HOUSE RESEARCH ORGANIZATION	bill analysis	4/28/2015	HB 737 Aycock (CSHB 737 by Zedler)
SUBJECT:	Creating a regional emergency communications district in Central Texas		
COMMITTEE:	Special Purpose Districts — committee substitute recommended		
VOTE:	5 ayes — D. Miller, Alvarado, Faircloth, Fallon, Zedler		
	0 nays		
	2 absent — Martinez Fischer, Stickland		
WITNESSES:	For — (<i>Registered, but did not testify</i> : Michelle Romero, Texas Medical Association)		
	Against — None		
	On — (<i>Registered, but did not testify</i> : Kelli Merriweather and Brian Millington, Commission on State Emergency Communications)		
BACKGROUND:	In 1983, the 68th Texas Legislature authorized statutory emergency communication districts to provide local 9-1-1 service. The Commission on State Emergency Communications was created in 1987 to implement and administer 9-1-1 services throughout the state. Certain 9-1-1 emergency communications districts were providing 9-1-1 service within their boundaries, and to provide service to the rest of the state, the Commission on State Emergency Communications implemented service with a program administered through regional planning commissions. Currently, 52 districts operate within 23 regional planning commissions delivering 9-1-1 service.		
	The Central Texas Council of Governments (CTCOG) serves Bell, Coryell, Hamilton, Lampasas, Milam, Mills, and San Saba counties. CTCOG does not have an emergency communications district operating within its territory and operates a 9-1-1 system as a regional planning commission.		
DIGEST:	CSHB 737 would am	end Health and Safety Code, ch	1. 772 to authorize the

HB 737 House Research Organization page 2

Central Texas Council of Governments (CTCOG), which serves Bell, Coryell, Hamilton, Lampasas, Milam, Mills, and San Saba counties, to create a regional emergency communications district. The district would be governed by the CTCOG board and become effective upon all counties and municipal governing bodies in the region adopting a resolution.

The bill would include standard definitions and procedures typical of emergency communications districts related to:

- the powers and duties of the district and the board;
- the budget and annual report;
- the provision of 9-1-1 services;
- the imposition and collection of 9-1-1 emergency service fees;
- issuance and repayment of bonds;
- the transfer of assets from the regional planning commission to the district; and
- dissolution procedures if a district is dissolved.

The bill also would change the definition of "emergency communication district" to include districts authorized by the provisions of the bill.

The bill would take effect September 1, 2015.

SUPPORTERSCSHB 737 would enable the Central Texas Council of GovernmentsSAY:(CTCOG) to implement a much-needed emergency communications
district. This also would speed up the implementation of
NextGeneration9-1-1 (NG9-1-1), which offers added capacity and
efficiencies, as well as expanded digital services such as texting, video
and automated warning systems.

Currently, the 9-1-1 system in Central Texas operates over an analog system that cannot use digital data such as texts and digital feeds. It also is not compatible with the next generation technology being deployed in the major metropolitan areas of the state. This lack of capability can cause safety gaps during emergency situations when a rapid response is required.

HB 737 House Research Organization page 3

CTCOG has no emergency communication districts operating within its territory, which places it at a disadvantage in implementing NG9-1-1. Because emergency communication districts have a predictable source of revenue from emergency service fees paid by district residents to support full deployment of NG9-1-1, a regional planning commission that included one or more emergency communications districts within its territory would be more likely to have the necessary digital infrastructure for NG9-1-1.

The 9-1-1 service fees that would go to CTCOG are deposited into a general revenue dedicated fund account and then appropriated from the Commission on State Emergency Communications, rather than being received directly. Capturing the fees in a general revenue dedicated account has created an unpredictable revenue source for CTCOG, which has resulted in fees paid by area citizens being used to certify the budget rather than for their intended purpose. According to the Legislative Budget Board, the 9-1-1 service fees general revenue dedicated account is among those with the highest balances (\$177.8 million) counted toward certification of the 2014–15 budget.

This unpredictable revenue source has resulted in local governmental entities having to subsidize the system with local funds. In Bell County alone, several million dollars of local tax revenue is required to operate a system that still falls short of providing the same level of service received by areas served by 9-1-1 emergency communications districts. CSHB 737 would create an emergency communications district that would benefit from an instant influx of about \$1 million with no additional taxes, just fees already paid by Central Texans. Creating a district would help ensure a predictable revenue stream to support network and capital contracts necessary for full deployment of a digital network for emergency communication services.

OPPONENTS CSHB 737 would create an unnecessary, new layer of bureaucracy by SAY: creating a special district that would be duplicative of existing service. The Commission on State Emergency Communications already handles 9-1-1 service for one-third of the state's population, largely in rural areas.

HB 737 House Research Organization page 4

Special purpose districts such as emergency communications districts do not provide services that could not be provided by local governments. The cities and counties should have the power to gather revenue and provide services. An extra layer of bureaucracy could be especially problematic because these districts have the ability to issue bonds and there is not much oversight or awareness of how much debt a special purpose district can create.