

BILL ANALYSIS

Senate Research Center
84R10056 KJE-F

H.B. 2519
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Intergovernmental Relations
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties are concerned that there are often delays in disbursing emergency services district funds due to certain procedural requirements regarding the signatures of district officers. There are additional concerns regarding the limited options that an emergency services district is currently allowed to use to dispose of the district's surplus property. H.B. 2519 seeks to address these concerns.

H.B. 2519 amends current law relating to expenditures made by emergency services districts and the sale of district property.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of emergency services commissioners in SECTION 2 (Section 775.0735, Health and Safety Code)

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 775.073(a) and (d), Health and Safety Code, as follows:

(a) Provides that, except as otherwise provided by this section, emergency services district (district) funds may be disbursed only by check, draft, order, or other instrument that:

(1) Makes no change to this subdivision; or

(2) is signed by the treasurer, or by the assistant treasurer if the treasurer is absent or unavailable, and countersigned by the president, or by the vice president if the president is absent or unavailable.

(d) Requires that any property, including an interest in property, purchased or leased using district funds, wholly or partly, remain the property of the district, regardless of whether the property is used by a third party under a contract for services or otherwise, until the property is disposed of in accordance with Section 775.0735.

Deletes existing text requiring that any property, including an interest in property, purchased or leased using district funds, wholly or partly, remain the property of the district, regardless of whether the property is used by a third party under a contract for services or otherwise, until the property is sold to a third party following the procedures authorized under Sections 263.003 (School Lands), 263.007 (Sale or Lease of Real Property Through Sealed-Bid Procedure), or 263.008 (Broker Agreements and Fees for the Sale of Real Property), Local Government Code, or the property is disposed of in accordance with Subchapter J (Surplus and Salvage Property).

SECTION 2. Amends Subchapter E, Chapter 775, Health and Safety Code, by adding Section 775.0735, as follows:

Sec. 775.0735. DISPOSITION OF PROPERTY. (a) Authorizes the district to dispose of property owned by the district only by:

(1) selling the property to a third party following the procedures authorized under Section 263.001, 263.007, or 263.008, Local Government Code;

(2) selling or disposing of the property following the procedures authorized under Subchapter D (Disposition of Salvage and Surplus Property), Chapter 263, Local Government Code;

(3) selling or disposing of the property in accordance with Subchapter J;
or

(4) selling the property using an Internet auction site.

(b) Authorizes the district to contract with a private vendor to assist with the sale of the property.

(c) Requires the district to sell the property using the method of sale that the board determines is the most advantageous to the district under the circumstances. Requires the board of emergency services commissioners to adopt rules establishing guidelines for making that determination.

(d) Requires the district, in using an Internet auction site to sell property under this section, to post the property on the site for at least 10 days.

(e) Authorizes the district to reject any or all bids or proposals for the purchase of the property.

SECTION 3. Effective date: September 1, 2015.