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SECTION 1. Article 15.08, Code of Criminal Procedure, is amended to read as follows:

Art. 15.08. WARRANT MAY BE FORWARDED [TELEGRAPHED]. A warrant of arrest may be forwarded by a method that ensures the transmission of a duplicate of the original warrant, including secure facsimile transmission or other secure electronic means [telegraph from any telegraph office to another in this State]. If issued by any magistrate named in Article 15.06, the peace officer receiving the same shall execute it without delay. If it be issued by any other magistrate than is named in Article 15.06, the peace officer receiving the same shall proceed with it to the nearest magistrate of the peace officer's [his] county, who shall endorse thereon, in substance, these words:

"Let this warrant be executed in the county of", which endorsement shall be dated and signed officially by the magistrate making the same.

SECTION 2. Article 15.09, Code of Criminal Procedure, is amended to read as follows:

Art. 15.09. COMPLAINT MAY BE FORWARDED [BY TELEGRAPH]. A complaint in accordance with Article 15.05, may be forwarded [telegraphed], as provided by [in the preceding] Article 15.08, to any magistrate in the State; and the magistrate who receives the same shall forthwith issue a warrant for the arrest of the accused; and the accused, when arrested, shall be dealt with as provided in this Chapter in similar cases.

Same as House version.

Same as House version.

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Criminal Same as House version.

SECTION 3. Article 15.19(a), Code of Criminal Procedure, is amended to read as follows:

- (a) If the arrested person fails or refuses to give bail, as provided in Article 15.18, the arrested person shall be committed to the jail of the county where the person was arrested; and the magistrate committing the arrested person shall immediately provide notice to the sheriff of the county in which the offense is alleged to have been committed regarding:
- (1) the arrest and commitment, which notice may be given by [telegraph,] mail[,] or other written means or by secure facsimile transmission or other secure electronic means; and
- (2) whether the person was also arrested under a warrant issued under Section 508.251, Government Code.

SECTION 4. Article 26.13, Code of Criminal Procedure, is amended by adding Subsection (j) to read as follows:

(j) A person who is incarcerated in a facility operated by or under contract with the Texas Department of Criminal Justice may submit a plea of guilty or plea of nolo contendere regarding a misdemeanor charge in writing, transmitted by mail, facsimile, or other means. Before accepting a plea under this subsection, the court shall make the admonitions required by this article to the defendant in writing as provided by Subsection (d).

No equivalent provision.

No equivalent provision.

SECTION 4. Article 20.011(a), Code of Criminal Procedure, is amended to read as follows:

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- (a) Only the following persons may be present in a grand jury room while the grand jury is conducting proceedings:
- (1) grand jurors;
- (2) bailiffs;
- (3) the attorney representing the state;
- (4) witnesses while being examined or when necessary to assist the attorney representing the state in examining other witnesses or presenting evidence to the grand jury;
- (5) interpreters, if necessary; [and]
- (6) a stenographer or person operating an electronic recording device, as provided by Article 20.012; and
- (7) a person operating a video teleconferencing system for use under Article 20.151.

SECTION 5. Article 20.02(b), Code of Criminal Procedure, is amended to read as follows:

(b) A grand juror, bailiff, interpreter, stenographer or person operating an electronic recording device, [\text{\text{\text{\text{or}}}}] person preparing a typewritten transcription of a stenographic or electronic recording, or person operating a video teleconferencing system for use under Article \frac{20.151}{20.151} who discloses anything transpiring before the grand jury, regardless of whether the thing transpiring is recorded, in the course of the official duties of the grand jury, is [shall be] liable to a fine as for contempt of the court, not exceeding \frac{\$500}{20} [five hundred dollars], imprisonment not exceeding \frac{30}{20} [thirty] days, or both the [such] fine and imprisonment.

No equivalent provision.

CONFERENCE

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No equivalent provision.

SECTION 6. Chapter 20, Code of Criminal Procedure, is amended by adding Article 20.151 to read as follows:

Art. 20.151. CERTAIN TESTIMONY BY VIDEO TELECONFERENCING. (a) With the consent of the foreman of the grand jury and the attorney representing the state, a peace officer summoned to testify before the grand jury may testify through the use of a closed circuit video teleconferencing system that provides an encrypted, simultaneous, compressed full motion video and interactive communication of image and sound between the peace officer, the attorney representing the state, and the grand jury.

- (b) In addition to being administered the oath described by Article 20.16(a), before being interrogated, a peace officer testifying through the use of a closed circuit video teleconferencing system under this article shall affirm that:
- (1) no person other than a person in the grand jury room is capable of hearing the peace officer's testimony; and
- (2) the peace officer's testimony is not being recorded or otherwise preserved by any person at the location from which the peace officer is testifying.
- (c) Testimony received from a peace officer under this article shall be recorded and preserved.

SECTION 7. Article 27.18, Code of Criminal Procedure, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

(c) A recording of the communication shall be made and preserved until all appellate proceedings have been

No equivalent provision.

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disposed of. A court reporter or court recorder is not required to take a transcription of a plea taken under this article.

(c-1) The defendant may obtain a copy of <u>a</u> [the] recording <u>made under Subsection</u> (c) on payment of a reasonable amount to cover the costs of reproduction or, if the defendant is indigent, the court shall provide a copy to the defendant without charging a cost for the copy. The loss or destruction of or failure to make a video recording of a plea entered under this article is not alone sufficient grounds for a defendant to withdraw the defendant's plea or to request the court to set aside a conviction or sentence based on the plea.

No equivalent provision.

SECTION 8. Article 38.073, Code of Criminal Procedure, is amended to read as follows:

Art. 38.073. TESTIMONY OF INMATE WITNESSES. In a proceeding in the prosecution of a criminal offense in which an inmate in the custody of the Texas Department of Criminal Justice is required to testify as a witness, any deposition or testimony of the inmate witness may be conducted by a video teleconferencing system in the manner described by Article 27.18 [electronic means, in the same manner as permitted in civil cases under Section 30.012, Civil Practice and Remedies Code].

SECTION 5. Section 31.037, Election Code, is amended to read as follows:

Sec. 31.037. SUSPENSION OR TERMINATION OF

SECTION 9. Same as House version.

5 9.147.491

CONFERENCE

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EMPLOYMENT. The employment of the county elections administrator may be <u>suspended</u>, <u>with or without pay</u>, <u>or terminated at any time for good and sufficient cause on the four-fifths vote of the county election commission and approval of that action by a majority vote of the commissioners court.</u>

SECTION 6. Section 61.001(f), Government Code, is amended to read as follows:

- (f) A reimbursement for expenses under this section is not a property right of a person who reports for jury service for purposes of Chapters 72 and 74, Property Code. If a check, instrument, or other method of payment authorized under Section 113.048, Local Government Code, [instrument] representing a reimbursement under this section is not presented for payment or redeemed before the 90th day after it is issued:
- (1) the instrument <u>or other method of payment</u> is considered forfeited and is void; and
- (2) the money represented by the instrument <u>or other</u> <u>method of payment</u> may be placed <u>or retained</u> in the county's jury fund, the county's general fund, or any other fund in which county funds can be legally placed, at the discretion of the commissioners court.

SECTION 7. Section 61.003, Government Code, is amended by adding Subsection (e) to read as follows:

(e) Notwithstanding Subsection (a), a county that has adopted a system or method of payment authorized by

SECTION 10. Same as House version.

SECTION 11. Same as House version.

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Section 113.048, Local Government Code, may provide a person who reports for jury service in the county an opportunity to donate all, or a specific part designated by the juror, of the juror's daily reimbursement by completing a self-executing application on a form prescribed by the commissioners court.

SECTION 8. Section 694.002, Health and Safety Code, is amended by adding Subsections (c) and (d) to read as follows:

- (c) If a county discovers cash in the possession of a deceased pauper, the county shall place the money in a trust account. A person having a claim to the money in the trust account must exercise the right to collect the money not later than the first anniversary of the date the money is placed in the trust account.
- (d) A county may create a fund to be used by the county to pay the costs incurred in disposing of the bodies of deceased paupers. If money placed in a trust account under Subsection (c) is not claimed by the first anniversary of the date the money is placed in the trust account, the county may transfer the money to the fund created under this subsection.

SECTION 9. Section 716.101, Health and Safety Code, is amended to read as follows:

Sec. 716.101. UNIDENTIFIED HUMAN REMAINS.

(a) Except as provided by Subsection (b), a [A] crematory establishment may not accept for cremation unidentified human remains.

SECTION 12. Same as House version.

SECTION 13. Same as House version.

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- (b) Notwithstanding any other provision of this chapter, a crematory establishment may accept for cremation unidentified human remains from a county on the order of:
- (1) the county commissioners court; or
- (2) a court located in the county.

SECTION 10. Subchapter C, Chapter 113, Local Government Code, is amended by adding Section 113.048 to read as follows:

Sec. 113.048. DISBURSEMENT OF MONEY FOR JURY SERVICE. (a) Notwithstanding any other provision of this subchapter or other law to the contrary, a county treasurer may disburse to a person who reports for jury service and discharges the person's duty the daily amount of reimbursement for jury service expenses set by the commissioners court under Section 61.001, Government Code, by:

- (1) using an electronic funds transfer system in accordance with Chapter 156;
- (2) using a cash dispensing machine;
- (3) issuing a debit card or a stored value card; or
- (4) using any other method that the county treasurer and the commissioners court determine is secure, accurate, and cost-effective and that is convenient for persons who report for jury service.
- (b) A system or method of payment adopted by a county treasurer under Subsection (a) may be implemented only if it is approved by the commissioners court and administered in accordance with the procedures

SECTION 14. Same as House version.

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established by the county auditor or by the chief financial officer of a county that does not have a county auditor.

(c) A system or method of payment authorized by this section may be used in lieu of or in addition to the issuance of warrants or checks authorized under this

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No equivalent provision.

subchapter.

SECTION 15. Sections 155.002(a) and (b), Local Government Code, are amended to read as follows:

- (a) A request for a payroll deduction must:
- (1) be in writing;
- (2) be submitted to the county auditor <u>unless the</u> deduction is processed through an automated payroll system maintained by the county; and
- (3) state the amount to be deducted and the entity to which the amount is to be transferred.
- (b) A request remains in effect until:
- (1) the county auditor receives a written notice of revocation signed by the employee; or
- (2) the deduction is revoked by the employee through an automated payroll system maintained by the county.

SECTION 11. Subchapter Z, Chapter 157, Local Government Code, is amended by adding Section 157,9031 to read as follows:

Sec. 157.9031. AUTHORITY TO REQUIRE REIMBURSEMENT FOR CERTAIN COVERAGE.

An intergovernmental pool operating under Chapter 119 of this code or its successor may, pursuant to policies concerning the provision of coverage adopted by the

SECTION 16. Subchapter Z, Chapter 157, Local Government Code, is amended by adding Section 157.9031 to read as follows:

Sec. 157.9031. AUTHORITY TO REQUIRE REIMBURSEMENT FOR CERTAIN COVERAGE.

A commissioners court of a self-insuring county or an intergovernmental pool operating under Chapter 119 may, pursuant to policies concerning the provision of

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pool's governing body or by a county commissioners court obtaining coverage from such a pool, require reimbursement for the provision of punitive damage coverage from a person to whom the intergovernmental pool provides coverage.

SECTION 12. Section 262.003(a), Local Government Code, is amended to read as follows:

(a) Any law that requires a county to follow a competitive bidding procedure in making a purchase requiring the expenditure of \$50,000 [\$25,000] or less does not apply to the purchase of an item available for purchase from only one supplier.

SECTION 13. Section 262.023(a), Local Government Code, is amended to read as follows:

- (a) Before a county may purchase one or more items under a contract that will require an expenditure exceeding \$50,000 [\$25,000], the commissioners court of the county must:
- (1) comply with the competitive bidding or competitive proposal procedures prescribed by this subchapter;
- (2) use the reverse auction procedure, as defined by Section 2155.062(d), Government Code, for purchasing; or
- (3) comply with a method described by Subchapter H, Chapter 271.

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coverage adopted by the commissioners court or the pool's governing body, require reimbursement for the provision of punitive damage coverage from a person to whom the intergovernmental pool provides coverage.

SECTION 17. Same as House version.

SECTION 18. Same as House version.

No equivalent provision.

SECTION 19. Section 270.007(f), Local Government

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Code, is amended to read as follows:

(f) Except as provided by Subsection (b), [upon request of any person,] a county may [shall] sell or license software under this section for a price negotiated between the county and the person, including another governmental entity [, not to exceed the developmental cost to the county. Developmental cost shall only include costs incurred under a contract to procure the software or direct employee costs incurred to develop the software. This subsection does not apply to any county software that protects county computer systems from unauthorized use or access].

SECTION 20. Same as House version.

SECTION 14. Section 271.024, Local Government Code, is amended to read as follows:

Sec. 271.024. COMPETITIVE BIDDING PROCEDURE APPLICABLE TO CONTRACT. The bidding of [If a governmental entity is required by statute to award] a contract awarded by a governmental entity for the construction, repair, or renovation of a structure, road, highway, or other improvement or addition to real property [on the basis of competitive bids, and if the contract requires the expenditure of more than \$25,000 from the funds of the entity, the bidding on the contract] must be accomplished in the manner provided by this subchapter if:

- (1) a statute requires the governmental entity to award the contract on the basis of competitive bids; and
- (2) the contract requires the expenditure of more than:
- (A) \$25,000 from the funds of a governmental entity

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other than a county; or

(B) \$50,000 from the funds of a county.

SECTION 15. Section 363.156(b), Local Government Code, is amended to read as follows:

- (b) To the extent competitive bidding procedures in Title 8 apply, the board may not enter purchasing contracts that involve spending more than \$50,000 [\$25,000] unless the board complies with:
- (1) Subchapter C, Chapter 262, if the district was created by a county; or
- (2) Chapter 252, if the district was created by a municipality.

SECTION 16. Section 387.003, Local Government Code, is amended by amending Subsections (a), (b), (b-1), (c), (e), (f), and (h) and adding Subsections (a-1), (i), and (j) to read as follows:

- (a) The commissioners court of the county may call an election on the question of creating a county assistance district under this chapter. More than one county assistance district may be created in a county.
- (a-1) A district may [to] perform the following functions in the district:
- (1) the construction, maintenance, or improvement of roads or highways;
- (2) the provision of law enforcement and detention services;

SECTION 21. Same as House version.

SECTION 22. Section 387.003, Local Government Code, is amended by amending Subsections (a), (b), (b-1), (c), (e), (f), and (h) and adding Subsections (a-1), (i), and (j) to read as follows:

- (a) The commissioners court of the county may call an election on the question of creating a county assistance district under this chapter. More than one county assistance district may be created in a county, but not more than one county assistance district may be created in a commissioner's precinct.
- (a-1) A district may [to] perform the following functions in the district:
- (1) the construction, maintenance, or improvement of roads or highways;
- (2) the provision of law enforcement and detention services;

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- (3) the maintenance or improvement of libraries, museums, parks, or other recreational facilities;
- (4) the provision of services that benefit the public health or welfare, including the provision of firefighting and fire prevention services; or
- (5) the promotion of economic development and tourism.
- (b) The order calling the election must:
- (1) define the boundaries of the district to include any portion of the county in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by the district if approved at the election, would not exceed the maximum combined rate of sales and use taxes imposed by political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code [two-percent]; and
- (2) call for the election to be held within those boundaries.
- (b-1) If the proposed district includes any territory of a municipality, the commissioners court shall send notice by certified mail to the governing body of the municipality of the commissioners court's intent to create the district. If the municipality has created a development corporation under Chapter 504 or 505, Local Government Code [Section 4A or 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes)], the commissioners court shall also send the notice to the board of directors of the corporation. The commissioners court must send the notice not later than the 60th day before the date the

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- (3) the maintenance or improvement of libraries, museums, parks, or other recreational facilities;
- (4) the provision of services that benefit the public health or welfare, including the provision of firefighting and fire prevention services; or
- (5) the promotion of economic development and tourism.
- (b) The order calling the election must:
- (1) define the boundaries of the district to include any portion of the county in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by the district if approved at the election, would not exceed the maximum combined rate of sales and use taxes imposed by political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code [two percent]; and
- (2) call for the election to be held within those boundaries.
- (b-1) If the proposed district includes any territory of a municipality, the commissioners court shall send notice by certified mail to the governing body of the municipality of the commissioners court's intent to create the district. If the municipality has created a development corporation under Chapter 504 or 505, Local Government Code [Section 4A or 4B, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes)], the commissioners court shall also send the notice to the board of directors of the corporation. The commissioners court must send the notice not later than the 60th day before the date the

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commissioners court orders the election. The governing body of the municipality may exclude the territory of the municipality from the proposed district by sending notice by certified mail to the commissioners court of the governing body's desire to exclude the municipal territory from the district. The governing body must send the notice not later than the 45th day after the date the governing body receives notice from the commissioners court under this subsection. The territory of a municipality that is excluded under this subsection may subsequently be included in:

- (1) the district in an election held under Subsection (f) with the consent of the municipality; or
- (2) another district after complying with the requirements of this subsection and after an election under Subsection (f).
- (c) The ballot at the election must be printed to permit voting for or against the proposition: "Authorizing the creation of the ____ County Assistance District No.__ (insert name of district) and the imposition of a sales and use tax at the rate of ____ [of one] percent (insert [one-eighth, one-fourth, three-eighths, or one-half, as] appropriate rate) for the purpose of financing the operations of the district."
- (e) If a majority of the votes received at the election are against the creation of the district, the district is not created and the county at any time may call one or more elections [another election] on the question of creating one or more [a] county assistance districts [district may not be held in the county before the first anniversary of

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commissioners court orders the election. The governing body of the municipality may exclude the territory of the municipality from the proposed district by sending notice by certified mail to the commissioners court of the governing body's desire to exclude the municipal territory from the district. The governing body must send the notice not later than the 45th day after the date the governing body receives notice from the commissioners court under this subsection. The territory of a municipality that is excluded under this subsection may subsequently be included in:

- (1) the district in an election held under Subsection (f) with the consent of the municipality; or
- (2) another district after complying with the requirements of this subsection and after an election under Subsection (f).
- (c) The ballot at the election must be printed to permit voting for or against the proposition: "Authorizing the creation of the ____ County Assistance District No.__ (insert name of district) and the imposition of a sales and use tax at the rate of ____ [of one] percent (insert [one-eighth, one-fourth, three-eighths, or one-half, as] appropriate rate) for the purpose of financing the operations of the district."
- (e) If a majority of the votes received at the election are against the creation of the district, the district is not created and the county at any time may call one or more elections [another election] on the question of creating one or more [a] county assistance districts [district may not be held in the county before the first anniversary of

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the most recent election concerning the creation of a district].

- (f) The commissioners court may call an election to be held in an area of the county that is not located in a district created under this section to determine whether the area should be included in the district and whether the district's sales and use tax should be imposed in the area. An election may not be held in an area in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by the district if approved at the election, would exceed the maximum combined rate of sales and use taxes imposed by political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code [two percent].
- (h) If more than one election to authorize a local sales and use tax is held on the same day in the area of a proposed district or an area proposed to be added to a district and if the resulting approval by the voters would cause the imposition of a local sales and use tax in any area to exceed the maximum combined rate of sales and use taxes of political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code [two percent], only a tax authorized at an election under this section may be imposed.
- (i) In addition to the authority to include an area in a district under Subsection (f), the governing body of a district by order may include an area in the district on receipt of a petition or petitions signed by the owner or owners of the majority of the land in the area to be included in the district. If there are no qualified voters in

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the most recent election concerning the creation of a district].

- (f) The commissioners court may call an election to be held in an area of the county that is not located in a district created under this section to determine whether the area should be included in the district and whether the district's sales and use tax should be imposed in the area. An election may not be held in an area in which the combined tax rate of all local sales and use taxes imposed, including the rate to be imposed by the district if approved at the election, would exceed the maximum combined rate of sales and use taxes imposed by political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code [two-percent].
- (h) If more than one election to authorize a local sales and use tax is held on the same day in the area of a proposed district or an area proposed to be added to a district and if the resulting approval by the voters would cause the imposition of a local sales and use tax in any area to exceed the maximum combined rate of sales and use taxes of political subdivisions of this state that is prescribed by Sections 321.101 and 323.101, Tax Code [two percent], only a tax authorized at an election under this section may be imposed.
- (i) In addition to the authority to include an area in a district under Subsection (f), the governing body of a district by order may include an area in the district on receipt of a petition or petitions signed by the owner or owners of the majority of the land in the area to be included in the district. If there are no qualified voters in

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the area to be included in the district, no election is required.

(j) The commissioners court by order may exclude an area from the district if the district has no outstanding bonds payable wholly or partly from sales and use taxes and the exclusion does not impair any outstanding district debt or contractual obligation.

SECTION 17. Section 387.005, Local Government Code, is amended to read as follows:

Sec. 387.005. GOVERNING BODY. (a) The commissioners court of the county in which the district is created by order shall provide that:

- (1) the commissioners court is the governing body of the district; or
- (2) the commissioners court shall appoint a governing body of the district.
- (b) A member of the governing body of the district [commissioners court] is not entitled to compensation for service [on the governing body of the district] but is entitled to reimbursement for actual and necessary expenses.
- (c) A board of directors appointed by the commissioners court under this section shall consist of five directors who serve staggered terms of two years. To be eligible to serve as a director, a person must be at least 18 years of age and a resident of the county in which the district is located. The initial directors shall draw lots to achieve staggered terms, with three of the directors serving one-year terms and two of the directors serving two-year

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the area to be included in the district, no election is required.

(j) The commissioners court by order may exclude an area from the district if the district has no outstanding bonds payable wholly or partly from sales and use taxes and the exclusion does not impair any outstanding district debt or contractual obligation.

SECTION 23. Same as House version.

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terms.

SECTION 18. Section 387.006(a), Local Government Code, is amended to read as follows:

- (a) A district may:
- (1) perform any act necessary to the full exercise of the district's functions;
- (2) accept a grant or loan from:
- (A) the United States;
- (B) an agency or political subdivision of this state; or
- (C) a public or private person;
- (3) acquire, sell, lease, convey, or otherwise dispose of property or an interest in property under terms determined by the district;
- (4) employ necessary personnel; [and]
- (5) adopt rules to govern the operation of the district and its employees and property; and
- (6) enter into agreements with municipalities necessary or convenient to achieve the district's purposes, including agreements regarding the duration, rate, and allocation between the district and the municipality of sales and use taxes.

SECTION 19. Section 387.007, Local Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) A district may not adopt a sales and use tax under this chapter if the adoption of the tax would result in a combined tax rate of all local sales and use taxes that would exceed the maximum combined rate prescribed by

SECTION 24. Same as House version.

SECTION 25. Same as House version.

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Sections 321.101 and 323.101, Tax Code, [of more than two percent] in any location in the district.

(c) A district may define areas in the district to pay for improvements, facilities, or services that primarily benefit that area and do not generally and directly benefit the district as a whole. The district may impose different rates of sales and use tax in each defined area, provided that the sales and use tax rate does not exceed the rate approved at an election held under Section 387.003.

SECTION 20. Section 387.009, Local Government Code, is amended to read as follows:

Sec. 387.009. TAX RATE. The rate of a tax adopted under this chapter must be <u>in increments of</u> one-eighth[5 one-fourth, three-eighths, or one-half] of one percent.

SECTION 21. Sections 387.010(a), (b), and (c), Local Government Code, are amended to read as follows:

- (a) A district that has adopted a sales and use tax under this chapter may, by order and subject to Section 387.007(b):
- (1) reduce [, ehange] the rate of the tax or repeal the tax without an election, except that the district may not repeal the sales and use tax or reduce the rate of the sales and use tax below the amount pledged to secure payment of an outstanding district debt or contractual obligation;
- (2) increase the rate of the sales and use tax, if the increased rate of the sales and use tax will not exceed the rate approved at an election held under Section 387.003;

or

SECTION 26. Same as House version.

SECTION 27. Same as House version.

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- (3) increase the rate of the sales and use tax to a rate that exceeds the rate approved at an election held under Section 387.003 after [if] the increase [ehange or repeal] is approved by a majority of the votes received in the district at an election held for that purpose.
- (b) The tax may be changed under Subsection (a) in one or more increments of one-eighth of one percent [to a maximum of one half of one percent].
- (c) The ballot for an election to <u>increase</u> [ehange] the tax shall be printed to permit voting for or against the proposition: "The <u>increase</u> [ehange] of a sales and use tax for the ____ County Assistance District No. (insert name of district) from the rate of ____ [of one] percent (insert [one fourth, three eighths, or one half, as] appropriate <u>rate</u>) to the rate of ____ [of one] percent (insert [one fourth, three-eighths, or one half, as] appropriate <u>rate</u>)."

SECTION 22. Section 387.012, Local Government Code, is amended to read as follows:

Sec. 387.012. EFFECTIVE DATE OF TAX. The adoption of the tax, the <u>increase or reduction [ehange]</u> of the tax rate, or the repeal of the tax takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete quarter occurring after the date the comptroller receives a <u>copy of the order of the district's governing body [notice of the results of the election]</u> adopting, <u>increasing</u>, <u>reducing [ehanging]</u>, or repealing the tax.

SECTION 28. Same as House version.

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CONFERENCE

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SECTION 23. Section 1702.104(b), Occupations Code, is amended to read as follows:

- (b) For purposes of Subsection (a)(1), "obtaining or furnishing information" includes information obtained or furnished through the review and analysis of, and the investigation into the content of, computer-based data not available to the public. "Obtaining or furnishing information" does not include information obtained or furnished by an information technology professional who is an employee of a county and who is:
- (1) in the course and scope of employment, installing or repairing computer equipment belonging to the county or is examining the cause for required repair; and
- (2) not performing any other act that requires a license under this chapter.

SECTION 24. Section 632(f)(1), Texas Probate Code, is amended to read as follows:

(1) In cases in which it is provided that personal service shall be had with respect to a citation or notice, the citation or notice must be served on the attorney of record for the person who is being cited or notified. Notwithstanding the requirement of personal service, service may be made on the attorney by any method specified under this chapter for service on an attorney. If there is no attorney of record in the proceeding for the person who is being cited or notified, or if an attempt to make service on the attorney was unsuccessful, a citation or notice directed to a person within this state must be served [in person by the sheriff or constable] on the

SENATE VERSION

SECTION 29. Same as House version.

No equivalent provision.

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CONFERENCE

Senate Amendments Section-by-Section Analysis

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person who is being cited or notified by delivering to the person a true copy of the citation or notice at least 10 days before the return day on the citation or notice, exclusive of the date of service. If the person who is being cited or notified is absent from the state or is a nonresident, the citation or notice may be served by a disinterested person competent to make oath of the fact. The citation or notice served by a disinterested person shall be returnable at least 10 days after the date of service, exclusive of the date of service. The return of the person serving the citation or notice shall be endorsed on or attached to the citation or notice. The return must show the time and place of service, certify that a true copy of the citation or notice was delivered to the person directed to be served, be subscribed and sworn to before an officer authorized by the laws of this state to take affidavits, under the hand and official seal of the officer. and returned to the county clerk who issued the citation or notice. If the citation or notice is returned with the notation that the person sought to be served, whether or not within this state, cannot be found, the clerk shall issue a new citation or notice directed to the person sought to be served and service shall be by publication.

SECTION 25. Section 633(c), Texas Probate Code, is amended to read as follows:

(c) The sheriff, constable, or other person authorized by <u>law</u> [officer] shall personally serve citation to appear and answer the application for guardianship on:

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CONFERENCE

No equivalent provision.

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- (1) a proposed ward who is 12 years of age or older;
- (2) the parents of a proposed ward if the whereabouts of the parents are known or can be reasonably ascertained;
- (3) any court-appointed conservator or person having control of the care and welfare of the proposed ward;
- (4) a proposed ward's spouse if the whereabouts of the spouse are known or can be reasonably ascertained; and
- (5) the person named in the application to be appointed guardian, if that person is not the applicant.

SECTION 26. Section 875(e), Texas Probate Code, is amended to read as follows:

(e) On the filing of an application for temporary guardianship, the clerk shall issue citation to be served in any manner authorized by law [notice that shall be served] on the respondent, the respondent's appointed attorney, and the proposed temporary guardian named in the application, if that person is not the applicant. The citation [notice] must describe the rights of the parties and the date, time, place, purpose, and possible consequences of a hearing on the application. A copy of the application must be attached to the citation [notice].

SECTION 27. (a) Article 26.13(j), Code of Criminal Procedure, as added by this Act, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect at the time the offense was committed, and the former law is continued

No equivalent provision.

No equivalent provision.

Senate Amendments Section-by-Section Analysis

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an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

in effect for that purpose. For purposes of this section,

SECTION 28. The changes in law made by this Act to Sections 632(f)(1), 633(c), and 875(e), Texas Probate Code, apply to a guardianship proceeding that is pending or commenced on or after the effective date of this Act.

No equivalent provision.

No equivalent provision.

SECTION 30. Chapter 51, Property Code, is amended by adding Section 51.0022 to read as follows:

Sec. 51.0022. FORECLOSURE DATA COLLECTION.

(a) In this section, "department" means the Texas

Department of Housing and Community Affairs.

- (b) A person filing a notice of sale of residential property under Section 51.002(b) must submit to the county clerk a completed form that provides the zip code for the property.
- (c) On completion of a sale of real property, the trustee or sheriff shall submit to the county clerk a completed form that contains information on whether the property is residential and the zip code of the property.
- (d) Not later than the 30th day after the date of receipt of a form under this section, the county clerk shall transmit the form to the department.
- (e) The board of the department shall prescribe the forms required under this section. The forms may only request information on whether the property is residential and the zip code of the property.

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No equivalent provision.

No equivalent provision.

No equivalent provision.

SECTION 27 (b) Section 61.001(f), Government Code, as amended by this Act, applies only to a disbursement for the reimbursement for jury service expenses on or after the effective date of this Act.

(c) The changes in law made by Sections 262.003, 262.023, 271.024, and 363.156, Local Government Code, as amended by this Act, apply only to a purchase made or contract executed on or after the effective date

SECTION 31. Articles 20.011(a) and 20.02(b), Code of Criminal Procedure, as amended by this Act, and Article 20.151, Code of Criminal Procedure, as added by this Act, apply only to testimony before a grand jury that is impaneled on or after the effective date of this Act.

(f) The department shall report the information received under this section quarterly to the legislature in a format

established by the board of the department by rule.

SECTION 32. Article 27.18, Code of Criminal Procedure, as amended by this Act, applies to a plea of guilty or nolo contendere entered on or after the effective date of this Act, regardless of whether the offense with reference to which the plea is entered is committed before, on, or after that date.

SECTION 33. Article 38.073, Code of Criminal Procedure, as amended by this Act, applies only to the testimony of an inmate witness that is taken on or after the effective date of this Act.

SECTION 34. (a) Section 61.001(f), Government Code, as amended by this Act, applies only to a disbursement for the reimbursement for jury service expenses on or after the effective date of this Act.

(b) The changes in law made by Sections 262.003, 262.023, 271.024, and 363.156, Local Government Code, as amended by this Act, apply only to a purchase made or contract executed on or after the effective date

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of this Act. A purchase made or contract executed before the effective date of this Act is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

of this Act. A purchase made or contract executed before the effective date of this Act is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

- (c) The board of the Texas Department of Housing and Community Affairs shall adopt the forms and rules required by Section 51.0022, Property Code, as added by this Act, not later than January 1, 2010.
- (d) The change in law made by Section 51.0022, Property Code, as added by this Act, applies only to a notice of sale filed on or after January 1, 2010. A notice of sale filed before January 1, 2010, is governed by the law in effect immediately before that date, and the former law is continued in effect for that purpose.

SECTION 29. Section 387.010(d), Local Government Code, is repealed.

SECTION 35. Same as House version.

SECTION 30. This Act takes effect September 1, 2009.

SECTION 36. Same as House version.

The following rows were presented as identical to language in the engrossed version of Senate Bill 312, relating to the regulation and certification of medical examiners and the conduct of autopsy and inquest investigations by justices of the peace and medical examiners; providing penalties.

No equivalent provision.

SECTION __. Article 49.01, Code of Criminal Procedure, is amended to read as follows: Art. 49.01. DEFINITIONS. In this chapter [article]:

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- (1) "Autopsy" means a post mortem examination of the body of a person, including an external examination of the body [X-rays] and an examination of the internal organs [and structures after dissection], to determine the cause and manner of death or the nature of any pathological changes that may have contributed to the death or to obtain information or material for evidentiary or identification purposes. The forensic pathologist or physician performing the autopsy may limit the individuals in attendance at the examination and may vary the extent of the examination. The examination may include:
- (A) radiographs;
- (B) a microscopic examination;
- (C) retention of an organ part or whole organ;
- (D) an anthropologic examination;
- (E) a dental examination;
- (F) any other procedure considered necessary by the examining forensic pathologist or physician; or
- (G) at the discretion of the medical examiner, the medical examiner's designee, or the justice of the peace, as appropriate, an in-person examination of the scene of death or injury or an examination of the scene through reports or photographs related to the injury or death.
- (1-a) "Forensic pathologist" means a physician who is board certified in anatomic and forensic pathology by the American Board of Pathology.
- (2) "Inquest" means an investigation into the cause and circumstances of the death of a person, and a determination, made with or without a formal court

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hearing, as to whether the death was caused by an unlawful act or omission. The term includes each level of investigation, from rudimentary information gathering to a complete autopsy examination and formal hearing.

- (3) "Inquest hearing" means a formal court hearing held to determine whether the death of a person was caused by an unlawful act or omission and, if the death was caused by an unlawful act or omission, to obtain evidence to form the basis of a criminal prosecution.
- (4) "Institution" means any place where health care services are rendered, including a hospital, clinic, health facility, nursing home, extended-care facility, out-patient facility, foster-care facility, and retirement home.
- (5) "Physician" means a practicing doctor of medicine or doctor of osteopathic medicine who is licensed by the Texas [State Board of] Medical Board [Examiners] under Subtitle B, Title 3, Occupations Code.

SECTION ___. Section 1, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

Sec. 1. OFFICE AUTHORIZED. Subject to the provisions of this Article [Act], the Commissioners Court of any county having a population of more than one million [and not having a reputable medical school as defined in Articles 4501 and 4503, Revised Civil Statutes of Texas,] shall establish and maintain the office of medical examiner, and the Commissioners Court of any county may establish and provide for the maintenance of the office of medical examiner. Population shall be according to the last preceding

No equivalent provision.

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federal census.

No equivalent provision.

No equivalent provision.

SECTION __. Subsection (b), Section 1-a, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

(b) There may be only one <u>chief</u> medical examiner in a medical examiners district, although <u>the chief medical examiner</u> [he] may employ, within the district, necessary staff personnel, <u>including deputy medical examiners</u>. When a county becomes a part of a medical examiners district, the effect is the same within the county as if the office of medical examiner had been established in that county alone. <u>A</u> [The] district medical examiner has all the powers and duties within the district that a medical examiner who serves in a single county has within that county.

SECTION ___. Section 2, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

Sec. 2. APPOINTMENTS AND QUALIFICATIONS. (a) The commissioners court shall appoint the <u>chief</u> medical examiner, who <u>serves</u> [shall serve] at the pleasure of the commissioners court. <u>The chief medical</u> examiner must be:

- (1) board certified in anatomic and forensic pathology by the American Board of Pathology; and
- (2) [No person shall be appointed medical examiner unless he is] a physician licensed by the <u>Texas</u> [State Board of] Medical <u>Board</u> [Examiners. To the greatest extent possible, the medical examiner shall be appointed

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from persons having training and experience in pathology, toxicology, histology and other medico-legal sciences].

(b) The <u>chief</u> medical examiner shall devote <u>the</u> [so much of his] time and energy [as is] necessary <u>to perform</u> [in the performance of] the duties conferred by this Article.

SECTION ___. Section 3, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

Sec. 3. ASSISTANTS. (a) The <u>chief</u> medical examiner may, subject to the approval of the commissioners court, employ <u>the</u> [such] deputy <u>medical</u> examiners, <u>medical</u>, <u>dental</u>, <u>or anthropologic consultants</u>, scientific experts, trained technicians, officers, and employees [as may be] necessary to <u>properly perform</u> [the <u>proper performance</u> of] the duties imposed by this Article <u>on</u> [upon] the <u>chief</u> medical examiner.

- (b) A deputy medical examiner must:
- (1) be board certified in anatomic and forensic pathology; or
- (2) have satisfactorily completed accredited residency and fellowship training programs in anatomic and forensic pathology and, not later than the third anniversary of the date the training programs were completed, obtain board certification in anatomic and forensic pathology.

SECTION ___. Section 4, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

No equivalent provision.

No equivalent provision.

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No equivalent provision.

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Sec. 4. SALARIES. The commissioners court shall establish and pay the salaries and compensations of the <u>chief</u> medical examiner and <u>the chief medical examiner's</u> [his] staff.

SECTION __. Section 6, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

- Sec. 6. DEATH INVESTIGATIONS. (a) A chief [Any] medical examiner, or the chief medical examiner's [his] duly authorized deputy medical examiner, shall [be authorized, and it shall be his duty, to] hold inquests with or without a jury in the [within his] county in which the office is established[7] in the following cases:
- (1) [1.] When a person dies [shall die] within twenty-four hours after the person is:
- (A) admitted [admission] to a hospital or institution;
- (B) confined [or] in prison or in jail; or
- (C) placed in law enforcement custody;
- (2) [2.] When any person:
- (A) is killed;
- (B) [or] from any cause dies an unnatural death, except under sentence of the law;
- (C) [or] dies in the absence of one or more good witnesses; or
- (D) dies as a result of medical treatment or therapy;
- (3) [3.] When the body or a body part of a person is found and[5] the cause or circumstances of death are unknown[5, and:
- [(A) the person is identified; or
- [(B) the person is unidentified];

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- person [are such as to] lead to suspicion that the person died [he came to his death] by unlawful means;
 (5) [5.] When any person commits suicide, or the circumstances of the person's [his] death [are such as to]

(4) [4.] When the circumstances of the death of any

- lead to suspicion that the person [he] committed suicide; (6) [6.] When a person dies who has not [without having] been attended during the preceding year by a duly licensed and practicing physician[, and the local health officer or registrar required to report the cause of death under Section 193.005, Health and Safety Code, does not know the cause of death. When the local health officer or registrar of vital statistics whose duty it is to certify the cause of death does not know the cause of death, he shall so notify the medical examiner of the county in which the death occurred and request an inquest];
- (7) [7-] When the person is a child [who is] younger than six years of age and the death is reported under Chapter 264, Family Code; [and]
- (8) When an unidentified person dies; and
- (9) [8.] When a person dies who has been attended immediately preceding the person's [his] death by a duly licensed and practicing physician or physicians[5] and the [such] physician or physicians [are not certain as to the cause of death and] are unable to certify to a reasonable degree of medical probability [with certainty] the cause of death as required by Section 193.005 [193.004], Health and Safety Code.

(a-1) If a physician is unable to certify the cause of

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death to a reasonable degree of medical probability, [In case of such uncertainty] the attending physician or physicians, or the superintendent or general manager of the hospital or institution in which the deceased [shall have] died, shall [so] report the inability to the medical examiner of the county in which the death occurred[5] and request an inquest.

- (a-2) If a medical examiner determines after performing an inquest that the death is due to natural causes and the deceased person was attended by a physician at the time of death or during the preceding year, the medical examiner may waive the medical examiner's authority to further investigate the case. If the medical examiner waives the authority to further investigate the case, the attending physician shall certify the cause of death.
- (b) The inquests authorized and required by this Article shall be held by the <u>chief</u> medical examiner of the county in which the death occurred.
- (c) In making such investigations and holding such inquests, the <u>chief</u> medical examiner or an authorized deputy <u>medical examiner</u> may administer oaths and take affidavits. In the absence of next of kin or legal representatives of the deceased, the <u>chief</u> medical examiner or authorized deputy <u>medical examiner</u> shall take charge of the body and all property found with it.
- (d) A medical examiner may subpoena medical records, law enforcement records, or other types of records required to perform the duties imposed under this section.

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No equivalent provision.

- SECTION __. Section 6a, Article 49.25, Code of Criminal Procedure, is amended to read as follows:
 Sec. 6a. ORGAN TRANSPLANT DONORS; NOTICE; INQUESTS. (a) When death occurs to an individual designated a prospective organ donor for transplantation by a licensed physician under circumstances requiring the chief medical examiner of the county in which death occurred, or the chief medical examiner, to hold an inquest, the chief medical examiner, or a member of the chief medical examiner, or a member of the chief medical examiner, or a member of the chief medical examiner, to hold an inquest, the chief medical examiner, or a member of the chief medical examiner is located [will] be [swill] be [swill] in which the prospective donor is located [transplantation is to be performed].
- (b) When notified pursuant to Subsection (a) of this Section, the <u>chief</u> medical examiner or the <u>chief</u> medical examiner's deputy <u>medical examiner</u> shall perform an inquest on the deceased prospective organ donor.
- (c) Subject to the procedures and requirements established by Section 693.002, Health and Safety Code, a medical examiner may:
- (1) determine before or after the medical examiner examines the body of the deceased that the release of organs or tissues for transplant purposes will likely hinder the determination of the cause or manner of death or compromise an evidentiary aspect of the examination; and
- (2) based on the determination, prohibit or limit the extent of the organ or tissue removal.

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No equivalent provision.

No equivalent provision.

No equivalent provision.

Code of Criminal Procedure, is amended to read as follows:

(b) A person investigating the [a] death of an unidentified person [described by Subdivision 3(B) of Section 6(a)] shall report the death to the missing

SECTION __. Subsection (b), Section 7, Article 49.25,

children and missing persons information clearinghouse of the Department of Public Safety and the national crime information center not later than the 10th working

day after the date the investigation began.

SECTION ___. Section 8, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

Sec. 8. REMOVAL OF BODIES. When any death under circumstances set out in Section 6 of this Article occurs [shall have occurred], the body shall not be disturbed or removed from the position in which it is found by any person without authorization from the chief medical examiner or an authorized deputy medical examiner, except for the purpose of preserving the [such] body from loss or destruction or maintaining the flow of traffic on a highway, railroad, or airport.

SECTION ___. Section 9, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

Sec. 9. AUTOPSY. (a) If the cause of death <u>is</u> [shall be] determined beyond a reasonable doubt as a result of the investigation, the medical examiner shall <u>prepare</u> [file] a report <u>on the investigation</u> [thereof] setting forth specifically the cause of death and file the report with the

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district attorney or criminal district attorney, or in a county in which there is no district attorney or criminal district attorney with the county attorney, of the county in which the death occurred.

- (b) If in the opinion of the medical examiner an autopsy is necessary to determine the cause or manner of death, to better determine any pathological or injurious process present, or to obtain evidence for a potential legal proceeding or for identification purposes, or if the autopsy [such] is requested by the district attorney or criminal district attorney, or county attorney where there is no district attorney or criminal district attorney, the autopsy shall be [immediately] performed by the chief medical examiner or a duly authorized deputy medical examiner. In [those] cases where a complete autopsy is considered [deemed] unnecessary by the medical examiner to ascertain the cause of death, the medical examiner may perform a limited autopsy or external inspection of the body that may include [involving the] taking [of] blood samples or any other samples of body fluids, tissues, or organs[, in order] to ascertain the cause of death or whether a crime has been committed.
- (c) If [In] the identity [case] of a body of a human being [whose identity] is unknown, the medical examiner may authorize the [such] investigative and laboratory tests and processes [as are] required to determine the [its] identity and [as well as] the cause of death.
- (d) The extent of an autopsy is solely at the discretion of the medical examiner.
- (e) A medical examiner is not required to notify or seek

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any approval from a deceased person's next of kin to perform an autopsy or any other type of examination related to an autopsy.

- (f) On [In performing an autopsy the medical examiner or authorized deputy may use the facilities of any city or county hospital within the county or such other facilities as are made available. Upon] completion of the autopsy, the medical examiner shall prepare [file] a report setting forth the findings in detail and file the report with the office of the district attorney or criminal district attorney or criminal district attorney or criminal district attorney, with the county attorney of the county.
- (g) [(b)] A medical examination on an unidentified person shall include the following information to enable a timely and accurate identification of the person:
- (1) all available fingerprints and palm prints;
- (2) dental charts and radiographs (X-rays) of the person's teeth;
- (3) [frontal and lateral] facial photographs with scale indicated;
- (4) notation [and photographs, with scale indicated,] of a significant scar, mark, tattoo, or item of clothing or other personal effect found with or near the body;
- (5) notation of <u>any identified</u> antemortem medical conditions; and
- (6) notation of observations pertinent to the estimation of time of death[; and
- [(7) precise documentation of the location of burial of the remains].

CONFERENCE

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- (h) [(e)] A medical examination on an unidentified person may include the following information to enable a timely and accurate identification of the person:
- (1) full body radiographs (X-rays); and
- (2) [hair] specimens from the body for DNA characterization and comparison [with roots].
- (i) A medical examiner performing an autopsy of a deceased person may retain an organ or part of an organ if the medical examiner determines that retaining the organ or organ part is necessary for further examination and testing. After completing the examination or testing on the organ or organ part, the medical examiner shall:
- (1) retain the organ or organ part as required by law or by published professional or accreditation standards;
- (2) dispose of the organ or organ part as a hazardous biological specimen; or
- (3) release the organ or organ part to the funeral establishment or crematory under Subsection (m)(2).
- (j) A medical examiner may not be required to perform an autopsy on a person whose death resulted from a highly infectious disease or a chemical or radiological agent that presents a hazard to the medical examiner, the medical examiner's staff, or the public.
- (k) Except as provided by Subsection (l), a medical examiner may not perform an autopsy on a deceased person if the medical examiner receives before the performance of the autopsy a notarized affidavit signed by the person before the person's death that states the person's objection for religious reasons to the performance of an autopsy on the person after the

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person's death.

- (l) A medical examiner may perform an autopsy on a deceased person following receipt of a notarized affidavit under Subsection (k) if the chief medical examiner determines a compelling public necessity exists to perform the autopsy on the deceased person despite the objection.
- (m) If the medical examiner performs the autopsy despite receipt of a notarized affidavit under Subsection (k), the medical examiner shall:
- (1) use the least invasive means possible in the performance of the autopsy; and
- (2) notwithstanding Subsection (i), release to the funeral establishment or crematory any organ or organ part retained by the medical examiner, except as required by law or by published professional or accreditation standards.
- (n) In this section, "compelling public necessity" means:
- (1) a criminal homicide investigation in which the deceased person is the victim;
- (2) an immediate and substantial threat to public health;
- (3) the death of a child under 12 years of age for which the cause of death is not apparent and neglect or a threat to public health was suspected;
- (4) the cause or manner of death of the deceased person is not apparent after a diligent investigation by the medical examiner; or
- (5) the autopsy is required by law.

No equivalent provision.

SECTION . Section 10, Article 49.25, Code of

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CONFERENCE

Criminal Procedure, is amended to read as follows:

Sec. 10. DISINTERMENTS AND CREMATIONS. (a) The [When a body upon which an inquest ought to have been held has been interred, the] medical examiner may cause a body that has been interred and on which an inquest should have been held [#] to be disinterred for the purpose of holding the [such] inquest.

- (b) A [Before any] body on[, upon] which an inquest is authorized by [the provisions of] this Article may not[, can] be [lawfully] cremated unless[,] an examination is [autopsy shall be] performed on the body [thereon] as provided in this Article[,] or a certificate that the examination [no autopsy] was not necessary is [shall be] furnished by the medical examiner.
- (c) Before <u>a</u> [any] dead body <u>may</u> [ean] be [lawfully] cremated, the owner or operator of the crematory shall demand and be furnished with a certificate, signed by the medical examiner of the county in which the death occurred stating [showing] that:
- (1) an examination [autopsy] was performed on the [said] body; or
- (2) an examination on the body [that no autopsy thereon] was not necessary.
- (d) The [It shall be the duty of the] medical examiner shall [to] determine whether or not, from all the circumstances surrounding the death, an examination [autopsy] is necessary prior to issuing a certificate under [the provisions of] this section.
- (e) The owner or operator of a crematory requesting authorization to cremate a body shall provide the medical

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examiner with a legible and properly completed death certificate.

- (f) A medical examiner is not required to perform an examination [No autopsy shall be required by the medical examiner] as a prerequisite to cremation if the [in case] death was [is] caused by [the] pestilential or highly infectious diseases [of Asiatic cholera, bubonic plague, typhus fever, or smallpox].
- (g) All certificates furnished to the owner or operator of a crematory by any medical examiner, under the terms of this Article, shall be preserved by the [such] owner or operator until the second anniversary of [such crematory for a period of two years from] the date of the body's cremation [of said body].
- (h) A medical examiner is not required to perform an autopsy on the body of a deceased person whose death was caused by a communicable disease during a public health disaster.

SECTION __. Section 10a, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

- Sec. 10a. WAITING PERIOD BETWEEN DEATH AND CREMATION. (a) The body of a deceased person shall not be cremated within 48 hours after the time of death as indicated on the regular death certificate, unless:
- (1) the death certificate indicates death was caused by [the] pestilential or highly infectious diseases; [of Asiatic cholera, bubonic plague, typhus fever, or smallpox,] or

(2) [unless] the time requirement is waived in writing by

No equivalent provision.

CONFERENCE

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No equivalent provision.

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the county medical examiner or, in counties without [not having] a county medical examiner, a justice of the peace.

(b) In a public health disaster, the commissioner of <u>state</u> [public] health <u>services</u> may designate other communicable diseases for which cremation within 48 hours of the time of death is authorized.

SECTION __. Section 11, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

Sec. 11. RECORDS. (a) The medical examiner shall:

- (1) keep full and complete records properly indexed that include[, giving] the name if known of every person whose death is investigated, the place where the body was found, the date, and the cause and manner of death; [5] and
- (2) [shall] issue a death certificate.
- (b) The full report and detailed findings of the autopsy, if any, shall be a part of the record.
- (c) [Copies of all records shall promptly be delivered to the proper district, county, or criminal district attorney in any case where further investigation is advisable.] The records are subject to required public disclosure in accordance with Chapter 552, Government Code, except that a photograph or x-ray of a body taken during a medical examiner investigation [an autopsy] is excepted from required public disclosure in accordance with Chapter 552, Government Code, but is subject to disclosure:
- (1) under a subpoena or authority of other law; or

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(2) if the photograph or x-ray is of the body of a person

who died while in the custody of law enforcement.

CONFERENCE

No equivalent provision.

No equivalent provision.

No equivalent provision.

SECTION __. Section 12, Article 49.25, Code of Criminal Procedure, is amended to read as follows:
Sec. 12. TRANSFER OF DUTIES OF JUSTICE OF PEACE. When the commissioners court of any county establishes [shall establish] the office of medical examiner, all powers and duties of justices of the peace in the [such] county relating to the investigation of deaths and inquests [shall] vest in the office of the medical examiner. Any subsequent General Law pertaining to the duties of justices of the peace in death investigations and inquests [shall] apply to the medical examiner in the county [such counties as] to the extent not inconsistent with this Article, and all laws or parts of laws otherwise in conflict with this Article [herewith] are [hereby] declared [to be] inapplicable to this Article.

SECTION __. Subsection (a), Section 14, Article 49.25, Code of Criminal Procedure, is amended to read as follows:

(a) A person commits an offense if the person knowingly violates this article <u>or knowingly provides</u> <u>false information to a medical examiner in the performance by the medical examiner of an investigation under this article.</u>

SECTION __. Section 13, Article 49.25, Code of Criminal Procedure, is repealed.

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No equivalent provision.	SECTION Article 49.25, Code of Criminal	

SECTION __. Article 49.25, Code of Criminal Procedure, is amended by adding Sections 13A and 13B to read as follows:

Sec. 13A. FEES. A medical examiner may charge reasonable fees for services provided by the medical examiner's office under this Article, including cremation approvals, court testimonies, consultations, and depositions.

Sec. 13B. EDUCATION AND RESEARCH. (a) A medical examiner may use for educational or teaching purposes photographs taken during a death investigation.

(b) A medical examiner's office may engage in educational and research activities that do not interfere with the performance of the duties imposed on the office under this Article.

SECTION __. Notwithstanding Sections 2 and 3, Article 49.25, Code of Criminal Procedure, as amended by this Act, a person serving as the chief medical examiner or a deputy medical examiner for a medical examiners district or county in this state on the effective date of this Act is not required to be board certified in anatomic and forensic pathology by the American Board of Pathology to continue to hold that position of chief medical examiner or deputy medical examiner for that district or county.

No equivalent provision.

No equivalent provision.

SECTION __. Subchapter B, Chapter 281, Health and

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Safety Code, is amended by adding Section 281.0282 to read as follows:

Sec. 281.0282. DALLAS COUNTY HOSPITAL DISTRICT; EMPLOYMENT OF HEALTH CARE PROVIDERS AND PHYSICIANS. (a) The board of the Dallas County Hospital District may appoint, contract for, or employ physicians, dentists, and other health care providers as the board considers necessary for the efficient operation of the district.

- (b) The term of an employment contract entered into under this section may not exceed four years.
- (c) This section may not be construed as authorizing the board of the Dallas County Hospital District to supervise or control the practice of medicine, as prohibited by Subtitle B, Title 3, Occupations Code.
- (d) The authority granted to the board of the Dallas County Hospital District under Subsection (a) to employ physicians shall apply only as necessary for the district to fulfill the district's statutory mandate to provide medical care for the indigent and needy residents of the district as provided by Section 281.046.
- (e) The Dallas County Hospital District shall establish a committee consisting of at least five actively practicing physicians who provide care in the district. The committee shall approve existing policies or adopt new policies, if no policies exist, to ensure that a physician who is employed by the district is exercising the physician's independent medical judgment in providing care to patients.
- (f) The chair of the committee must be a member of the

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executive committee of the Dallas County Hospital District's medical staff.

- (g) The policies adopted or approved by the committee shall include policies relating to credentialing, quality assurance, utilization review, peer review, medical decision-making, governance of the committee, and due process.
- (h) Each member of a committee shall provide biennially to the chief medical officer of the Dallas County Hospital District a signed, verified statement indicating that the committee member:
- (1) is licensed by the Texas Medical Board;
- (2) will exercise independent medical judgment in all committee matters, including matters relating to credentialing, quality assurance, utilization review, peer review, medical decision-making, and due process;
- (3) will exercise the committee member's best efforts to ensure compliance with the Dallas County Hospital District's policies that are adopted or established by the committee; and
- (4) will report immediately to the Texas Medical Board any action or event that the committee member reasonably and in good faith believes constitutes a compromise of the independent medical judgment of a physician in caring for a patient.
- (i) The committee shall adopt rules requiring the disclosure of financial conflicts of interest by a committee member.
- (j) For all matters relating to the practice of medicine, each physician employed by the board shall ultimately

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No equivalent provision.

report to the chief medical officer of the Dallas County Hospital District.

SECTION __. Chapter 311, Health and Safety Code, is amended by adding Subchapter E to read as follows: SUBCHAPTER E. EMPLOYMENT OF PHYSICIANS BY CERTAIN HOSPITALS

Sec. 311.061. APPLICABILITY OF SUBCHAPTER. This subchapter applies only to a hospital located in a county with a population of 50,000 or less and operated by a governmental entity.

Sec. 311.062. EMPLOYMENT OF PHYSICIAN PERMITTED. (a) A hospital may employ a physician and retain all or part of the professional income generated by the physician for medical services provided at the hospital if the hospital:

- (1) is certified by the Texas Medical Board under Section 162.001(d), Occupations Code;
- (2) satisfies the requirements of Subchapter A, Chapter 162, Occupations Code, including Texas Medical Board rules; and
- (3) satisfies the requirements of this subchapter.
- (b) A hospital subject to this subchapter may continue to employ any physicians employed by the hospital on or before the date of release of a federal decennial census that shows the county's population exceeds 50,000. The hospital may not employ a new physician after that date.
- (c) The requirements of this subchapter and Subchapter A, Chapter 162, Occupations Code, may not be voided or waived by contract.

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Sec. 311.063. HOSPITAL POLICIES. (a) A hospital shall adopt, maintain, and enforce policies to ensure that a physician employed under this subchapter whose professional income is retained under Section 311.062 exercises independent medical judgment when providing care to patients at the hospital.

- (b) The policies adopted under this section must include policies relating to:
- (1) credentialing and privileges;
- (2) quality assurance;
- (3) utilization review;
- (4) peer review;
- (5) medical decision-making; and
- (6) due process.
- (c) The policies adopted under this section, including any amendments to the policies, must be approved by the hospital governing board after input from the medical staff as appropriate.
- (d) The policies adopted under this section must include the implementation of a complaint mechanism for processing and resolving complaints regarding interference or attempted interference with the physician's independent medical judgment. The policies must address the manner in which the public can access board complaint procedures.
- (e) The policies of the hospital must be drafted and interpreted in a manner that reserves to physicians, including physicians employed and physicians not employed by the hospital, the sole authority to engage in the practice of medicine.

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Sec. 311.064. CREDENTIALING AND PRIVILEGES.

(a) A physician employed by a hospital under this subchapter is subject to the same standards and procedures regarding credentialing, peer review, quality of care, and privileges as a physician not employed by

the hospital.

(b) A hospital shall give equal consideration regarding the issuance of credentials and privileges to physicians employed by the hospital and physicians not employed by the hospital.

Sec. 311.065. OTHER HOSPITAL-PHYSICIAN RELATIONSHIPS. This subchapter may not be construed as altering, voiding, or prohibiting any relationship between a hospital and a physician, including a contract or arrangement with an approved nonprofit health corporation that is certified under Section 162.001(b), Occupations Code, and that holds a certificate of authority issued under Chapter 844, Insurance Code.

Sec. 311.066. MEDICAL STAFF BYLAWS. The medical staff bylaws of a hospital may not discriminate against or favor a physician based solely on the physician's employment status with the hospital, including emergency call or charity care obligations.

Sec. 311.067. FAIR PROCESS; PEER REVIEW. (a) Termination of a physician's employment by a hospital is subject to a fair review process.

(b) A hospital that employs physicians shall provide peer review and quality assurance through a multihospital peer review agreement, an external independent

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peer review organization, or an internal peer review process approved by the hospital governing board with appropriate input from the medical staff.

- Sec. 311.068. REFERRAL OF PATIENTS. (a) In this section, "referral" means referral for admissions, diagnostic tests and procedures, surgeries, or other health care services.
- (b) An employment agreement entered into between a physician and a hospital under this subchapter:
- (1) must state that the hospital may not set goals regarding referrals; and
- (2) may not set, as a condition of employment, the volume or number of referrals that must be made.
- Sec. 311.069. NONRETALIATION REQUIREMENTS.
- (a) A hospital may not terminate, retaliate against, or otherwise penalize a person who reports in good faith to the hospital or the Texas Medical Board a violation or attempted violation of this subchapter, Subchapter A, Chapter 162, Occupations Code, or Texas Medical Board rules.
- (b) A hospital may not prohibit, restrict, or discourage a physician from communicating with the hospital or advocating for a patient regarding medically appropriate health care.
- (c) A physician who makes a report under this section:
- (1) is immune from civil liability for a report made in good faith; and
- (2) may not be disciplined by the Texas Medical Board for any corporate practice of medicine violation related to the reported action, event, or policy.

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Sec. 311.070. LIABILITY. (a) In this section:

- (1) "Governmental unit" has the meaning assigned by Section 101.001, Civil Practice and Remedies Code.
- (2) "Governmental hospital" means a hospital that is owned or operated by a governmental unit.
- (3) "Health care liability claim" has the meaning assigned by Section 74.001, Civil Practice and Remedies Code.
- (b) Chapters 101 and 108, Civil Practice and Remedies Code, do not apply in an action in which final judgment is rendered in a health care liability claim against a physician employed under this subchapter by a governmental hospital.
- (c) A physician's civil liability is limited to a maximum amount of \$250,000 for each single occurrence of bodily injury or death in an action in which final judgment is rendered in a health care liability claim against a physician employed under this subchapter by a governmental hospital.
- (d) A governmental hospital shall maintain professional liability insurance or a plan of self-insurance covering each physician employed by the hospital in the amount of \$250,000 for each single occurrence of bodily injury or death.

SECTION __. Section 162.001, Occupations Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) The board by rule shall certify a health organization that:

No equivalent provision.

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- (1) applies for certification on a form approved by the board; [and]
- (2) presents proof satisfactory to the board that the organization meets the requirements of Subsection (b), [or] (c), or (d); and
- (3) states that the health organization has consulted with the organization's medical staff before filing an application for certification under Subsection (d), if appropriate.
- (d) The board shall certify a health organization to employ physicians licensed by the board if the organization is in compliance with Subchapter E, Chapter 311, Health and Safety Code, and this subchapter, including board rules.

SECTION __. Subchapter A, Chapter 162, Occupations Code, is amended by adding Sections 162.004-162.007 to read as follows:

Sec. 162.004. EMPLOYER AND EMPLOYEE REQUIREMENTS. The following requirements apply to an organization certified under Section 162.001(d) that employs physicians:

- (1) the organization shall ensure that each physician retains independent medical judgment in providing care to patients at the organization and may not be penalized for reasonably advocating for patient care;
- (2) the organization shall provide a certain portion of medical services free of charge, or at a reduced fee commensurate with a patient's ability to pay;
- (3) a physician employed by the organization shall

No equivalent provision.

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participate in the provision of services under Subdivision (2);

- (4) an organization may not include or enforce a noncompete clause in a physician employment contract or condition privileges on the continuation or termination of an employment contract; and
- (5) a physician who has privileges at the organization and is employed by the hospital and a physician who is not employed by the hospital must be given equal consideration and treatment in the creation and execution of all medical staff bylaw provisions regardless of the physician's employer.
- Sec. 162.005. FEES; ENFORCEMENT. (a) The board may charge a reasonable fee as necessary for the certification of an organization under Section 162.001(d) and for the investigation, review, and enforcement of the organization's compliance with this subchapter and Subchapter E, Chapter 311, Health and Safety Code.
- (b) The board may adopt and impose fines and administrative remedies, including the revocation of certification under Section 162.003, for a violation of this subchapter or Subchapter E, Chapter 311, Health and Safety Code.

Sec. 162.006. BIENNIAL COMPLIANCE STATEMENT. When an organization applies for certification, and every two years after that date, an organization seeking certification under Section 162.001(d) shall provide to the board a compliance statement signed by the organization's chief executive officer attesting that the organization is in compliance

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with all requirements for certification and continued certification, including the requirements of this subchapter and Subchapter E, Chapter 311, Health and Safety Code.

Sec. 162.007. DOCUMENTS IN SUPPORT OF CERTIFICATION AND BIENNIAL COMPLIANCE STATEMENTS. (a) An organization shall submit to the board at the time application for certification under Section 162.001(d) is made a copy of the hospital's policies, bylaws, and medical staff bylaws that demonstrate compliance with the requirements of this subchapter and Subchapter E, Chapter 311, Health and Safety Code.

(b) An organization certified under Section 162.001(d) shall submit to the board as part of the organization's biennial compliance statement copies of any changes or amendments to the hospital's bylaws, policies, and medical staff bylaws that were submitted to the board after the organization's initial approved application for certification.

The following rows were presented as identical to language in the house committee report version of Senate Bill 1945 and substantially similar to the senate engrossed version of Senate Bill 1945, relating to the issuance of a citation to an owner of real property for a violation of a county or municipal rule or ordinance.

No equivalent provision.

SECTION __. Subsection (a), Section 250.003, Local Government Code, is amended to read as follows:

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county or municipal rule or ordinance is issued, or of a company that manages the property on behalf of the property owner, is not personally liable for criminal or civil penalties resulting from the violation if, not later than five calendar days after the date the citation is issued, the individual provides the property owner's name, current street address, and telephone number to the enforcement official who issues the citation or the official's superior.

(a) An individual who is an employee of the owner of real property for which a citation for a violation of a

SECTION __. Subsection 250.004, Local Government Code, is amended to read as follows:

Sec. 250.004. AGENT FOR SERVICE; NOTICE OF CITATION. (a) The [If the property owner's street address is not in this state, the] employee of the owner or management company to whom a citation described by Section 250.003 is issued is considered the owner's agent for accepting service of the citation for the violation of the county or municipal rule or ordinance. Service of the citation on the agent has the same legal effect as service on the owner for the purpose of fines against the owner or the property, including a warrant or capias.

(b) The county or municipality issuing the citation shall mail notice of the citation to the property owner at the address most recently provided to the county or municipality by the property owner or by the employee of the owner or management company under Section 250.003(a). This subsection does not require a county or

No equivalent provision.

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	municipality to mail notice using a service that provides delivery confirmation.	
No equivalent provision.	SECTION The change in law made by Section 250.003 and 250.004, Local Government Code, is effective on or after January 1, 2010.	
	The following rows were presented as identical to language in the senate engrossed version of Senate Bill 978, relating to the issuance of a citation to an owner of real property for a violation of a county or municipal rule or ordinance, except for a technical change to a definition requested by the Office of the Attorney General.	
No equivalent provision.	SECTION Subchapter A, Chapter 372, Local Government Code, is amended to read as follows: SUBCHAPTER A. PUBLIC IMPROVEMENT DISTRICTS Sec. 372.001. SHORT TITLE. This subchapter may be cited as the Public Improvement District Assessment Act. Sec. 372.0015. DEFINITIONS [DEFINITION]. In this subchapter: (1) "Authorized instrumentality" means a public facility corporation created by the governing body of a	

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- municipality or county under Chapter 303 or a local government corporation created by the governing body of a municipality or county under Subchapter D, Chapter 431, Transportation Code.
- (2) "Extraterritorial[, "extraterritorial] jurisdiction" means extraterritorial jurisdiction of a municipality as determined under Chapter 42.
- (3) "Public improvement district" or "district" means an area defined by the governing body of a municipality or county that:
- (A) consists of one or more contiguous or noncontiguous tracts of land; and
- (B) will be specially benefited as determined by the municipality or county by any or all of the public improvements or services.
- (4) "Qualified costs" means the costs and expenses incurred in establishing, administering, managing, and operating a public improvement district, including:
- (A) costs and expenses of or related to the construction of an improvement project;
- (B) financing of an improvement project by a municipality, county, or authorized instrumentality, including the debt service requirements owed or to be owed under installment purchase or reimbursement contracts, temporary notes, time warrants, revenue bonds, special assessment bonds, or certificates of obligation, including reserve funds and capitalized interest;
- (C) costs and expenses of or related to the negotiation, development, and execution of the obligations described

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by Paragraph (B);

- (D) costs and expenses of or related to credit and interest rate management agreements entered into under Chapter 1371, Government Code;
- (E) costs of attorneys and other professional advisors, including consultants; and
- (F) costs related to the administrative oversight of public improvements, services, and operations of the public improvement district.
- (5) "Revenue bonds" means bonds, notes, or other securities issued by a municipality, county, or authorized instrumentality that are payable from and secured by liens on all or part, or a combination of, the revenue derived from installment payments of special assessments plus any other revenues, donations, grants, or income described by Section 372.026(e).
- (6) "Special assessment bonds" means bonds, notes, or other securities issued by a municipality, county, or authorized instrumentality that are payable solely from and secured by special assessments levied by the governing body of the municipality or county in a public improvement district.
- (7) "Special district" means a political subdivision of this state with a limited geographic area created by local law or under general law for a special purpose.
- Sec. 372.002. EXERCISE OF POWERS. (a) A public improvement district is not a separate body politic or corporate from the municipality or county that created the district.
- (b) Subject to Section 372.010(c), powers [Powers]

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granted under this subchapter in an area comprising a public improvement district may be exercised by a municipality or county on and after the date [in which] the governing body of the municipality or county [initiates or] receives a petition requesting the establishment of a public improvement district that complies[. A petition must comply] with the requirements of Section 372.005.

(c) The powers granted under this subchapter may be exercised by the governing body of any other political subdivision if the law creating or governing the political subdivision grants the political subdivision authority described by this subchapter. The governing body of the political subdivision has the same powers and is subject to the same limitations as are applicable to the governing body of a municipality or a county under this subchapter unless and except as modified by the law creating or governing the political subdivision.

Sec. 372.003. AUTHORIZED IMPROVEMENTS <u>AND SERVICES</u>. (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may <u>create</u> one or more public improvement districts under this <u>subchapter and</u> undertake <u>one or more [an]</u> improvement <u>projects [project]</u> that <u>confer [confers]</u> a special benefit on the property located in the public improvement <u>district [a definable part of the municipality or county or the municipality's extraterritorial jurisdiction]</u>. A project may be undertaken <u>within or outside the district</u> in the municipality or county or <u>in</u> the municipality's

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extraterritorial jurisdiction <u>if the project benefits the</u> district.

- (b) A public improvement project may include:
- (1) landscaping;
- (2) erection of fountains, distinctive lighting, and signs;
- (3) acquiring, constructing, improving, <u>repairing</u>, widening, narrowing, closing, or rerouting of sidewalks or of streets, <u>roads</u>, highways, bridges, culverts, water <u>retention walls</u>, [any other roadways,] or <u>related</u> [their] rights-of-way <u>owned by or to be conveyed to the municipality</u>, the county, the federal government, or <u>another political subdivision or entity exercising powers</u> granted under this subchapter;
- (4) construction or improvement of pedestrian malls;
- (5) acquisition and installation of pieces of art;
- (6) acquisition, construction, or improvement of [libraries;
- [(7) acquisition, construction, or improvement of] offstreet parking facilities;
- (7) [(8)] acquisition, construction, <u>or</u> improvement[, or rerouting] of mass transportation facilities, <u>including</u> light rail mass transit, streetcar, or similar systems, and related vehicle parking facilities;
- (8) [(9)] acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (9) [(10)] the establishment or improvement of parks, playgrounds, lakes, and open spaces, including paths, trails, boat docks, and wharves;
- (10) acquisition, construction, or improvement of other

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public projects that are determined by the municipality or county to promote the interests of the municipality or county and to be of a special benefit to the public improvement district, including:

- (A) community centers, recreation centers, and recreation facilities;
- (B) libraries;
- (C) facilities for police, sheriffs, or firefighters;
- (D) municipal or county administration centers; and
- (E) other governmental buildings for the provision of governmental services;
- (11) acquisition, construction, or improvement of other public projects, facilities, or services required by a development agreement, interlocal agreement, zoning regulation, or permit issued by a municipality or county having jurisdiction in the public improvement district;
- (12) acquisition, construction, maintenance, or improvement of buildings and other facilities commonly used for teaching, research, or the preservation of knowledge by an institution of higher education as defined by Section 372.0045 or for auxiliary purposes of the institution, including administration, student services and housing, athletics, performing arts, and alumni support;
- (13) [(11) projects similar to those listed in Subdivisions (1)-(10);
- [(12)] acquisition, by purchase or otherwise, of real property in connection with an authorized improvement; and
- (14) [(13)] special supplemental services for

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improvement and promotion of the district, including services relating to:

- (A) advertising;
- (B) [$\frac{1}{7}$] promotion;
- (C) [,] health and sanitation;
- (D) [-] water and wastewater;
- (E) enhanced fire protection, police, sheriff, and other[-,] public safety and[-,] security;
- (F) [-] business recruitment;
- (G) [-] development;
- (H) [,] recreation; [,] and
- (I) cultural enhancement[; and
- [(14) payment of expenses incurred in the establishment, administration, and operation of the district].
- (b-1) The legislature finds that a purpose described by Subsection (b)(12), including an auxiliary purpose, is an authorized economic development purpose of a county or municipality under Section 52-a, Article III, Texas Constitution.
- (c) A public improvement project <u>may include or</u> may be limited to the provision of <u>all or any part of</u> the services described by Subsection (b)(14) [(b)(13)].
- (d) A municipality that exercises powers under this subchapter may establish a public improvement district in the corporate limits or the extraterritorial jurisdiction of the municipality. A county or other political subdivision that exercises powers under this subchapter may establish a public improvement district in the county or the area of the political subdivision, including in the corporate limits or the extraterritorial jurisdiction of a

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municipality unless within 30 days after the date notice is provided to the municipality of an [a county's] action to approve [such] a public improvement district, the [a home rule] municipality objects to the district's [its] establishment within the municipality's corporate limits or extraterritorial jurisdiction.

Sec. 372.004. COMBINED IMPROVEMENTS. <u>A public [An]</u> improvement project may consist of an improvement on more than one street or of more than one type of improvement. <u>An improvement [A]</u> project described by this section may be included in one proceeding and financed as one improvement project.

Sec. 372.0045. AUTHORIZED HIGHER EDUCATION FACILITIES; LEASE TO INSTITUTION OF HIGHER EDUCATION. (a) In this section, "institution of higher education" has the meaning assigned by Section 61.003, Education Code.

- (b) The governing body of a municipality or county that establishes a public improvement district to finance a public improvement project described by Section 372.003(b)(12) may enter into a memorandum of understanding with an institution of higher education that provides educational services in the municipality or county under which the municipality or county leases the public improvement project to the institution, at a nominal rate, for use by the institution in providing teaching, research, public service, or auxiliary enterprise activities to students of the institution.
- (c) A memorandum of understanding entered into by a municipality or county under this section must include

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adequate controls to ensure that the lease of the public improvement project promotes the municipality's or county's interests and provides a public benefit to the area served by the district.

Sec. 372.005. PETITION. (a) A petition for the establishment of a public improvement district must state:

- (1) the general nature of the proposed <u>improvements</u> [improvement];
- (2) the estimated <u>qualified costs</u> [eost] of the improvements [improvement];
- (3) the boundaries of the proposed [assessment] district;
- (4) the proposed method of assessment, which may specify included or excluded classes of assessable property;
- (5) [the proposed apportionment of cost between the public improvement district and the municipality or county as a whole;
- [(6)] whether the management of the district is to be by:
- (A) the municipality;
- (B) the [or] county;
- (C) an authorized instrumentality;
- (D) [,] the private sector [,] or
- (E) a partnership between the <u>private sector and one of</u> the <u>entities described by Paragraphs</u> (A)-(C) [municipality or county and the private sector];
- (6) [(7)] that the persons signing the petition request or concur with the establishment of the district; and
- (7) [(8)] that an advisory body may be established or an authorized instrumentality may be incorporated to

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develop and recommend an improvement plan to the governing body of the municipality or county.

- (b) The petition is sufficient if signed by:
- (1) owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and
- (2) record owners of real property liable for assessment under the proposal who:
- (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or
- (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.
- (c) A [The] petition filed with the municipality may be filed with the municipal secretary or other officer performing the functions of the municipal secretary. A petition filed with the county may be filed with the county clerk or other officer designated by the commissioners court. A petition filed with any other political subdivision exercising powers under this subchapter may be filed with the political subdivision's governing body.

Sec. 372.006. FINDINGS. (a) If a petition that complies with this subchapter is filed, the governing body of the municipality or county may make findings by resolution as to:

(1) the advisability of the proposed improvements;

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- (2) the [improvement, its] estimated qualified costs of the proposed improvements; and
- (3) [eost,] the method of assessment[, and the apportionment of cost between the proposed improvement district and the municipality or county as a whole].
- (b) The governing body's findings under this section are conclusive.

Sec. 372.007. FEASIBILITY REPORT. (a) Before holding the hearing required by Section 372.009, the governing body of the municipality may use the services of municipal employees, the governing body of the county may use the services of county employees, or the governing body of the municipality or county may employ consultants to prepare a report to determine whether improvements [an improvement] should be made as proposed by petition or otherwise or whether improvements [the improvement] should be made in combination with other improvements authorized under this subchapter. The governing body may also require that a preliminary estimate of the qualified costs [cost] of improvements [the improvement] or a combination of improvements be made.

(b) For the purpose of determining the feasibility and desirability of <u>a public</u> [an] improvement district, the governing body may take other preliminary steps before the hearing required by Section 372.009 <u>and[,]</u> before establishing a public improvement district[, or before entering into a contract].

Sec. 372.008. ADVISORY BODY. (a) The [After

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receiving a petition that complies with Section 372.005, the] governing body of the municipality or county, on the governing body's own initiative or after receiving a petition that complies with Section 372.005, may appoint an advisory body with the responsibility of developing and recommending an improvement plan to the governing body.

- (b) The composition of <u>an</u> [the] advisory body, <u>if</u> established, must include:
- (1) owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and
- (2) record owners of real property liable for assessment under the proposal who:
- (A) constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; or
- (B) own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.
- (c) The members of the advisory body serve at the will of the governing body of the municipality or county creating the public improvement district and may be removed at any time.

Sec. 372.009. HEARING. (a) A public improvement district may be established and improvements provided by the district may be financed under this subchapter only after the governing body of the municipality or

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county holds a public hearing on the advisability of the <u>improvements</u> [improvement].

- (b) The hearing may be adjourned from time to time until the governing body makes findings by resolution as to:
- (1) the advisability of each [the] improvement;
- (2) the nature of <u>each</u> [the] improvement;
- (3) the estimated <u>qualified costs</u> [eost] of <u>each</u> [the] improvement;
- (4) the boundaries of the [public improvement] district; and
- (5) the method of assessment[; and
- [(6) the apportionment of costs between the district and the municipality or county as a whole].
- (c) Notice of the hearing must be given in a newspaper of general circulation in the municipality or county. If any part of the <u>public</u> improvement district is to be located in the municipality's extraterritorial jurisdiction or if any part of the improvements is to be undertaken in the municipality's extraterritorial jurisdiction, the notice must also be <u>filed</u> with the municipal secretary or other officer performing the duties of the municipal secretary and <u>published</u> [given] in a newspaper of general circulation in the part of the extraterritorial jurisdiction in which the district is to be located or in which the improvements are to be undertaken. The final publication of notice must be made before the 15th day before the date of the hearing. The notice must state:
- (1) the time and place of the hearing;
- (2) the general nature of the proposed improvements

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[improvement];

- (3) the estimated <u>qualified costs</u> [cost] of the <u>proposed</u> improvements [improvement];
- (4) the boundaries of the proposed <u>public improvement</u> [assessment] district; and
- (5) the proposed method of assessment[; and
- [(6) the proposed apportionment of cost between the improvement district and the municipality or county as a whole].
- (d) Written notice containing the information required by Subsection (c) must be mailed before the 15th day before the date of the hearing. The notice must be addressed to "Property Owner" and mailed to the current address of the owner, as reflected on tax rolls, of property subject to assessment under the proposed public improvement district.

Sec. 372.010. IMPROVEMENT ORDER. (a) During the six-month period after the date of the final adjournment of the hearing under Section 372.009, the governing body of the municipality or county may authorize the creation of a public [an] improvement district subject to Section 372.012 if, by majority vote of all members of the governing body, the governing body adopts [members adopt] a resolution authorizing the district in accordance with its finding as to the advisability of the improvements [improvement].

(b) An authorization takes effect when it has been published one time in a newspaper of general circulation in the municipality or county. If any part of the [improvement] district is located in the municipality's

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extraterritorial jurisdiction or if any part of the improvements is to be undertaken in the municipality's extraterritorial jurisdiction, the authorization does not take effect until the notice is also given one time in a newspaper of general circulation in the part of the extraterritorial jurisdiction in which the district is located or in which the improvements are to be undertaken.

- Actual construction of improvements [an improvement may not begin, and acquisition of existing improvements may not occur, until after the 20th day after the date the authorization takes effect and may not begin if during that 20-day period written protests signed by at least two-thirds of the owners of record of property within the [improvement] district or by the owners of record of property comprising at least two-thirds of the total area of the district are filed with the municipal [or county | secretary or other officer performing the duties of the municipal [or county] secretary or the county clerk or other officer designated by the commissioners court. A person whose name appears on a protest may withdraw the name from the protest at any time before the governing body of the municipality or county convenes to determine the sufficiency of the protest.
- (d) Before the levy of assessments under Section 372.017, the property owners in the district who signed the original petition may petition the governing body to amend the resolution creating the district adopted under Subsection (a) to amend the estimated qualified costs of the improvements, including adding or deleting improvement projects. The governing body shall

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provide notice of the owners' petition and hold a public hearing as provided by Section 372.009 to make findings, by amended resolution, of the nature and estimated qualified costs of each improvement. A county or other entity that proposes to amend a resolution under this subsection in the corporate boundaries or extraterritorial jurisdiction of a municipality shall provide notice to the municipality on or before the 30th day before the date the entity amends the resolution.

Sec. 372.011. DISSOLUTION. (a) A public hearing may be [ealled and] held after giving notice in the same manner as a hearing under Section 372.009 for the purpose of dissolving a district if a petition requesting dissolution is filed and the petition contains the signatures of at least enough property owners in the district to make a petition sufficient under Section 372.005(b). If the district is dissolved, the district nonetheless shall remain in effect for the purpose of meeting obligations of indebtedness for improvements.

(b) A district may be dissolved at the discretion of the governing body without a petition only if no assessments have been levied on property in the district or if assessments previously levied have been paid in full and the district has no other outstanding obligations. A dissolution under this subsection may not occur until after the governing body holds a hearing and gives notice in the manner required by Section 372.009.

Sec. 372.012. AREA OF DISTRICT. The area of a public improvement district to be assessed according to

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the findings of the governing body of the municipality or county <u>establishing</u> the <u>boundaries</u> <u>may</u> <u>include</u> <u>contiguous</u> and <u>noncontiguous</u> tracts of land and may be less than the area described in the proposed boundaries stated by the notice under Section 372.009. The area to be assessed may not include property not described by the notice as being within the proposed boundaries of the district unless a hearing is held to include the property and notice for the hearing is given in the same manner as notice under Section 372.009.

Sec. 372.013. SERVICE PLAN. (a) The advisory body shall prepare an ongoing service plan and present the plan to the governing body of the municipality or county for review and approval. The governing body may assign responsibility for the plan to the employees of the governing body or an authorized instrumentality or to another entity instead [in the absence] of an advisory body.

- (b) The plan must cover a period of at least five years and must also define the annual indebtedness and the projected <u>qualified</u> costs for improvements.
- (c) The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements. As part of the annual update, a revised assessment roll must be prepared to reflect any division of parcels and any reallocation of assessments based on the division.

Sec. 372.014. ASSESSMENT PLAN; PAYMENT BY EXEMPT JURISDICTIONS. (a) An assessment plan must be included in the annual service plan prepared

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under Section 372.013.

- (b) The municipality or county is responsible for payment of assessments against exempt municipal or county property in the district <u>if any assessments are levied</u>. Payment of assessments by other exempt jurisdictions must be established by contract.
- (c) The assessment plan may require the district to be divided into development phases and, subject to Sections 372.016 and 372.017, may levy assessments periodically in separate development phases or may stagger the collection of assessments, with different development phases in the district assigned different payment and collection dates. The development phases and staggered collection dates may be coordinated with the installation of the improvements or with the maturity dates of installation purchase or reimbursement contract obligations or with temporary notes, time warrants, or bonds [An assessment paid by the municipality or county under this subsection is considered to have been paid by special assessment for the purposes of Subsection (a)].

Sec. 372.015. DETERMINATION OF ASSESSMENT.

- (a) The governing body of the municipality or county shall apportion the <u>qualified costs</u> [eost] of an improvement to be assessed against property in <u>a public</u> [an] improvement district. The apportionment shall be made on the basis of special benefits accruing to the property because of the improvement.
- (b) The qualified costs [Cost] of an improvement may be assessed:
- (1) equally per front foot or square foot;

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- (2) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or
- (3) in any other manner that results in imposing equal shares of the <u>qualified costs</u> [eost] on property similarly benefitted.
- (c) The governing body may establish by ordinance or order:
- (1) reasonable classifications and formulas for the apportionment of the <u>qualified costs</u> [eost] between the municipality or county and the area to be assessed; and
- (2) the methods of assessing the special benefits for various classes of improvements.
- (d) The amount of assessment for each property owner may be:
- (1) adjusted following the annual review of the service plan; and
- (2) reallocated, but not increased, if an assessed parcel has been divided.
- (e) Notice of any reallocation of assessments shall be given to the property owner of the divided parcel.
- (f) The findings, determinations, and assessments made by the governing body under this section are conclusive. Sec. 372.016. ASSESSMENT ROLL. (a) The [After the total cost of an improvement is determined, the governing body of the] municipality or county shall prepare a proposed assessment roll based on the estimated qualified costs of the improvements. The roll must state the assessment against each parcel of land in the district and[, as determined by] the method of

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assessment [chosen by the municipality or county under this subchapter].

- (b) The [governing body shall file the] proposed assessment roll must be filed with the municipal secretary or other officer performing the functions of the municipal secretary or in a district formed by a county, the county tax assessor-collector. The proposed assessment roll is subject to public inspection. When the assessment roll is filed, the appropriate designated officer described by this subsection shall [The governing body shall require the municipal secretary or other officer or county tax assessor-collector to] publish notice of the governing body's intention to consider the proposed assessments at a public hearing. The notice must be published in a newspaper of general circulation in the municipality or county before the 10th day before the date of the hearing. If any part of the public improvement district is located in the municipality's extraterritorial jurisdiction or if any part of the improvements is to be undertaken in the municipality's extraterritorial jurisdiction, the notice must also be published, before the 10th day before the date of the hearing, in a newspaper of general circulation in the part of the extraterritorial jurisdiction in which the district is located or in which the improvements are to be undertaken. The notice must state:
- (1) the date, time, and place of the hearing;
- (2) the general nature of the <u>improvements</u> [improvement];
- (3) the qualified costs [cost] of the improvements

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[improvement];

- (4) the boundaries of the [assessment] district; and
- (5) that written or oral objections will be considered at the hearing.
- (c) When the assessment roll is filed under Subsection
- (b), the <u>appropriate designated</u> [municipal secretary or other] officer shall mail to the owners of property liable for assessment a notice of the hearing. The notice must contain the information required by Subsection (b) and the <u>appropriate designated</u> [secretary or other] officer shall mail the notice to the last known address of the property owner. The failure of a property owner to receive notice does not invalidate the proceeding.

Sec. 372.017. LEVY OF <u>ASSESSMENTS</u> [ASSESSMENT]. (a) At or on the adjournment of the hearing referred to by Section 372.016 on proposed assessments, the governing body of the municipality or county must hear and pass on any objection to a proposed assessment. The governing body may:

- (1) amend a proposed assessment on any parcel; and
- (2) initially or by amendment, provide for reductions of the amount of the annual assessment installments if and to the extent other revenues of the municipality or county of any of the types described by Section 372.026(e) are pledged or become available to pay all or part of installment purchase or reimbursement contract obligations or temporary notes, time warrants, revenue bonds, special assessment bonds, or certificates of obligation that are payable in whole or in part from the assessment installments.

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- After all objections have been heard and the governing body has passed on the objections, the governing body by ordinance or order shall levy the assessment in the amount required to pay qualified costs as a special assessment on the property. The governing body by ordinance or order shall specify the method of payment of the assessment. The governing body may provide that assessments be paid in periodic installments. The installments may be in equal or different annual amounts, but must be in amounts each year necessary to meet annual qualified costs. The installments [for improvements and] must continue for a period and be in amounts necessary to retire any [the] indebtedness or obligation to pay or reimburse for the qualified costs, including the proper administration of the district [on the improvements]. The obligation to pay installments may be conditioned on the occurrence of a future event or condition if the first periodic installment payment of the assessment occurs on a date not later than the fifth anniversary of the date the assessment was levied.
- (c) The governing body may:
- (1) levy multiple assessments on property in the district to finance all or part of public improvements and must comply with Section 372.016 for each assessment;
- (2) execute and deliver installment purchase or reimbursement contracts or temporary notes or time warrants or issue revenue bonds, special assessment bonds, or certificates of obligation to pay the qualified costs or to refund previously executed installment purchase or reimbursement contracts or temporary notes

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or time warrants; and

(3) secure the obligations described by Subdivision (2) by pledging one or more of the assessments levied under this subchapter.

Sec. 372.018. INTEREST ON ASSESSMENT: LIEN. (a) An assessment bears interest at the rate and for the period specified by the governing body of the municipality or county, but may not exceed a rate that is [one half of] one percent higher than the actual interest rate paid on any installment purchase or reimbursement contract obligation or temporary note or time warrant [the public debt] used to finance or to evidence an obligation to pay for the improvement. If revenue bonds, special assessment bonds, or certificates of obligation are issued to pay or refund any of the obligations described by this subsection, the annual interest rate is adjusted to a rate not to exceed one percent higher than the actual rate paid on the bonds or certificates, if the rate is lower than the rate on the obligations. Interest on the assessment between the effective date of the ordinance or order levying the assessment and the date the first installment is payable shall be added to the first installment. The interest on any delinquent installment shall be added to each subsequent installment until all delinquent installments are paid. The added interest payable on an installment purchase or reimbursement contract or a temporary note, time warrant, or bond under this subsection may be used by a municipality or county to pay qualified costs of improvements or the costs of administration of the district, including the enforcement

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- of assessments or the payment or prepayment of obligations.
- (b) An assessment or reassessment, with interest, the expense of collection, and reasonable attorney's fees, if incurred, is a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for [state,] county, special [school] district, or municipality ad valorem taxes, and is a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of the ordinance or order levying the assessment until the assessment is paid in full and may be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body. On the sale of assessed property, any installment or portion of an assessment that is or will be payable for the property during the year of the sale shall be prorated between the buyer and the seller in the same manner as ad valorem taxes are prorated between a buyer and seller. Delinquent installments of the assessment shall incur interest, penalties, and [attorney's] fees in the same manner as delinquent ad valorem taxes.
- (c) A district assessment on property under this subchapter runs with the land. Any portion of an assessment payment obligation that is not yet due is not eliminated by the foreclosure of an ad valorem tax lien. Any purchaser of property at a foreclosure sale under an ad valorem tax lien takes the property subject to any assessment payment obligation that is not yet due and to

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the terms of payment under the applicable assessment ordinance or order.

- (d) The owner of assessed property may pay at any time on any parcel or lot the entire assessment, with interest that:
- (1) has accrued on the assessment; and
- (2) will accrue on the assessment until the next scheduled prepayment or redemption date on the installment purchase or reimbursement contract or temporary note, time warrant, revenue bond, special assessment bond, or certificate of obligation that secured the assessment[, on any lot or parcel].

Sec. 372.019. SUPPLEMENTAL ASSESSMENTS. After notice and a hearing, the governing body of the municipality or county may make supplemental assessments to correct omissions or mistakes in the assessment relating to the <u>qualified costs</u> [total cost] of the improvement. Notice must be given and the hearing held under this section in the same manner as required by Sections 372.016 and 372.017.

Sec. 372.020. REASSESSMENT. The governing body of the municipality or county may make a reassessment or new assessment of a parcel of land if:

- (1) a court [of competent jurisdiction] sets aside an assessment against the parcel;
- (2) the governing body determines that the original assessment is excessive; or
- (3) on the written advice of counsel, the governing body determines that the original assessment is invalid.

Sec. 372.021. SPECIAL IMPROVEMENT DISTRICT

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- FUND. (a) A municipality or county that intends to create a public improvement district may by ordinance or order establish a special improvement district fund in the municipal or county treasury or in a bank designated by the municipality or county to serve as a depository bank for the district's funds.
- (b) The municipality or county annually may levy a tax to support the fund established under this section.
- (c) The fund may be used to:
- (1) pay the <u>qualified</u> costs of <u>improvements</u> [planning, administration, and an improvement authorized by this subchapter];
- (2) prepare preliminary plans, studies, and engineering reports to determine the feasibility of <u>improvements</u> [an <u>improvement</u>]; and
- (3) if ordered by the governing body of the municipality or county, pay the initial qualified costs of improvements [cost of the improvement] until installment purchase contracts or reimbursement contracts are entered into or temporary notes or [5] time warrants are issued or revenue bonds, special assessment bonds, or certificates of obligation are [5, or improvement bonds have been] issued and sold.
- (d) The fund is not required to be budgeted for expenditure during any year, but the amount of the fund must be stated in the municipality's or county's annual budget. The amount of the fund must be based on an annual service plan that describes the public improvements for the fiscal year.
- [(e) A grant-in-aid or contribution made to the

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municipality or county for the planning and preparation of plans for an improvement authorized under this subchapter may be credited to the special improvement district fund.

Sec. 372.022. SEPARATE FUNDS. (a) A separate public improvement district fund shall be created in the municipal or county treasury or in a designated depository bank as provided by Section 372.021 for each district.

- (b) The following revenues shall be deposited to the fund:
- (1) special assessments;
- (2) money, if any, contributed by the municipality or county to pay qualified costs;
- (3) proceeds [Proceeds] from the sale of revenue bonds, if payable in part from special assessments;
- (4) proceeds from the sale of special assessment bonds or certificates of obligation;[, temporary notes, and time warrants,] and
- (5) any other sums appropriated to the fund by the governing body of the municipality or county for the district [shall be credited to the fund].
- (c) The fund may be used solely to pay:
- (1) qualified costs of improvement;
- (2) amounts due on an installment purchase contract or reimbursement amounts owed under a reimbursement contract, temporary note, or time warrant; or
- (3) any revenue bonds, special assessment bonds, or certificates of obligation that are payable in whole or in part from special assessments levied under this

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subchapter [incurred in making an improvement].

- (d) When an improvement is completed <u>and all of the obligations are paid in full</u>, the balance <u>on deposit in the special improvement district fund that was derived from special assessments, if any, [of the part of the assessment that is for improvements] shall be transferred to <u>a</u> [the] fund established for the retirement of bonds <u>that are payable</u> in whole or in part from assessments.</u>
- Sec. 372.023. PAYMENT OF QUALIFIED COSTS.
- (a) The <u>qualified costs</u> [eost] of an improvement made under this subchapter <u>may</u> [must] be paid <u>by a method or by a combination of methods described by [im accordance with]</u> this section and Section 372.024.
- (b) The [A cost payable by the] municipality or county [as a whole] may, on its own or under an installment purchase, reimbursement, or other contract with a third party:
- (1) erect, acquire, construct, improve, repair, establish, install, or equip improvements; and
- (2) pay all or part of the qualified costs of the improvements [be paid] from:
- (A) general funds <u>or other revenues</u> available for <u>that</u> [the] purpose;
- (B) special assessments; or
- (C) the issuance and sale of general obligation bonds, certificates of obligation, revenue bonds, or special assessment bonds [other available general funds].
- (c) The municipality or county may enter into and execute an installment purchase or reimbursement contract with or may deliver a nonnegotiable but

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transferable temporary note or time warrant to a third party under which:

- (1) the third party agrees to:
- (A) erect, acquire, construct, improve, repair, establish, install, or equip public improvements; and
- (B) dedicate or sell the improvements to the municipality, county, or authorized instrumentality; and
- (2) the municipality, county, or authorized instrumentality agrees to pay or reimburse the third party for the qualified costs by paying accumulated amounts due under the installment purchase or reimbursement contract, temporary note, or time warrant from any and all of the sources described by Subsection (b)(2) [A cost payable from a special assessment that has been paid in full shall be paid from that assessment].
- (d) <u>Subject to Section 372.018</u>, an installment purchase or reimbursement contract, temporary note, or time warrant may bear interest at a rate and for a period determined by the governing body of the municipality or county [A cost payable from a special assessment that is to be paid in installments and a cost payable by the municipality or county as a whole but not payable from available general funds or other available general improvement funds shall be paid by the issuance and sale of revenue or general obligation bonds].
- (e) An installment purchase or reimbursement contract, temporary note, or time warrant that is payable from installments of assessments is subject to prepayment and redemption at any time from the proceeds of prepayment of assessments made by a property owner under Section

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- 372.018(d) [While an improvement is in progress, the governing body of the municipality or county may issue temporary notes or time warrants to pay for the costs of the improvement and, on completion of the improvement, issue revenue or general obligation bonds. [(f) The cost of more than one improvement may be paid
- [(f) The cost of more than one improvement may be paid from a single issue and sale of bonds without other consolidation proceedings before the bond issue.
- [(g) The costs of any improvement include all costs incurred in connection with the issuance of bonds under Section 372.024 and may be included in the assessments against the property in the improvement district as provided by this subchapter].
- Sec. 372.024. GENERAL OBLIGATION BONDS, [AND] REVENUE AND SPECIAL ASSESSMENT BONDS, CERTIFICATES OF OBLIGATION, AND BONDS ISSUED BY AUTHORIZED INSTRUMENTALITY. (a) The governing body of a municipality or county may issue:
- (1) general [General] obligation bonds [issued to pay costs under Section 372.023(d) must be issued] under [the provisions of] Subtitles A and C, Title 9, Government Code;
- (2) revenue bonds or special assessment bonds in one or more series; and
- (3) certificates of obligation under Subchapter C, Chapter 271.
- (b) A bond or obligation described by Subsection (a) may be issued to:
- (1) pay qualified costs under Section 372.023(b),

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including the costs of issuing bonds; and

- (2) pay or refund obligations executed or issued under Section 372.023(c).
- (c) Certificates of obligation may be payable from and secured by installment payments of special assessments levied under this subchapter.
- (d) The governing body of the municipality or county or the authorized instrumentality may include any term or provision consistent with this subchapter in a revenue bond or a special assessment bond issued under this section.
- (e) The governing body of a municipality or county may incorporate an authorized instrumentality to act on its behalf to issue revenue bonds or special assessment bonds under this section. The governing body may enter into agreements and contracts with the authorized instrumentality to transfer pledged revenues, funds, and special assessments to or for the account of the authorized instrumentality at the times and as required by the terms of the resolution authorizing the issuance of the revenue bonds or special assessment bonds. Any bonds issued by an authorized instrumentality must be approved by the governing body of the municipality or county before issuance and delivery to the purchaser.
- (f) To the extent consistent with this subchapter, an authorized instrumentality shall issue revenue bonds or special assessment bonds under:
- (1) Chapter 303, if the authorized instrumentality is a public facility corporation; or
- (2) Subchapter D, Chapter 431, Transportation Code, if

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the authorized instrumentality is a local government corporation [Revenue bonds issued to pay costs under that subsection may be issued from time to time in one or more series and are to be payable from and secured by liens on all or part of the revenue derived from improvements authorized under this subchapter, including revenue derived from installment payments of special assessments].

Sec. 372.0241. SPECIAL ASSESSMENT PUBLIC IMPROVEMENT DISTRICT MANAGEMENT POLICY. (a) The governing body of a municipality or county may develop, adopt, and amend a special assessment public improvement district management policy.

- (b) The policy may establish the general requirements and standards for and the preconditions to:
- (1) the creation of a public improvement district under this subchapter;
- (2) the execution and issuance of installment purchase or reimbursement contracts or temporary notes or time warrants; and
- (3) the issuance of any bonds or certificates of obligation payable in whole or in part from special assessments.
- (c) If a management policy is adopted, compliance with the terms of the policy, including any amendments to the policy, is required for:
- (1) the execution of any installment purchase or reimbursement contracts or temporary notes or time warrants;

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- (2) the issuance of any revenue bonds or special assessment bonds by the municipality or county or by an authorized instrumentality; and
- (3) the issuance of any certificates of obligation by a municipality or county.

Sec. 372.025. TERMS AND CONDITIONS OF BONDS. (a) Revenue bonds and special assessment bonds issued under Section 372.024 must be authorized by:

- (1) ordinance, if issued by a municipality;
- (2) order, if issued by a county; and
- (3) resolution, if issued by an authorized instrumentality.
- (b) Revenue bonds and special assessment bonds may be issued to mature serially or in any other manner but must mature not later than 40 years after their date. A provision may be made for the subsequent issuance of additional parity bonds or subordinate lien bonds secured in whole or in part by any assessments or any other revenues authorized by this subchapter under terms and conditions specified in the ordinance, [or] order, or resolution authorizing the issuance of the bonds.
- (c) Revenue bonds, special assessment bonds, and certificates of obligation may be subject to redemption before maturity at the option of the issuer and at the times and in the manner provided by the ordinance, order, or resolution authorizing the issuance. Revenue bonds and certificates of obligation that are secured in part by a pledge of special assessments and all special assessment bonds are subject to mandatory redemption at least semiannually from funds provided by assessed

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parties, if any, as prepayment of installments of special assessments under Section 372.018(d).

- (d) Revenue bonds and special assessment bonds shall be executed in the manner and by the persons required by the ordinance, order, or resolution authorizing the issuance.
- (e) Revenue bonds and special assessment [(b) The] bonds [shall be executed and the bonds] and any interest coupons appertaining to the bonds [them] are negotiable instruments within the meaning and for all purposes of the Uniform Commercial Code (Section 1.101 et seq., Business & Commerce Code).
- (f) The ordinance, [of] order, or resolution authorizing the issuance of the revenue bonds or special assessment bonds must specify:
- (1) whether the bonds <u>may be registered</u> [are issued registrable] as to principal alone or as to both principal and interest;
- (2) whether the bonds are redeemable before maturity;
- (3) the form, denomination, and manner of issuance;
- (4) the terms, conditions, and other details applying to the bonds including the price, terms, and interest rates on the bonds; and
- (5) the manner of sale of the bonds.
- (g) [(e)] The ordinance, [or] order, or resolution authorizing the issuance of the bonds may specify that the proceeds from the sale of the bonds:
- (1) be used to pay interest on the bonds during and after the period of acquisition or construction of an improvement financed through the sale of the bonds;

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- (2) be used for creating a reserve fund for payment of the principal of and interest on the bonds and for creating other funds; [and]
- (3) be used for the payment of any other qualified costs as determined by the governing body of the municipality or county or by the authorized instrumentality; and
- (4) may be placed in time deposit or invested, until needed.
- Sec. 372.026. PLEDGES. (a) For the payment of [bonds issued under this subchapter and the payment of] principal, interest, and any other amounts <u>payable on or with respect to any bonds issued by a municipality or county under this subchapter</u> [required or permitted in connection with the bonds], the governing body of the municipality or county may pledge:
- (1) all or part of the income from improvements financed under this subchapter, including income received in installment payments <u>from special</u> assessments; and
- (2) if the payment is for the payment of revenue bonds, any other revenue described by Subsection (e) [under Section 372.023].
- (b) For the payment of principal, interest, and any other amounts payable on or with respect to bonds issued by an authorized instrumentality under this subchapter, the authorized instrumentality may pledge all or part of the assessments or other revenues, if any, that are to be transferred and paid to the authorized instrumentality by the municipality or county under an agreement entered into between the parties under Section 372.024(e).

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- (c) Pledged income must be [fixed and collected in amounts] sufficient, with other pledged resources, if any, to pay principal, interest, and other expenses related to the bonds, and to the extent required by the ordinance, [or] order, or resolution authorizing the bonds, to pay for the operation, maintenance, and other expenses related to improvements authorized by this subchapter.
- (d) Bonds issued by a municipality or county [(e) The bonds] may also be secured by mortgages or deeds of trust on any real property related to the facilities authorized under this subchapter that are owned or are to be acquired by the municipality or county and by chattel mortgages, liens, or security interests on any personal property appurtenant to that real property. The governing body may authorize the execution of trust indentures, mortgages, deeds of trust, or other forms of encumbrances as evidence of the security interest of the holders of the bonds in the related property [indebtedness].
- (e) [(d)] The governing body may pledge to the payment of certificates of obligation issued by the governing body or to the payment of revenue bonds issued by the governing body or by an authorized instrumentality all or part of a grant, donation, revenue, or income received or to be received from the government of the United States or any other public or private source, whether or not it is received pursuant to an agreement or otherwise, including impact fees and incremental ad valorem tax revenues collected by a municipality or by another taxing unit and municipal sales tax collected by a municipality

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<u>from all or part of a tax increment reinvestment zone</u> created under Chapter 311, Tax Code.

Sec. 372.027. REFUNDING BONDS. (a) Revenue bonds and special assessment bonds issued under this subchapter and certificates of obligation payable solely from special assessments may be refunded or refinanced by the issuance of refunding bonds, under terms or conditions provided [set forth] in the ordinance, order, or resolution authorizing the issuance [ordinances or orders] of the [municipality or county issuing the] bonds. The provisions of this subchapter applying generally to revenue bonds and special assessment bonds, including provisions related to the issuance of those bonds, apply to refunding bonds of like kind authorized by this section. The refunding bonds may be sold and delivered in amounts necessary to pay [for] the principal, interest, and any redemption premium of the bonds [to be refunded], on the date of the maturity of the bonds [bond] or any redemption date of the bonds [bond].

- (b) Refunding bonds may be issued for exchange with the bonds they are refunding. The comptroller of public accounts shall register refunding bonds described by this subsection and deliver the bonds to holders of bonds being refunded in accordance with the ordinance, [off order, or resolution authorizing the issuance of refunding bonds. The exchange may be made in one delivery or several installment deliveries.
- (c) General obligation bonds <u>and certificates of obligation</u> issued under this subchapter may be refunded in the manner provided by law.

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Sec. 372.028. APPROVAL AND REGISTRATION. (a) Revenue bonds and special assessment bonds issued under this subchapter and a record of the proceedings authorizing their issuance must be submitted to the attorney general for examination. If revenue bonds state that they are secured by a pledge of revenue or rentals from a contract or lease, a copy of the contract or lease and a description of the proceedings authorizing the contract or lease must also be submitted to the attorney general.

- (b) If the attorney general determines that the bonds were authorized and the contracts or leases related to the bonds were made in accordance with the law, the attorney general shall approve the bonds and the contract or lease. After [On the approval of] the attorney general approves the bonds and the contract or lease, the comptroller of public accounts shall register the bonds.
- (c) Bonds and contracts or leases approved and registered under this section are:
- (1) valid and binding obligations for all purposes in accordance with their terms; and
- (2) [are] incontestable in any court or other forum.
- (d) General obligation bonds <u>and certificates of obligation</u> issued under this subchapter shall be approved and registered as provided by law.

Sec. 372.029. AUTHORIZED INVESTMENTS; SECURITY. (a) Bonds issued under this subchapter are legal and authorized investments for:

(1) banks, trust companies, and savings and loan associations;

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(2) all insurance companies;

- (3) fiduciaries, trustees, and guardians; and
- (4) interest funds, sinking funds, and other public funds of the state or of an agency, subdivision, or instrumentality of the state, including a county, municipality, school district, or other district, public agency, or body politic.
- (b) Bonds issued under this subchapter may be security for deposits of public funds of the state or of an agency, subdivision, or instrumentality of the state, including a county, municipality, school district, or other district, public agency, or body politic, to the extent of the market value of the bonds, if accompanied by any appurtenant [unmatured] interest coupons that have not matured.

Sec. 372.030. SUBCHAPTER NOT EXCLUSIVE. This subchapter is an alternative to other methods by which a municipality may finance public improvements under applicable law [by assessing property owners].

SECTION __. Section 61.0572, Education Code, is amended by adding Subsection (f) to read as follows: (f) Approval of the board is not required for buildings or other facilities financed by a public improvement district under Subchapter A, Chapter 372, Local Government Code.

SECTION __. Section 61.058, Education Code, is amended by adding Subsection (c) to read as follows:

(c) This section does not apply to construction, repair, or rehabilitation of buildings or other facilities financed by

No equivalent provision.

No equivalent provision.

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<u>a public improvement district under Subchapter A, Chapter 372, Local Government Code.</u>

No equivalent provision.

SECTION __. All governmental acts and proceedings of a governmental body of a municipality or county under Subchapter A, Chapter 372, Local Government Code, as that subchapter existed before the effective date of this Act, to establish a public improvement district, designate improvements, levy assessments, and finance costs of improvements in response to a petition filed with the governing body that conformed to the requirements of Section 372.005, Local Government Code, as that section existed before the effective date of this Act, are validated and confirmed in all respects.

The following rows were presented as identical to language in the house committee report version of Senate Bill 2491, relating to the powers and duties of certain public improvement districts. There is no official printing of the house committee report for Senate Bill 2491.

No equivalent provision.

SECTION ___. (a) Section 372.1011, Local Government Code, is amended to read as follows:

Sec. 372.1011. APPLICABILITY. This subchapter applies only to:

(1) a county with a population of <u>1.2 million</u> [825,000] or more, other than a county that:

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- (A) borders on the Gulf of Mexico or a bay or inlet of the gulf; or
- (B) has two municipalities located wholly or partly in its boundaries each having a population of 300,000 or more; or
- (2) a county with a population of 70,000 or more that is adjacent to a county described by Subdivision (1) in which a municipality with a population of 35,000 or more is primarily situated and includes all or a part of the extraterritorial jurisdiction of a municipality with a population of 1.1 million or more.
- (b) This section takes effect only if the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes does not become law. If the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes becomes law, this section has no effect.

SECTION __. Subchapter C, Chapter 372, Local Government Code, is amended by adding Section 372.1245 to read as follows:

Sec. 372.1245. ANNEXATION OR EXCLUSION OF LAND. (a) A district may annex or exclude land from the district as provided by Subchapter J, Chapter 49, Water Code.

- (b) Before a district may adopt an order adding or excluding land, the district must obtain the consent of:
- (1) the county that created the district by a resolution of the county commissioners court; and

No equivalent provision.

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No equivalent provision.

No equivalent provision.

SECTION __. Subsection (c), Section 372.127, Local Government Code, is amended to read as follows:

body.

(2) a municipality in which the district is located, or in whose extraterritorial jurisdiction the district is located, by a resolution adopted by the municipality's governing

(c) A county must adopt an order providing whether a district has the authority to impose a hotel occupancy tax, sales and use tax, or ad valorem tax, and must provide the <u>maximum</u> rate at which the district may impose the tax. [A tax rate approved by the commissioners court and pledged to secure bonds, notes, grant agreements, or development agreements may not be reduced until the obligations of those instruments have been satisfied.]

SECTION ___. (a) Section 382.002, Local Government Code, is amended to read as follows:

Sec. 382.002. APPLICABILITY. This chapter applies only to:

- (1) a county with a population of $\underline{1.2 \text{ million}}$ [825,000] or more, other than a county that:
- (A) borders on the Gulf of Mexico or a bay or inlet of the gulf; or
- (B) has two municipalities located wholly or partly in its boundaries each having a population of 300,000 or more; or
- (2) a county with a population of 70,000 or more that is adjacent to a county described by Subdivision (1) in

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which a municipality with a population of 35,000 or more is primarily situated and includes all or a part of the extraterritorial jurisdiction of a municipality with a population of 1.1 million or more.

(b) This section takes effect only if the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes becomes law. If the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes does not become law, this section has no effect.

SECTION ___. Subchapter C, Chapter 382, Local Government Code, is amended by adding Section 382.113 to read as follows:

Sec. 382.113. ANNEXATION OR EXCLUSION OF LAND. (a) A district may annex or exclude land from the district as provided by Subchapter J, Chapter 49, Water Code.

- (b) Before a district may adopt an order adding or excluding land, the district must obtain the consent of:
- (1) the county that created the district by a resolution of the county commissioners court; and
- (2) a municipality in which the district is located, or in whose extraterritorial jurisdiction the district is located, by a resolution adopted by the municipality's governing body.

SECTION __. Subsection (c), Section 382.153, Local Government Code, is amended to read as follows:

No equivalent provision.

No equivalent provision.

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No equivalent provision.

No equivalent provision.

provide the <u>maximum</u> rate at which the district may impose the tax. [A tax rate approved by the commissioners court and pledged to secure bonds, notes, grant agreements, or development agreements may not be reduced until the obligations of those instruments have been satisfied.]

SECTION ___. (a) The legislature validates and

(c) A county must adopt an order providing whether a district has the authority to impose a hotel occupancy tax, sales and use tax, or ad valorem tax, and must

- SECTION ___. (a) The legislature validates and confirms all governmental acts and proceedings before the effective date of this Act of a district created under Subchapter C, Chapter 372, Local Government Code, as that chapter existed before the effective date of this Act, including acts of the district's board of directors.
- (b) Subsection (a) of this section does not apply to a matter that on the effective date of this Act:
- (1) is involved in litigation, if the litigation ultimately results in the matter being held invalid by a final court judgment; or
- (2) has been held invalid by a final court judgment.

SECTION ___. (a) The Sections of this Act amending Chapter 372, Local Government Code, take effect only if the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes does not become law. If the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted

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codes becomes law, the Sections of this Act amending Chapter 372, Local Government Code, have no effect.

(b) The Sections of this Act amending Chapter 382, Local Government Code, take effect only if the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes becomes law. If the Act of the 81st Legislature, Regular Session, 2009, relating to nonsubstantive additions to and corrections in enacted codes does not become law, the Sections of this Act amending Chapter 382, Local Government Code, have no effect.