system. The bill specifies that, for each individual telephone subscriber in the district, 9-1-1 service is mandatory and is not an optional service under any definition of terms relating to telephone service. The bill exempts a 9-1-1 service supplier, manufacturer of equipment used in providing 9-1-1 service, or an officer or employee of a service supplier involved in providing 9-1-1 service from liability for any claim, damage, or loss arising from the provision of 9-1-1 service unless the act or omission proximately causing the claim, damage, or loss constitutes gross negligence, recklessness, or intentional misconduct. The bill specifies that the digits 9-1-1 are the primary emergency telephone number in a district. The bill authorizes a public safety agency whose services are available through a 9-1-1 system to maintain a separate number for an emergency telephone call and requires such an agency to maintain a separate number for a nonemergency telephone call. The bill requires a 9-1-1 system established under the bill's provisions to be capable of transmitting requests for firefighting, law enforcement, ambulance, and medical services to a public safety agency that provides the requested service at the location from which the call originates and sets out provisions relating to the transmission of other requests for emergency aid.

C.S.H.B. 737 authorizes the board to impose a 9-1-1 emergency service fee on service users in the district, sets out provisions relating to the imposition and collection of the fee, and caps the fee at six percent of the monthly base rate the principal service supplier in the participating jurisdiction charges a service user. The bill requires the board to select a depository for the district in the manner provided by law for the selection of a county depository. The bill establishes that a depository selected by the board is the district's depository until the second anniversary of the date of selection and until a successor depository is selected and qualified. The bill establishes that a district's allowable operating expenses include all costs attributable to designing a 9-1-1 system and all equipment and personnel necessary to establish and operate a public safety answering point and other related operations that the board considers necessary. The bill sets out requirements for a service supplier or a business service user to provide number and location identification for each call.

C.S.H.B. 737 requires the board to periodically solicit public comments and hold a public review hearing on the continuation of the district and the 9-1-1 emergency service fee and sets out requirements for such hearings and procedures for the dissolution of a district. The bill authorizes the board to issue bonds in the name of the district to finance the acquisition by any method of facilities, equipment, or supplies necessary for the district to provide 9-1-1 service to each participating jurisdiction or to finance the installation of equipment necessary for the district to provide 9-1-1 service to each participating jurisdiction. The bill sets out provisions relating to the repayment of bonds, additional security for bonds, the form and provisions of bonds, approval and registration of bonds, and the issuance of refunding bonds.

C.S.H.B. 737 designates district bonds as legal and authorized investments for specified entities and as security for specified deposits. The bill exempts from taxation a bond issued by a district under the bill's provisions, any transaction relating to the bond, and profits made in the sale or redemption of the bond. The bill authorizes the regional planning commission for the region in which the district is established to transfer to the district any assets acquired by the commission in relation to the provision of 9-1-1 service if a regional emergency communications district is established under the bill's provisions.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 737 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Chapter 772, Health and Safety Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. REGIONAL EMERGENCY COMMUNICATIONS DISTRICTS: CERTAIN STATE PLANNING REGIONS WITH POPULATIONS UNDER 500,000

Sec. 772.551. DEFINITIONS.

Sec. 772.552. APPLICATION OF SUBCHAPTER. This subchapter applies to a region:

- (1) with a population of less than 500,000;
- (2) composed of counties each with a population of 4,500 or more but less than 311,000;
- (3) composed of counties and municipalities that operate a 9-1-1 system solely through a regional planning commission; and
- (4) in which the governing bodies of each county and the principal municipality in the region adopt a resolution under Section 772.553 to participate in the district.

Sec. 772.553. CREATION OF DISTRICT.

Sec. 772.554. POLITICAL SUBDIVISION; DISTRICT POWERS.

Sec. 772.555. TERRITORY OF DISTRICT.

Sec. 772.556. BOARD. (a) A district is governed by a board of managers composed of the governing body members of the regional planning commission for the region in which the district is established. Service on the board by a governing body member is an additional duty of the member's office or employment.

(b) A board member serves without compensation. The district shall pay all reasonable expenses necessarily incurred by the board member in performing the board's functions under this subchapter.

(c) A majority of the voting members of the board constitutes a quorum.

Sec. 772.557. POWERS AND DUTIES OF BOARD.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Chapter 772, Health and Safety Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. REGIONAL EMERGENCY COMMUNICATIONS DISTRICTS: CERTAIN STATE PLANNING REGIONS WITH POPULATIONS OF AT LEAST 425,000

Sec. 772.551. DEFINITIONS.

Sec. 772.552. APPLICATION OF SUBCHAPTER. This subchapter applies to a region:

- (1) with a population of at least 425,000;
- (2) composed of counties each with a population of 4,500 or more but less than 311,000;
- (3) composed of counties and municipalities that operate a 9-1-1 system solely through a regional planning commission; and
- (4) in which the governing bodies of each county and the principal municipality in the region adopt a resolution under Section 772.553 to participate in the district.

Sec. 772.553. CREATION OF DISTRICT.

Sec. 772.554. POLITICAL SUBDIVISION; DISTRICT POWERS.

Sec. 772.555. TERRITORY OF DISTRICT.

Sec. 772.556. BOARD. (a) A district is governed by a board of managers composed of the members of the governing body of the regional planning commission for the region in which the district is established. Service on the board by a member of the governing body is an additional duty of the member's office or employment.

(b) A board member serves without compensation. The district shall pay all reasonable expenses necessarily incurred by the board member in performing the board's functions under this subchapter.

(c) A majority of the voting members of the board constitutes a quorum.

Sec. 772.557. POWERS AND DUTIES OF BOARD.

Sec. 772.558. ADVISORY COMMITTEE.

Sec. 772.559. DIRECTOR OF DISTRICT;
STAFF.

Sec. 772.560. BUDGET; ANNUAL
REPORT; AUDIT.

Sec. 772.561. PROVISION OF 9-1-1
SERVICE.

Sec. 772.562. LIABILITY.

Sec. 772.563. PRIMARY EMERGENCY
TELEPHONE NUMBER.

Sec. 772.564. TRANSMITTING
REQUESTS FOR EMERGENCY AID.

Sec. 772.565. 9-1-1 EMERGENCY
SERVICE FEE.

Sec. 772.566. COLLECTION OF 9-1-1
EMERGENCY SERVICE FEE.

Sec. 772.567. DISTRICT DEPOSITORY.

Sec. 772.568. ALLOWABLE EXPENSES.

Sec. 772.569. NUMBER AND
LOCATION IDENTIFICATION.

Sec. 772.570. PUBLIC REVIEW.

Sec. 772.571. DISSOLUTION
PROCEDURES.

Sec. 772.572. ISSUANCE OF BONDS.

Sec. 772.573. REPAYMENT OF BONDS.

Sec. 772.574. ADDITIONAL SECURITY
FOR BONDS.

Sec. 772.575. FORM OF BONDS.

Sec. 772.576. PROVISIONS OF BONDS.

Sec. 772.577. APPROVAL AND
REGISTRATION OF BONDS.

Sec. 772.578. REFUNDING BONDS.

Sec. 772.579. BONDS AS
INVESTMENTS AND SECURITY FOR
DEPOSITS.

Sec. 772.558. ADVISORY COMMITTEE.

Sec. 772.559. DIRECTOR OF DISTRICT;
STAFF.

Sec. 772.560. BUDGET; ANNUAL
REPORT; AUDIT.

Sec. 772.561. PROVISION OF 9-1-1
SERVICE.

Sec. 772.562. LIABILITY.

Sec. 772.563. PRIMARY EMERGENCY
TELEPHONE NUMBER.

Sec. 772.564. TRANSMITTING
REQUESTS FOR EMERGENCY AID.

Sec. 772.565. 9-1-1 EMERGENCY
SERVICE FEE.

Sec. 772.566. COLLECTION OF 9-1-1
EMERGENCY SERVICE FEE.

Sec. 772.567. DISTRICT DEPOSITORY.

Sec. 772.568. ALLOWABLE EXPENSES.

Sec. 772.569. NUMBER AND
LOCATION IDENTIFICATION.

Sec. 772.570. PUBLIC REVIEW.

Sec. 772.571. DISSOLUTION
PROCEDURES.

Sec. 772.572. ISSUANCE OF BONDS.

Sec. 772.573. REPAYMENT OF BONDS.

Sec. 772.574. ADDITIONAL SECURITY
FOR BONDS.

Sec. 772.575. FORM OF BONDS.

Sec. 772.576. PROVISIONS OF BONDS.

Sec. 772.577. APPROVAL AND
REGISTRATION OF BONDS.

Sec. 772.578. REFUNDING BONDS.

Sec. 772.579. BONDS AS
INVESTMENTS AND SECURITY FOR
DEPOSITS.

Sec. 772.580. EXEMPTION FROM TAXATION.

Sec. 772.581. TRANSFER OF ASSETS.

SECTION 2. Section 771.001(3), Health and Safety Code, is amended.

SECTION 3. This Act takes effect September 1, 2015.

Sec. 772.580. EXEMPTION FROM TAXATION.

Sec. 772.581. TRANSFER OF ASSETS.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.