

## **BILL ANALYSIS**

Senate Research Center  
81R11042 SJM-F

S.B. 2212  
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Finance  
4/22/2009  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, an emergency services district (ESD) provides numerous services beyond basic fire protection. ESDs are the first responders to fires, traffic accidents, and medical emergencies, but also provide special expertise and support, including wildland firefighting, water rescues, disaster and homeland security services, building inspection and approval, and fire safety education.

Rapid population growth and new business activity is straining the current system and could result in greater loss of life and fire damage. Increased numbers of people and buildings in suburban and emerging suburban areas place even greater demands on resources, particularly for districts with wildland acreage that is prone to brush fires and similar events requiring fire protection services. Costs to provide even basic fire protection and emergency response services have escalated beyond what current funding can support. In short, with current funding we will find it difficult to provide even basic fire protection services for rapidly growing districts.

Current law allows the board of a district to annually impose an ad valorem tax on real and personal property located in the district to support the ESD and other purposes authorized by the chapter.

As proposed, S.B. 2212 will allow an ESD, after a successful local option election, to impose an additional \$0.05 per \$100.00 ad valorem tax, in addition to the ad valorem tax already authorized, specifically for the acquisition of land, equipment and apparatus and the construction of capital improvements. S.J.R. 43 proposes a constitutional amendment to Article III (Legislative Department), Section 48-e (Emergency Services Districts), to authorize the levy of the new tax.

### **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 Section 775.018(a), Health and Safety Code, to require the commissioners court, on the granting of a petition, to order an election to confirm the emergency services district's (ESD) creation and authorize the imposition of the taxes provided and not to exceed the rates, rather than a tax not to exceed the rate, allowed by Section 48-e (Emergency Services Districts), Article III (Legislative Department), Texas Constitution.

SECTION 2. Amends Section 775.074, Health and Safety Code, by adding Subsection (a-1), as follows:

(a-1) Requires the board of emergency services commissioners (board), in addition to the ad valorem tax authorized under Subsection (a) (relating to authorizing the board to impose an ad valorem tax on all real and personal property located in the district) and subject to Sections 775.018 (Election) and 775.0745 (Election to Increase Tax Rate), to annually impose an ad valorem tax on all real and personal property in the ESD that is subject to district taxation for the acquisition of land, equipment, or apparatus or the construction of capital improvements. Authorizes the board to use or pledge the revenue from the tax for any related purpose, including for the purposes provided by Subsections

(b) (relating to board actions if a ESD issues bonds or notes that are payable wholly from ad valorem taxes) and (c) (relating to board actions if a district issues bonds or notes that are payable wholly from ad valorem taxes and from revenues, income, or receipts of the district).

SECTION 3. Effective date: January 1, 2010, contingent upon approval by the voters of the constitutional amendment relating to authorize an ESD to impose an ad valorem tax on property situated in the ESD not to exceed five cents for the acquisition of land, equipment, or apparatus or the construction of capital improvements.