

BILL ANALYSIS

Senate Research Center
82R12096 JXC-D

S.B. 1918
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Emergency services districts (ESDs) are political subdivisions of Texas that are entrusted with providing emergency medical and fire services to many unincorporated areas of the state. Because ESDs are political subdivisions of the State of Texas, they are required to comply with all of the open government laws in addition to the health codes and regulations relating to emergency services providers.

ESDs are vital, especially in small, rural communities in Texas. ESDs put out bids or advertise to attract banking institutions to hold funds derived from taxing boards for use by the ESDs in performing their services. Small and rural ESDs usually have only one or two banks that respond.

Because these may only be for two years duration, small, rural ESDs have to solicit bids more frequently and incur additional costs in advertising. S.B. 1918 will alleviate this burden.

The Local Government Code authorizes a county commissioners court to select a financial depository for either a two-year or a four-year term for the deposit of the county's public funds. S.B. 1918 extends this same flexibility to an ESD located in a county with a population of less than 12,000.

As proposed, S.B. 1918 amends current law relating to the authority of emergency services districts in low populous counties to contract with banks regarding deposits.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 775, Health and Safety Code, by adding Section 755.045, as follows:

Sec. 775.045. DEPOSITORY CONTRACTS IN CERTAIN COUNTIES. (a) Provides that this section applies only to a district located wholly in a county with a population of less than 12,000.

(b) Authorizes a district to contract with a bank for the deposit of the district's funds in the same manner as a commissioners court of a county may contract under Chapter 116 (Depositories For County Public Funds), Local Government Code.

SECTION 2. Effective date: upon passage or September 1, 2011.