

SENATE AMENDMENTS

2nd Printing

By: Coleman

H.B. No. 3485

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the administration of certain county services and
3 duties, including the administration of county assistance
4 districts.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

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

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

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

24 Art. 15.09. COMPLAINT MAY BE FORWARDED [~~BY TELEGRAPH~~]. A

1 complaint in accordance with Article 15.05, may be forwarded
2 [~~telegraphed~~], as provided by [~~in the preceding~~] Article 15.08, to
3 any magistrate in the State; and the magistrate who receives the
4 same shall forthwith issue a warrant for the arrest of the accused;
5 and the accused, when arrested, shall be dealt with as provided in
6 this Chapter in similar cases.

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

9 (a) If the arrested person fails or refuses to give bail, as
10 provided in Article 15.18, the arrested person shall be committed
11 to the jail of the county where the person was arrested; and the
12 magistrate committing the arrested person shall immediately
13 provide notice to the sheriff of the county in which the offense is
14 alleged to have been committed regarding:

15 (1) the arrest and commitment, which notice may be
16 given by [~~telegraph~~] mail[~~7~~] or other written means or by secure
17 facsimile transmission or other secure electronic means; and

18 (2) whether the person was also arrested under a
19 warrant issued under Section 508.251, Government Code.

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

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

1 defendant in writing as provided by Subsection (d).

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

4 Sec. 31.037. SUSPENSION OR TERMINATION OF EMPLOYMENT. The
5 employment of the county elections administrator may be suspended,
6 with or without pay, or terminated at any time for good and
7 sufficient cause on the four-fifths vote of the county election
8 commission and approval of that action by a majority vote of the
9 commissioners court.

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

12 (f) A reimbursement for expenses under this section is not a
13 property right of a person who reports for jury service for purposes
14 of Chapters 72 and 74, Property Code. If a check, instrument, or
15 other method of payment authorized under Section 113.048, Local
16 Government Code, [~~instrument~~] representing a reimbursement under
17 this section is not presented for payment or redeemed before the
18 90th day after it is issued:

19 (1) the instrument or other method of payment is
20 considered forfeited and is void; and

21 (2) the money represented by the instrument or other
22 method of payment may be placed or retained in the county's jury
23 fund, the county's general fund, or any other fund in which county
24 funds can be legally placed, at the discretion of the commissioners
25 court.

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

1 (e) Notwithstanding Subsection (a), a county that has
2 adopted a system or method of payment authorized by Section
3 113.048, Local Government Code, may provide a person who reports
4 for jury service in the county an opportunity to donate all, or a
5 specific part designated by the juror, of the juror's daily
6 reimbursement by completing a self-executing application on a form
7 prescribed by the commissioners court.

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

10 (c) If a county discovers cash in the possession of a
11 deceased pauper, the county shall place the money in a trust
12 account. A person having a claim to the money in the trust account
13 must exercise the right to collect the money not later than the
14 first anniversary of the date the money is placed in the trust
15 account.

16 (d) A county may create a fund to be used by the county to
17 pay the costs incurred in disposing of the bodies of deceased
18 paupers. If money placed in a trust account under Subsection (c) is
19 not claimed by the first anniversary of the date the money is placed
20 in the trust account, the county may transfer the money to the fund
21 created under this subsection.

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

24 Sec. 716.101. UNIDENTIFIED HUMAN REMAINS. (a) Except as
25 provided by Subsection (b), a [A] crematory establishment may not
26 accept for cremation unidentified human remains.

27 (b) Notwithstanding any other provision of this chapter, a

1 crematory establishment may accept for cremation unidentified
2 human remains from a county on the order of:

3 (1) the county commissioners court; or

4 (2) a court located in the county.

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

7 Sec. 113.048. DISBURSEMENT OF MONEY FOR JURY SERVICE. (a)

8 Notwithstanding any other provision of this subchapter or other law
9 to the contrary, a county treasurer may disburse to a person who
10 reports for jury service and discharges the person's duty the daily
11 amount of reimbursement for jury service expenses set by the
12 commissioners court under Section 61.001, Government Code, by:

13 (1) using an electronic funds transfer system in
14 accordance with Chapter 156;

15 (2) using a cash dispensing machine;

16 (3) issuing a debit card or a stored value card; or

17 (4) using any other method that the county treasurer
18 and the commissioners court determine is secure, accurate, and
19 cost-effective and that is convenient for persons who report for
20 jury service.

21 (b) A system or method of payment adopted by a county
22 treasurer under Subsection (a) may be implemented only if it is
23 approved by the commissioners court and administered in accordance
24 with the procedures established by the county auditor or by the
25 chief financial officer of a county that does not have a county
26 auditor.

27 (c) A system or method of payment authorized by this section

1 may be used in lieu of or in addition to the issuance of warrants or
2 checks authorized under this subchapter.

3 SECTION 11. Subchapter Z, Chapter 157, Local Government
4 Code, is amended by adding Section 157.9031 to read as follows:

5 Sec. 157.9031. AUTHORITY TO REQUIRE REIMBURSEMENT FOR
6 CERTAIN COVERAGE. An intergovernmental pool operating under
7 Chapter 119 of this code or its successor may, pursuant to policies
8 concerning the provision of coverage adopted by the pool's
9 governing body or by a county commissioners court obtaining
10 coverage from such a pool, require reimbursement for the provision
11 of punitive damage coverage from a person to whom the
12 intergovernmental pool provides coverage.

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

15 (a) Any law that requires a county to follow a competitive
16 bidding procedure in making a purchase requiring the expenditure of
17 \$50,000 [~~\$25,000~~] or less does not apply to the purchase of an item
18 available for purchase from only one supplier.

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

21 (a) Before a county may purchase one or more items under a
22 contract that will require an expenditure exceeding \$50,000
23 [~~\$25,000~~], the commissioners court of the county must:

24 (1) comply with the competitive bidding or competitive
25 proposal procedures prescribed by this subchapter;

26 (2) use the reverse auction procedure, as defined by
27 Section 2155.062(d), Government Code, for purchasing; or

1 (3) comply with a method described by Subchapter H,
2 Chapter 271.

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

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

14 (1) a statute requires the governmental entity to
15 award the contract on the basis of competitive bids; and

16 (2) the contract requires the expenditure of more
17 than:

18 (A) \$25,000 from the funds of a governmental
19 entity other than a county; or

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

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

23 (b) To the extent competitive bidding procedures in Title 8
24 apply, the board may not enter purchasing contracts that involve
25 spending more than \$50,000 [~~\$25,000~~] unless the board complies
26 with:

27 (1) Subchapter C, Chapter 262, if the district was

1 created by a county; or

2 (2) Chapter 252, if the district was created by a
3 municipality.

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

7 (a) The commissioners court of the county may call an
8 election on the question of creating a county assistance district
9 under this chapter. More than one county assistance district may be
10 created in a county.

11 (a-1) A district may ~~to~~ perform the following functions in
12 the district:

13 (1) the construction, maintenance, or improvement of
14 roads or highways;

15 (2) the provision of law enforcement and detention
16 services;

17 (3) the maintenance or improvement of libraries,
18 museums, parks, or other recreational facilities;

19 (4) the provision of services that benefit the public
20 health or welfare, including the provision of firefighting and fire
21 prevention services; or

22 (5) the promotion of economic development and tourism.

23 (b) The order calling the election must:

24 (1) define the boundaries of the district to include
25 any portion of the county in which the combined tax rate of all
26 local sales and use taxes imposed, including the rate to be imposed
27 by the district if approved at the election, would not exceed the

1 maximum combined rate of sales and use taxes imposed by political
2 subdivisions of this state that is prescribed by Sections 321.101
3 and 323.101, Tax Code [~~two percent~~]; and

4 (2) call for the election to be held within those
5 boundaries.

6 (b-1) If the proposed district includes any territory of a
7 municipality, the commissioners court shall send notice by
8 certified mail to the governing body of the municipality of the
9 commissioners court's intent to create the district. If the
10 municipality has created a development corporation under Chapter
11 504 or 505, Local Government Code [~~Section 4A or 4B, Development~~
12 ~~Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil~~
13 ~~Statutes)~~], the commissioners court shall also send the notice to
14 the board of directors of the corporation. The commissioners court
15 must send the notice not later than the 60th day before the date the
16 commissioners court orders the election. The governing body of the
17 municipality may exclude the territory of the municipality from the
18 proposed district by sending notice by certified mail to the
19 commissioners court of the governing body's desire to exclude the
20 municipal territory from the district. The governing body must
21 send the notice not later than the 45th day after the date the
22 governing body receives notice from the commissioners court under
23 this subsection. The territory of a municipality that is excluded
24 under this subsection may subsequently be included in:

25 (1) the district in an election held under Subsection
26 (f) with the consent of the municipality; or

27 (2) another district after complying with the

1 requirements of this subsection and after an election under
2 Subsection (f).

3 (c) The ballot at the election must be printed to permit
4 voting for or against the proposition: "Authorizing the creation
5 of the ____ County Assistance District No.____ (insert name of
6 district) and the imposition of a sales and use tax at the rate of
7 ____ [~~of one~~] percent (insert [~~one-eighth, one-fourth,~~
8 ~~three-eighths, or one-half, as~~] appropriate rate) for the purpose
9 of financing the operations of the district."

10 (e) If a majority of the votes received at the election are
11 against the creation of the district, the district is not created
12 and the county at any time may call one or more elections [~~another~~
13 ~~election~~] on the question of creating one or more [~~a~~] county
14 assistance districts [~~district may not be held in the county before~~
15 ~~the first anniversary of the most recent election concerning the~~
16 ~~creation of a district~~].

17 (f) The commissioners court may call an election to be held
18 in an area of the county that is not located in a district created
19 under this section to determine whether the area should be included
20 in the district and whether the district's sales and use tax should
21 be imposed in the area. An election may not be held in an area in
22 which the combined tax rate of all local sales and use taxes
23 imposed, including the rate to be imposed by the district if
24 approved at the election, would exceed the maximum combined rate of
25 sales and use taxes imposed by political subdivisions of this state
26 that is prescribed by Sections 321.101 and 323.101, Tax Code [~~two~~
27 ~~percent~~].

1 (h) If more than one election to authorize a local sales and
2 use tax is held on the same day in the area of a proposed district or
3 an area proposed to be added to a district and if the resulting
4 approval by the voters would cause the imposition of a local sales
5 and use tax in any area to exceed the maximum combined rate of sales
6 and use taxes of political subdivisions of this state that is
7 prescribed by Sections 321.101 and 323.101, Tax Code [~~two percent~~],
8 only a tax authorized at an election under this section may be
9 imposed.

10 (i) In addition to the authority to include an area in a
11 district under Subsection (f), the governing body of a district by
12 order may include an area in the district on receipt of a petition
13 or petitions signed by the owner or owners of the majority of the
14 land in the area to be included in the district. If there are no
15 qualified voters in the area to be included in the district, no
16 election is required.

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

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

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

26 (1) the commissioners court is the governing body of
27 the district; or

1 (2) the commissioners court shall appoint a governing
2 body of the district.

3 (b) A member of the governing body of the district
4 ~~[commissioners court]~~ is not entitled to compensation for service
5 ~~[on the governing body of the district]~~ but is entitled to
6 reimbursement for actual and necessary expenses.

7 (c) A board of directors appointed by the commissioners
8 court under this section shall consist of five directors who serve
9 staggered terms of two years. To be eligible to serve as a
10 director, a person must be at least 18 years of age and a resident of
11 the county in which the district is located. The initial directors
12 shall draw lots to achieve staggered terms, with three of the
13 directors serving one-year terms and two of the directors serving
14 two-year terms.

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

17 (a) A district may:

18 (1) perform any act necessary to the full exercise of
19 the district's functions;

20 (2) accept a grant or loan from:

21 (A) the United States;

22 (B) an agency or political subdivision of this
23 state; or

24 (C) a public or private person;

25 (3) acquire, sell, lease, convey, or otherwise dispose
26 of property or an interest in property under terms determined by the
27 district;

- 1 (4) employ necessary personnel; ~~and~~
2 (5) adopt rules to govern the operation of the
3 district and its employees and property; and
4 (6) enter into agreements with municipalities
5 necessary or convenient to achieve the district's purposes,
6 including agreements regarding the duration, rate, and allocation
7 between the district and the municipality of sales and use taxes.

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

11 (b) A district may not adopt a sales and use tax under this
12 chapter if the adoption of the tax would result in a combined tax
13 rate of all local sales and use taxes that would exceed the maximum
14 combined rate prescribed by Sections 321.101 and 323.101, Tax Code,
15 ~~[of more than two percent]~~ in any location in the district.

16 (c) A district may define areas in the district to pay for
17 improvements, facilities, or services that primarily benefit that
18 area and do not generally and directly benefit the district as a
19 whole. The district may impose different rates of sales and use tax
20 in each defined area, provided that the sales and use tax rate does
21 not exceed the rate approved at an election held under Section
22 387.003.

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

25 Sec. 387.009. TAX RATE. The rate of a tax adopted under
26 this chapter must be in increments of one-eighth~~[, one-fourth,~~
27 ~~three-eighths, or one-half]~~ of one percent.

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

3 (a) A district that has adopted a sales and use tax under
4 this chapter may, by order and subject to Section 387.007(b):

5 (1) reduce [~~change~~] the rate of the tax or repeal the
6 tax without an election, except that the district may not repeal the
7 sales and use tax or reduce the rate of the sales and use tax below
8 the amount pledged to secure payment of an outstanding district
9 debt or contractual obligation;

10 (2) increase the rate of the sales and use tax, if the
11 increased rate of the sales and use tax will not exceed the rate
12 approved at an election held under Section 387.003; or

13 (3) increase the rate of the sales and use tax to a
14 rate that exceeds the rate approved at an election held under
15 Section 387.003 after [~~if~~] the increase [~~change or repeal~~] is
16 approved by a majority of the votes received in the district at an
17 election held for that purpose.

18 (b) The tax may be changed under Subsection (a) in one or
19 more increments of one-eighth of one percent [~~to a maximum of~~
20 ~~one-half of one percent~~].

21 (c) The ballot for an election to increase [~~change~~] the tax
22 shall be printed to permit voting for or against the proposition:
23 "The increase [~~change~~] of a sales and use tax for the ____ County
24 Assistance District No. ____ (insert name of district) from the rate
25 of ____ [~~of one~~] percent (insert [~~one-fourth, three-eighths, or~~
26 ~~one-half, as~~] appropriate rate) to the rate of ____ [~~of one~~] percent
27 (insert [~~one-fourth, three-eighths, or one-half, as~~] appropriate

1 rate)."

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

4 Sec. 387.012. EFFECTIVE DATE OF TAX. The adoption of the
5 tax, the increase or reduction [~~change~~] of the tax rate, or the
6 repeal of the tax takes effect on the first day of the first
7 calendar quarter occurring after the expiration of the first
8 complete quarter occurring after the date the comptroller receives
9 a copy of the order of the district's governing body [~~notice of the~~
10 ~~results of the election~~] adopting, increasing, reducing
11 [~~changing~~], or repealing the tax.

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

14 (b) For purposes of Subsection (a)(1), "obtaining or
15 furnishing information" includes information obtained or furnished
16 through the review and analysis of, and the investigation into the
17 content of, computer-based data not available to the public.
18 "Obtaining or furnishing information" does not include information
19 obtained or furnished by an information technology professional who
20 is an employee of a county and who is:

21 (1) in the course and scope of employment, installing
22 or repairing computer equipment belonging to the county or is
23 examining the cause for required repair; and

24 (2) not performing any other act that requires a
25 license under this chapter.

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

1 (1) In cases in which it is provided that personal
2 service shall be had with respect to a citation or notice, the
3 citation or notice must be served on the attorney of record for the
4 person who is being cited or notified. Notwithstanding the
5 requirement of personal service, service may be made on the
6 attorney by any method specified under this chapter for service on
7 an attorney. If there is no attorney of record in the proceeding
8 for the person who is being cited or notified, or if an attempt to
9 make service on the attorney was unsuccessful, a citation or notice
10 directed to a person within this state must be served [~~in person by~~
11 ~~the sheriff or constable~~] on the person who is being cited or
12 notified by delivering to the person a true copy of the citation or
13 notice at least 10 days before the return day on the citation or
14 notice, exclusive of the date of service. If the person who is
15 being cited or notified is absent from the state or is a
16 nonresident, the citation or notice may be served by a
17 disinterested person competent to make oath of the fact. The
18 citation or notice served by a disinterested person shall be
19 returnable at least 10 days after the date of service, exclusive of
20 the date of service. The return of the person serving the citation
21 or notice shall be endorsed on or attached to the citation or
22 notice. The return must show the time and place of service, certify
23 that a true copy of the citation or notice was delivered to the
24 person directed to be served, be subscribed and sworn to before an
25 officer authorized by the laws of this state to take affidavits,
26 under the hand and official seal of the officer, and returned to the
27 county clerk who issued the citation or notice. If the citation or

1 notice is returned with the notation that the person sought to be
2 served, whether or not within this state, cannot be found, the clerk
3 shall issue a new citation or notice directed to the person sought
4 to be served and service shall be by publication.

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

7 (c) The sheriff, constable, or other person authorized by
8 law [~~officer~~] shall personally serve citation to appear and answer
9 the application for guardianship on:

10 (1) a proposed ward who is 12 years of age or older;

11 (2) the parents of a proposed ward if the whereabouts
12 of the parents are known or can be reasonably ascertained;

13 (3) any court-appointed conservator or person having
14 control of the care and welfare of the proposed ward;

15 (4) a proposed ward's spouse if the whereabouts of the
16 spouse are known or can be reasonably ascertained; and

17 (5) the person named in the application to be
18 appointed guardian, if that person is not the applicant.

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

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

1 consequences of a hearing on the application. A copy of the
2 application must be attached to the citation [~~notice~~].

3 SECTION 27. (a) Article 26.13(j), Code of Criminal
4 Procedure, as added by this Act, applies only to an offense
5 committed on or after the effective date of this Act. An offense
6 committed before the effective date of this Act is governed by the
7 law in effect at the time the offense was committed, and the former
8 law is continued in effect for that purpose. For purposes of this
9 section, an offense was committed before the effective date of this
10 Act if any element of the offense occurred before that date.

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

14 (c) The changes in law made by Sections 262.003, 262.023,
15 271.024, and 363.156, Local Government Code, as amended by this
16 Act, apply only to a purchase made or contract executed on or after
17 the effective date of this Act. A purchase made or contract
18 executed before the effective date of this Act is governed by the
19 law in effect immediately before that date, and the former law is
20 continued in effect for that purpose.

21 SECTION 28. The changes in law made by this Act to Sections
22 632(f)(1), 633(c), and 875(e), Texas Probate Code, apply to a
23 guardianship proceeding that is pending or commenced on or after
24 the effective date of this Act.

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

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

By: Roger W. N.
Substitute the following for Roger W. N.
By: _____

H.B. No. 3485

Substitute the following for H.B. No. 3485:

C.S. H.B. No. 3485

A BILL TO BE ENTITLED

AN ACT

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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.

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Art. 15.09. COMPLAINT MAY BE FORWARDED [~~BY TELEGRAPH~~]. A

1 complaint in accordance with Article 15.05, may be forwarded
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3 any magistrate in the State; and the magistrate who receives the
4 same shall forthwith issue a warrant for the arrest of the accused;
5 and the accused, when arrested, shall be dealt with as provided in
6 this Chapter in similar cases.

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11 to the jail of the county where the person was arrested; and the
12 magistrate committing the arrested person shall immediately
13 provide notice to the sheriff of the county in which the offense is
14 alleged to have been committed regarding:

15 (1) the arrest and commitment, which notice may be
16 given by [~~telegraph~~] mail[~~7~~] or other written means or by secure
17 facsimile transmission or other secure electronic means; and

18 (2) whether the person was also arrested under a
19 warrant issued under Section 508.251, Government Code.

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

22 (a) Only the following persons may be present in a grand
23 jury room while the grand jury is conducting proceedings:

24 (1) grand jurors;

25 (2) bailiffs;

26 (3) the attorney representing the state;

27 (4) witnesses while being examined or when necessary

1 to assist the attorney representing the state in examining other
2 witnesses or presenting evidence to the grand jury;

3 (5) interpreters, if necessary; ~~and~~

4 (6) a stenographer or person operating an electronic
5 recording device, as provided by Article 20.012; and

6 (7) a person operating a video teleconferencing system
7 for use under Article 20.151.

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

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

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

23 Art. 20.151. CERTAIN TESTIMONY BY VIDEO TELECONFERENCING.

24 (a) With the consent of the foreman of the grand jury and the
25 attorney representing the state, a peace officer summoned to
26 testify before the grand jury may testify through the use of a
27 closed circuit video teleconferencing system that provides an

1 encrypted, simultaneous, compressed full motion video and
2 interactive communication of image and sound between the peace
3 officer, the attorney representing the state, and the grand jury.

4 (b) In addition to being administered the oath described by
5 Article 20.16(a), before being interrogated, a peace officer
6 testifying through the use of a closed circuit video
7 teleconferencing system under this article shall affirm that:

8 (1) no person other than a person in the grand jury
9 room is capable of hearing the peace officer's testimony; and

10 (2) the peace officer's testimony is not being
11 recorded or otherwise preserved by any person at the location from
12 which the peace officer is testifying.

13 (c) Testimony received from a peace officer under this
14 article shall be recorded and preserved.

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

18 (c) A recording of the communication shall be made and
19 preserved until all appellate proceedings have been disposed of. A
20 court reporter or court recorder is not required to take a
21 transcription of a plea taken under this article.

22 (c-1) The defendant may obtain a copy of a [the] recording
23 made under Subsection (c) on payment of a reasonable amount to cover
24 the costs of reproduction or, if the defendant is indigent, the
25 court shall provide a copy to the defendant without charging a cost
26 for the copy. The loss or destruction of or failure to make a video
27 recording of a plea entered under this article is not alone

1 sufficient grounds for a defendant to withdraw the defendant's plea
2 or to request the court to set aside a conviction or sentence based
3 on the plea.

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

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

14 SECTION 9. Section 31.037, Election Code, is amended to
15 read as follows:

16 Sec. 31.037. SUSPENSION OR TERMINATION OF EMPLOYMENT. The
17 employment of the county elections administrator may be suspended,
18 with or without pay, or terminated at any time for good and
19 sufficient cause on the four-fifths vote of the county election
20 commission and approval of that action by a majority vote of the
21 commissioners court.

22 SECTION 10. Section 61.001(f), Government Code, is amended
23 to read as follows:

24 (f) A reimbursement for expenses under this section is not a
25 property right of a person who reports for jury service for purposes
26 of Chapters 72 and 74, Property Code. If a check, instrument, or
27 other method of payment authorized under Section 113.048, Local

1 Government Code, [instrument] representing a reimbursement under
2 this section is not presented for payment or redeemed before the
3 90th day after it is issued:

4 (1) the instrument or other method of payment is
5 considered forfeited and is void; and

6 (2) the money represented by the instrument or other
7 method of payment may be placed or retained in the county's jury
8 fund, the county's general fund, or any other fund in which county
9 funds can be legally placed, at the discretion of the commissioners
10 court.

11 SECTION 11. Section 61.003, Government Code, is amended by
12 adding Subsection (e) to read as follows:

13 (e) Notwithstanding Subsection (a), a county that has
14 adopted a system or method of payment authorized by Section
15 113.048, Local Government Code, may provide a person who reports
16 for jury service in the county an opportunity to donate all, or a
17 specific part designated by the juror, of the juror's daily
18 reimbursement by completing a self-executing application on a form
19 prescribed by the commissioners court.

20 SECTION 12. Section 694.002, Health and Safety Code, is
21 amended by adding Subsections (c) and (d) to read as follows:

22 (c) If a county discovers cash in the possession of a
23 deceased pauper, the county shall place the money in a trust
24 account. A person having a claim to the money in the trust account
25 must exercise the right to collect the money not later than the
26 first anniversary of the date the money is placed in the trust
27 account.

1 (d) A county may create a fund to be used by the county to
2 pay the costs incurred in disposing of the bodies of deceased
3 paupers. If money placed in a trust account under Subsection (c) is
4 not claimed by the first anniversary of the date the money is placed
5 in the trust account, the county may transfer the money to the fund
6 created under this subsection.

7 SECTION 13. Section 716.101, Health and Safety Code, is
8 amended to read as follows:

9 Sec. 716.101. UNIDENTIFIED HUMAN REMAINS. (a) Except as
10 provided by Subsection (b), a [A] crematory establishment may not
11 accept for cremation unidentified human remains.

12 (b) Notwithstanding any other provision of this chapter, a
13 crematory establishment may accept for cremation unidentified
14 human remains from a county on the order of:

- 15 (1) the county commissioners court; or
16 (2) a court located in the county.

17 SECTION 14. Subchapter C, Chapter 113, Local Government
18 Code, is amended by adding Section 113.048 to read as follows:

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

- 25 (1) using an electronic funds transfer system in
26 accordance with Chapter 156;
27 (2) using a cash dispensing machine;

1 (3) issuing a debit card or a stored value card; or
2 (4) using any other method that the county treasurer
3 and the commissioners court determine is secure, accurate, and
4 cost-effective and that is convenient for persons who report for
5 jury service.

6 (b) A system or method of payment adopted by a county
7 treasurer under Subsection (a) may be implemented only if it is
8 approved by the commissioners court and administered in accordance
9 with the procedures established by the county auditor or by the
10 chief financial officer of a county that does not have a county
11 auditor.

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

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

17 (a) A request for a payroll deduction must:

18 (1) be in writing;

19 (2) be submitted to the county auditor unless the
20 deduction is processed through an automated payroll system
21 maintained by the county; and

22 (3) state the amount to be deducted and the entity to
23 which the amount is to be transferred.

24 (b) A request remains in effect until:

25 (1) the county auditor receives a written notice of
26 revocation signed by the employee; or

27 (2) the deduction is revoked by the employee through

1 an automated payroll system maintained by the county.

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

4 Sec. 157.9031. AUTHORITY TO REQUIRE REIMBURSEMENT FOR
5 CERTAIN COVERAGE. A commissioners court of a self-insuring county
6 or an intergovernmental pool operating under Chapter 119 may,
7 pursuant to policies concerning the provision of coverage adopted
8 by the commissioners court or the pool's governing body, require
9 reimbursement for the provision of punitive damage coverage from a
10 person to whom the intergovernmental pool provides coverage.

11 SECTION 17. Section 262.003(a), Local Government Code, is
12 amended to read as follows:

13 (a) Any law that requires a county to follow a competitive
14 bidding procedure in making a purchase requiring the expenditure of
15 \$50,000 [~~\$25,000~~] or less does not apply to the purchase of an item
16 available for purchase from only one supplier.

17 SECTION 18. Section 262.023(a), Local Government Code, is
18 amended to read as follows:

19 (a) Before a county may purchase one or more items under a
20 contract that will require an expenditure exceeding \$50,000
21 [~~\$25,000~~], the commissioners court of the county must:

22 (1) comply with the competitive bidding or competitive
23 proposal procedures prescribed by this subchapter;

24 (2) use the reverse auction procedure, as defined by
25 Section 2155.062(d), Government Code, for purchasing; or

26 (3) comply with a method described by Subchapter H,
27 Chapter 271.

1 SECTION 19. Section 270.007(f), Local Government Code, is
2 amended to read as follows:

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

12 SECTION 20. Section 271.024, Local Government Code, is
13 amended to read as follows:

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

23 (1) a statute requires the governmental entity to
24 award the contract on the basis of competitive bids; and

25 (2) the contract requires the expenditure of more
26 than:

27 (A) \$25,000 from the funds of a governmental

1 entity other than a county; or

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

3 SECTION 21. Section 363.156(b), Local Government Code, is
4 amended to read as follows:

5 (b) To the extent competitive bidding procedures in Title 8
6 apply, the board may not enter purchasing contracts that involve
7 spending more than \$50,000 [~~\$25,000~~] unless the board complies
8 with:

9 (1) Subchapter C, Chapter 262, if the district was
10 created by a county; or

11 (2) Chapter 252, if the district was created by a
12 municipality.

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

16 (a) The commissioners court of the county may call an
17 election on the question of creating a county assistance district
18 under this chapter. More than one county assistance district may be
19 created in a county, but not more than one county assistance
20 district may be created in a commissioner's precinct.

21 (a-1) A district may [~~to~~] perform the following functions in
22 the district:

23 (1) the construction, maintenance, or improvement of
24 roads or highways;

25 (2) the provision of law enforcement and detention
26 services;

27 (3) the maintenance or improvement of libraries,

1 museums, parks, or other recreational facilities;

2 (4) the provision of services that benefit the public
3 health or welfare, including the provision of firefighting and fire
4 prevention services; or

5 (5) the promotion of economic development and tourism.

6 (b) The order calling the election must:

7 (1) define the boundaries of the district to include
8 any portion of the county in which the combined tax rate of all
9 local sales and use taxes imposed, including the rate to be imposed
10 by the district if approved at the election, would not exceed the
11 maximum combined rate of sales and use taxes imposed by political
12 subdivisions of this state that is prescribed by Sections 321.101
13 and 323.101, Tax Code [~~two percent~~]; and

14 (2) call for the election to be held within those
15 boundaries.

16 (b-1) If the proposed district includes any territory of a
17 municipality, the commissioners court shall send notice by
18 certified mail to the governing body of the municipality of the
19 commissioners court's intent to create the district. If the
20 municipality has created a development corporation under Chapter
21 504 or 505, Local Government Code [~~Section 4A or 4B, Development~~
22 ~~Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil~~
23 ~~Statutes)~~], the commissioners court shall also send the notice to
24 the board of directors of the corporation. The commissioners court
25 must send the notice not later than the 60th day before the date the
26 commissioners court orders the election. The governing body of the
27 municipality may exclude the territory of the municipality from the

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

8 (1) the district in an election held under Subsection
9 (f) with the consent of the municipality; or

10 (2) another district after complying with the
11 requirements of this subsection and after an election under
12 Subsection (f).

13 (c) The ballot at the election must be printed to permit
14 voting for or against the proposition: "Authorizing the creation
15 of the ____ County Assistance District No. ____ (insert name of
16 district) and the imposition of a sales and use tax at the rate of
17 ____ [~~of one~~] percent (insert [~~one-eighth, one-fourth,~~
18 ~~three-eighths, or one-half, as~~] appropriate rate) for the purpose
19 of financing the operations of the district."

20 (e) If a majority of the votes received at the election are
21 against the creation of the district, the district is not created
22 and the county at any time may call one or more elections [~~another~~
23 ~~election~~] on the question of creating one or more [a] county
24 assistance districts [~~district may not be held in the county before~~
25 ~~the first anniversary of the most recent election concerning the~~
26 ~~creation of a district~~].

27 (f) The commissioners court may call an election to be held

1 in an area of the county that is not located in a district created
2 under this section to determine whether the area should be included
3 in the district and whether the district's sales and use tax should
4 be imposed in the area. An election may not be held in an area in
5 which the combined tax rate of all local sales and use taxes
6 imposed, including the rate to be imposed by the district if
7 approved at the election, would exceed the maximum combined rate of
8 sales and use taxes imposed by political subdivisions of this state
9 that is prescribed by Sections 321.101 and 323.101, Tax Code [~~two~~
10 percent].

11 (h) If more than one election to authorize a local sales and
12 use tax is held on the same day in the area of a proposed district or
13 an area proposed to be added to a district and if the resulting
14 approval by the voters would cause the imposition of a local sales
15 and use tax in any area to exceed the maximum combined rate of sales
16 and use taxes of political subdivisions of this state that is
17 prescribed by Sections 321.101 and 323.101, Tax Code [~~two percent]~~,
18 only a tax authorized at an election under this section may be
19 imposed.

20 (i) In addition to the authority to include an area in a
21 district under Subsection (f), the governing body of a district by
22 order may include an area in the district on receipt of a petition
23 or petitions signed by the owner or owners of the majority of the
24 land in the area to be included in the district. If there are no
25 qualified voters in the area to be included in the district, no
26 election is required.

27 (j) The commissioners court by order may exclude an area

1 from the district if the district has no outstanding bonds payable
2 wholly or partly from sales and use taxes and the exclusion does not
3 impair any outstanding district debt or contractual obligation.

4 SECTION 23. Section 387.005, Local Government Code, is
5 amended to read as follows:

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

9 (1) the commissioners court is the governing body of
10 the district; or

11 (2) the commissioners court shall appoint a governing
12 body of the district.

13 (b) A member of the governing body of the district
14 [~~commissioners court~~] is not entitled to compensation for service
15 [~~on the governing body of the district~~] but is entitled to
16 reimbursement for actual and necessary expenses.

17 (c) A board of directors appointed by the commissioners
18 court under this section shall consist of five directors who serve
19 staggered terms of two years. To be eligible to serve as a
20 director, a person must be at least 18 years of age and a resident of
21 the county in which the district is located. The initial directors
22 shall draw lots to achieve staggered terms, with three of the
23 directors serving one-year terms and two of the directors serving
24 two-year terms.

25 SECTION 24. Section 387.006(a), Local Government Code, is
26 amended to read as follows:

27 (a) A district may:

1 (1) perform any act necessary to the full exercise of
2 the district's functions;

3 (2) accept a grant or loan from:

4 (A) the United States;

5 (B) an agency or political subdivision of this
6 state; or

7 (C) a public or private person;

8 (3) acquire, sell, lease, convey, or otherwise dispose
9 of property or an interest in property under terms determined by the
10 district;

11 (4) employ necessary personnel; ~~and~~

12 (5) adopt rules to govern the operation of the
13 district and its employees and property; and

14 (6) enter into agreements with municipalities
15 necessary or convenient to achieve the district's purposes,
16 including agreements regarding the duration, rate, and allocation
17 between the district and the municipality of sales and use taxes.

18 SECTION 25. Section 387.007, Local Government Code, is
19 amended by amending Subsection (b) and adding Subsection (c) to
20 read as follows:

21 (b) A district may not adopt a sales and use tax under this
22 chapter if the adoption of the tax would result in a combined tax
23 rate of all local sales and use taxes that would exceed the maximum
24 combined rate prescribed by Sections 321.101 and 323.101, Tax Code,
25 [of more than two percent] in any location in the district.

26 (c) A district may define areas in the district to pay for
27 improvements, facilities, or services that primarily benefit that

1 area and do not generally and directly benefit the district as a
2 whole. The district may impose different rates of sales and use tax
3 in each defined area, provided that the sales and use tax rate does
4 not exceed the rate approved at an election held under Section
5 387.003.

6 SECTION 26. Section 387.009, Local Government Code, is
7 amended to read as follows:

8 Sec. 387.009. TAX RATE. The rate of a tax adopted under
9 this chapter must be in increments of one-eighth~~[, one-fourth,~~
10 ~~three-eighths, or one-half]~~ of one percent.

11 SECTION 27. Sections 387.010(a), (b), and (c), Local
12 Government Code, are amended to read as follows:

13 (a) A district that has adopted a sales and use tax under
14 this chapter may, by order and subject to Section 387.007(b):

15 (1) reduce ~~[, change]~~ the rate of the tax or repeal the
16 tax without an election, except that the district may not repeal the
17 sales and use tax or reduce the rate of the sales and use tax below
18 the amount pledged to secure payment of an outstanding district
19 debt or contractual obligation;

20 (2) increase the rate of the sales and use tax, if the
21 increased rate of the sales and use tax will not exceed the rate
22 approved at an election held under Section 387.003; or

23 (3) increase the rate of the sales and use tax to a
24 rate that exceeds the rate approved at an election held under
25 Section 387.003 after ~~[if]~~ the increase ~~[change or repeal]~~ is
26 approved by a majority of the votes received in the district at an
27 election held for that purpose.

1 (b) The tax may be changed under Subsection (a) in one or
2 more increments of one-eighth of one percent [~~to a maximum of~~
3 ~~one-half of one percent~~].

4 (c) The ballot for an election to increase [~~change~~] the tax
5 shall be printed to permit voting for or against the proposition:
6 "The increase [~~change~~] of a sales and use tax for the ____ County
7 Assistance District No. ____ (insert name of district) from the rate
8 of ____ [~~of one~~] percent (insert [~~one-fourth, three-eighths, or~~
9 ~~one-half, as~~] appropriate rate) to the rate of ____ [~~of one~~] percent
10 (insert [~~one-fourth, three-eighths, or one-half, as~~] appropriate
11 rate)."

12 SECTION 28. Section 387.012, Local Government Code, is
13 amended to read as follows:

14 Sec. 387.012. EFFECTIVE DATE OF TAX. The adoption of the
15 tax, the increase or reduction [~~change~~] of the tax rate, or the
16 repeal of the tax takes effect on the first day of the first
17 calendar quarter occurring after the expiration of the first
18 complete quarter occurring after the date the comptroller receives
19 a copy of the order of the district's governing body [~~notice of the~~
20 ~~results of the election~~] adopting, increasing, reducing
21 [~~changing~~], or repealing the tax.

22 SECTION 29. Section 1702.104(b), Occupations Code, is
23 amended to read as follows:

24 (b) For purposes of Subsection (a)(1), "obtaining or
25 furnishing information" includes information obtained or furnished
26 through the review and analysis of, and the investigation into the
27 content of, computer-based data not available to the public.

1 "Obtaining or furnishing information" does not include information
2 obtained or furnished by an information technology professional who
3 is an employee of a county and who is:

4 (1) in the course and scope of employment, installing
5 or repairing computer equipment belonging to the county or is
6 examining the cause for required repair; and

7 (2) not performing any other act that requires a
8 license under this chapter.

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

11 Sec. 51.0022. FORECLOSURE DATA COLLECTION. (a) In this
12 section, "department" means the Texas Department of Housing and
13 Community Affairs.

14 (b) A person filing a notice of sale of residential property
15 under Section 51.002(b) must submit to the county clerk a completed
16 form that provides the zip code for the property.

17 (c) On completion of a sale of real property, the trustee or
18 sheriff shall submit to the county clerk a completed form that
19 contains information on whether the property is residential and the
20 zip code of the property.

21 (d) Not later than the 30th day after the date of receipt of
22 a form under this section, the county clerk shall transmit the form
23 to the department.

24 (e) The board of the department shall prescribe the forms
25 required under this section. The forms may only request
26 information on whether the property is residential and the zip code
27 of the property.

1 (f) The department shall report the information received
2 under this section quarterly to the legislature in a format
3 established by the board of the department by rule.

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

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

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

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

21 (b) The changes in law made by Sections 262.003, 262.023,
22 271.024, and 363.156, Local Government Code, as amended by this
23 Act, apply only to a purchase made or contract executed on or after
24 the effective date of this Act. A purchase made or contract
25 executed before the effective date of this Act is governed by the
26 law in effect immediately before that date, and the former law is
27 continued in effect for that purpose.

1 (c) The board of the Texas Department of Housing and
2 Community Affairs shall adopt the forms and rules required by
3 Section 51.0022, Property Code, as added by this Act, not later than
4 January 1, 2010.

5 (d) The change in law made by Section 51.0022, Property
6 Code, as added by this Act, applies only to a notice of sale filed on
7 or after January 1, 2010. A notice of sale filed before January 1,
8 2010, is governed by the law in effect immediately before that date,
9 and the former law is continued in effect for that purpose.

10 SECTION 35. Section 387.010(d), Local Government Code, is
11 repealed.

12 SECTION 36. This Act takes effect September 1, 2009.

ADOPTED

MAY 26 2009

BY: Roger W. N.

FLOOR AMENDMENT NO. 1

Atty. Gen.
Secretary of the Senate

1 Amend C.S.H.B. 3485 (Senate Committee Printing) by adding
2 the following SECTIONS and renumbering subsequent SECTIONS
3 appropriately:

4 SECTION ____ Subsection (a), Section 250.003, Local
5 Government Code, is amended to read as follows:

6 (a) An individual who is an employee of the owner of real
7 property for which a citation for a violation of a county or
8 municipal rule or ordinance is issued, or of a company that
9 manages the property on behalf of the property owner, is not
10 personally liable for criminal or civil penalties resulting from
11 the violation if, not later than five calendar days after the
12 date the citation is issued, the individual provides the
13 property owner's name, current street address, and telephone
14 number to the enforcement official who issues the citation or
15 the official's superior.

16 SECTION ____ Section 250.004, Local Government Code, is
17 amended to read as follows:

18 Sec. 250.004. AGENT FOR SERVICE; NOTICE OF CITATION.

19 (a) The [~~If the property owner's street address is not in this~~
20 ~~state, the~~] employee of the owner or management company to whom
21 a citation described by Section 250.003 is issued is considered
22 the owner's agent for accepting service of the citation for the
23 violation of the county or municipal rule or ordinance. Service
24 of the citation on the agent has the same legal effect as
25 service on the owner for the purpose of fines against the owner
26 or the property, including a warrant or capias.

27 (b) The county or municipality issuing the citation shall
28 mail notice of the citation to the property owner at the address
29 most recently provided to the county or municipality by the

1 property owner or by the employee of the owner or management
2 company under Section 250.003(a). This subsection does not
3 require a county or municipality to mail notice using a service
4 that provides delivery confirmation.

5 SECTION ____ The change in law made by Section 250.003 and
6 250.004, Local Government Code, is effective on or after January
7 1, 2010.

ADOPTED

MAY 26 2009

FLOOR AMENDMENT NO. 2

Atalay Spaw
Secretary of the Senate

BY: Roger W. N.

1 Amend C.S.H.B. No. 3485 (senate committee printing) by adding
2 the following appropriately numbered SECTIONS to the bill and
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Subchapter A, Chapter 372, Local Government
5 Code, is amended to read as follows:

6 SUBCHAPTER A. PUBLIC IMPROVEMENT DISTRICTS

7 Sec. 372.001. SHORT TITLE. This subchapter may be cited as
8 the Public Improvement District Assessment Act.

9 Sec. 372.0015. DEFINITIONS [~~DEFINITION~~]. In this
10 subchapter:

11 (1) "Authorized instrumentality" means a public
12 facility corporation created by the governing body of a
13 municipality or county under Chapter 303 or a local government
14 corporation created by the governing body of a municipality or
15 county under Subchapter D, Chapter 431, Transportation Code.

16 (2) "Extraterritorial[~~,~~ ~~extraterritorial~~]
17 jurisdiction" means extraterritorial jurisdiction of a
18 municipality as determined under Chapter 42.

19 (3) "Public improvement district" or "district" means
20 an area defined by the governing body of a municipality or county
21 that:

22 (A) consists of one or more contiguous or
23 noncontiguous tracts of land; and

24 (B) will be specially benefited as determined by
25 the municipality or county by any or all of the public improvements
26 or services.

27 (4) "Qualified costs" means the costs and expenses
28 incurred in establishing, administering, managing, and operating a
29 public improvement district, including:

1 (A) costs and expenses of or related to the
2 construction of an improvement project;

3 (B) financing of an improvement project by a
4 municipality, county, or authorized instrumentality, including the
5 debt service requirements owed or to be owed under installment
6 purchase or reimbursement contracts, temporary notes, time
7 warrants, revenue bonds, special assessment bonds, or certificates
8 of obligation, including reserve funds and capitalized interest;

9 (C) costs and expenses of or related to the
10 negotiation, development, and execution of the obligations
11 described by Paragraph (B);

12 (D) costs and expenses of or related to credit
13 and interest rate management agreements entered into under Chapter
14 1371, Government Code;

15 (E) costs of attorneys and other professional
16 advisors, including consultants; and

17 (F) costs related to the administrative
18 oversight of public improvements, services, and operations of the
19 public improvement district.

20 (5) "Revenue bonds" means bonds, notes, or other
21 securities issued by a municipality, county, or authorized
22 instrumentality that are payable from and secured by liens on all or
23 part, or a combination of, the revenue derived from installment
24 payments of special assessments plus any other revenues, donations,
25 grants, or income described by Section 372.026(e).

26 (6) "Special assessment bonds" means bonds, notes, or
27 other securities issued by a municipality, county, or authorized
28 instrumentality that are payable solely from and secured by special
29 assessments levied by the governing body of the municipality or
30 county in a public improvement district.

31 (7) "Special district" means a political subdivision

1 of this state with a limited geographic area created by local law or
2 under general law for a special purpose.

3 Sec. 372.002. EXERCISE OF POWERS. (a) A public
4 improvement district is not a separate body politic or corporate
5 from the municipality or county that created the district.

6 (b) Subject to Section 372.010(c), powers [Powers] granted
7 under this subchapter in an area comprising a public improvement
8 district may be exercised by a municipality or county on and after
9 the date [in which] the governing body of the municipality or county
10 [initiates or] receives a petition requesting the establishment of
11 a public improvement district that complies[. A petition must
12 comply] with the requirements of Section 372.005.

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

22 Sec. 372.003. AUTHORIZED IMPROVEMENTS AND SERVICES.

23 (a) If the governing body of a municipality or county finds that it
24 promotes the interests of the municipality or county, the governing
25 body may create one or more public improvement districts under this
26 subchapter and undertake one or more [an] improvement projects
27 [project] that confer [confers] a special benefit on the property
28 located in the public improvement district [a definable part of the
29 municipality or county or the municipality's extraterritorial
30 jurisdiction]. A project may be undertaken within or outside the
31 district in the municipality or county or in the municipality's

1 extraterritorial jurisdiction if the project benefits the
2 district.

3 (b) A public improvement project may include:

4 (1) landscaping;

5 (2) erection of fountains, distinctive lighting, and
6 signs;

7 (3) acquiring, constructing, improving, repairing,
8 widening, narrowing, closing, or rerouting of sidewalks or of
9 streets, roads, highways, bridges, culverts, water retention
10 walls, [any other roadways,] or related [their] rights-of-way owned
11 by or to be conveyed to the municipality, the county, the federal
12 government, or another political subdivision or entity exercising
13 powers granted under this subchapter;

14 (4) construction or improvement of pedestrian malls;

15 (5) acquisition and installation of pieces of art;

16 (6) acquisition, construction, or improvement of
17 [~~libraries,~~

18 [~~(7) acquisition, construction, or improvement of]~~
19 off-street parking facilities;

20 (7) [~~(8)~~] acquisition, construction, or improvement [~~or~~
21 ~~or rerouting]~~ of mass transportation facilities, including light
22 rail mass transit, streetcar, or similar systems, and related
23 vehicle parking facilities;

24 (8) [~~(9)~~] acquisition, construction, or improvement
25 of water, wastewater, or drainage facilities or improvements;

26 (9) [~~(10)~~] the establishment or improvement of parks,
27 playgrounds, lakes, and open spaces, including paths, trails, boat
28 docks, and wharves;

29 (10) acquisition, construction, or improvement of
30 other public projects that are determined by the municipality or
31 county to promote the interests of the municipality or county and to

1 be of a special benefit to the public improvement district,
2 including:

3 (A) community centers, recreation centers, and
4 recreation facilities;

5 (B) libraries;

6 (C) facilities for police, sheriffs, or
7 firefighters;

8 (D) municipal or county administration centers;
9 and

10 (E) other governmental buildings for the
11 provision of governmental services;

12 (11) acquisition, construction, or improvement of
13 other public projects, facilities, or services required by a
14 development agreement, interlocal agreement, zoning regulation, or
15 permit issued by a municipality or county having jurisdiction in
16 the public improvement district;

17 (12) acquisition, construction, maintenance, or
18 improvement of buildings and other facilities commonly used for
19 teaching, research, or the preservation of knowledge by an
20 institution of higher education as defined by Section 372.0045 or
21 for auxiliary purposes of the institution, including
22 administration, student services and housing, athletics,
23 performing arts, and alumni support;

24 (13) [~~(11)~~ projects similar to those listed in
25 Subdivisions (1)-(10),

26 [~~(12)~~] acquisition, by purchase or otherwise, of real
27 property in connection with an authorized improvement; and

28 (14) [~~(13)~~] special supplemental services for
29 improvement and promotion of the district, including services
30 relating to:

31 (A) advertising;

1 (B) [] promotion;
2 (C) [] health and sanitation;
3 (D) [] water and wastewater;
4 (E) enhanced fire protection, police, sheriff,
5 and other [] public safety and [] security;
6 (F) [] business recruitment;
7 (G) [] development;
8 (H) [] recreation; [] and
9 (I) cultural enhancement [] and
10 ~~[(14) payment of expenses incurred in the~~
11 ~~establishment, administration, and operation of the district].~~

12 (b-1) The legislature finds that a purpose described by
13 Subsection (b)(12), including an auxiliary purpose, is an
14 authorized economic development purpose of a county or municipality
15 under Section 52-a, Article III, Texas Constitution.

16 (c) A public improvement project may include or may be
17 limited to the provision of all or any part of the services
18 described by Subsection (b)(14) [~~(b)(13)~~].

19 (d) A municipality that exercises powers under this
20 subchapter may establish a public improvement district in the
21 corporate limits or the extraterritorial jurisdiction of the
22 municipality. A county or other political subdivision that
23 exercises powers under this subchapter may establish a public
24 improvement district in the county or the area of the political
25 subdivision, including in the corporate limits or the
26 extraterritorial jurisdiction of a municipality unless within 30
27 days after the date notice is provided to the municipality of an [a
28 ~~county's~~] action to approve [~~such~~] a public improvement district,
29 the [a home-rule] municipality objects to the district's [its]
30 establishment within the municipality's corporate limits or
31 extraterritorial jurisdiction.

1 Sec. 372.004. COMBINED IMPROVEMENTS. A public [~~An~~]
2 improvement project may consist of an improvement on more than one
3 street or of more than one type of improvement. An improvement [A]
4 project described by this section may be included in one proceeding
5 and financed as one improvement project.

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

10 (b) The governing body of a municipality or county that
11 establishes a public improvement district to finance a public
12 improvement project described by Section 372.003(b)(12) may enter
13 into a memorandum of understanding with an institution of higher
14 education that provides educational services in the municipality or
15 county under which the municipality or county leases the public
16 improvement project to the institution, at a nominal rate, for use
17 by the institution in providing teaching, research, public service,
18 or auxiliary enterprise activities to students of the institution.

19 (c) A memorandum of understanding entered into by a
20 municipality or county under this section must include adequate
21 controls to ensure that the lease of the public improvement project
22 promotes the municipality's or county's interests and provides a
23 public benefit to the area served by the district.

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

26 (1) the general nature of the proposed improvements
27 [~~improvement~~];

28 (2) the estimated qualified costs [~~cost~~] of the
29 improvements [~~improvement~~];

30 (3) the boundaries of the proposed [~~assessment~~]
31 district;

1 (4) the proposed method of assessment, which may
2 specify included or excluded classes of assessable property;

3 (5) ~~the proposed apportionment of cost between the~~
4 ~~public improvement district and the municipality or county as a~~
5 ~~whole;~~

6 ~~(6)~~ whether the management of the district is to be
7 by:

8 (A) the municipality;

9 (B) the ~~or~~ county;

10 (C) an authorized instrumentality;

11 (D) ~~the~~ private sector; ~~or~~

12 (E) a partnership between the private sector and
13 one of the entities described by Paragraphs (A)-(C) ~~municipality~~
14 ~~or county and the private sector];~~

15 (6) ~~(7)~~ that the persons signing the petition
16 request or concur with the establishment of the district; and

17 (7) ~~(8)~~ that an advisory body may be established or
18 an authorized instrumentality may be incorporated to develop and
19 recommend an improvement plan to the governing body of the
20 municipality or county.

21 (b) The petition is sufficient if signed by:

22 (1) owners of taxable real property representing more
23 than 50 percent of the appraised value of taxable real property
24 liable for assessment under the proposal, as determined by the
25 current roll of the appraisal district in which the property is
26 located; and

27 (2) record owners of real property liable for
28 assessment under the proposal who:

29 (A) constitute more than 50 percent of all record
30 owners of property that is liable for assessment under the
31 proposal; or

1 (B) own taxable real property that constitutes
2 more than 50 percent of the area of all taxable real property that
3 is liable for assessment under the proposal.

4 (c) A [The] petition filed with the municipality may be
5 filed with the municipal secretary or other officer performing the
6 functions of the municipal secretary. A petition filed with the
7 county may be filed with the county clerk or other officer
8 designated by the commissioners court. A petition filed with any
9 other political subdivision exercising powers under this
10 subchapter may be filed with the political subdivision's governing
11 body.

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

15 (1) the advisability of the proposed improvements;
16 (2) the ~~[improvement, its]~~ estimated qualified costs
17 of the proposed improvements; and

18 (3) ~~[cost,]~~ the method of assessment ~~[, and the~~
19 ~~apportionment of cost between the proposed improvement district and~~
20 ~~the municipality or county as a whole].~~

21 (b) The governing body's findings under this section are
22 conclusive.

23 Sec. 372.007. FEASIBILITY REPORT. (a) Before holding the
24 hearing required by Section 372.009, the governing body of the
25 municipality may use the services of municipal employees, the
26 governing body of the county may use the services of county
27 employees, or the governing body of the municipality or county may
28 employ consultants to prepare a report to determine whether
29 improvements ~~[an improvement]~~ should be made as proposed by
30 petition or otherwise or whether improvements ~~[the improvement]~~
31 should be made in combination with other improvements authorized

1 under this subchapter. The governing body may also require that a
2 preliminary estimate of the qualified costs [~~cost~~] of improvements
3 [~~the improvement~~] or a combination of improvements be made.

4 (b) For the purpose of determining the feasibility and
5 desirability of a public [~~an~~] improvement district, the governing
6 body may take other preliminary steps before the hearing required
7 by Section 372.009 and [~~r~~] before establishing a public improvement
8 district [~~r, or before entering into a contract~~].

9 Sec. 372.008. ADVISORY BODY. (a) The [~~After receiving a~~
10 ~~petition that complies with Section 372.005, the~~] governing body of
11 the municipality or county, on the governing body's own initiative
12 or after receiving a petition that complies with Section 372.005,
13 may appoint an advisory body with the responsibility of developing
14 and recommending an improvement plan to the governing body.

15 (b) The composition of an [~~the~~] advisory body, if
16 established, must include:

17 (1) owners of taxable real property representing more
18 than 50 percent of the appraised value of taxable real property
19 liable for assessment under the proposal, as determined by the
20 current roll of the appraisal district in which the property is
21 located; and

22 (2) record owners of real property liable for
23 assessment under the proposal who:

24 (A) constitute more than 50 percent of all record
25 owners of property that is liable for assessment under the
26 proposal; or

27 (B) own taxable real property that constitutes
28 more than 50 percent of the area of all taxable real property that
29 is liable for assessment under the proposal.

30 The members of the advisory body serve at the will of the
31 governing body of the municipality or county creating the public

1 improvement district and may be removed at any time.

2 Sec. 372.009. HEARING. (a) A public improvement district
3 may be established and improvements provided by the district may be
4 financed under this subchapter only after the governing body of the
5 municipality or county holds a public hearing on the advisability
6 of the improvements [~~improvement~~].

7 (b) The hearing may be adjourned from time to time until the
8 governing body makes findings by resolution as to:

9 (1) the advisability of each [~~the~~] improvement;

10 (2) the nature of each [~~the~~] improvement;

11 (3) the estimated qualified costs [~~cost~~] of each [~~the~~]
12 improvement;

13 (4) the boundaries of the [~~public improvement~~]
14 district; and

15 (5) the method of assessment [~~, and~~

16 [~~(6) the apportionment of costs between the district~~
17 ~~and the municipality or county as a whole~~].

18 (c) Notice of the hearing must be given in a newspaper of
19 general circulation in the municipality or county. If any part of
20 the public improvement district is to be located in the
21 municipality's extraterritorial jurisdiction or if any part of the
22 improvements is to be undertaken in the municipality's
23 extraterritorial jurisdiction, the notice must also be filed with
24 the municipal secretary or other officer performing the duties of
25 the municipal secretary and published [~~given~~] in a newspaper of
26 general circulation in the part of the extraterritorial
27 jurisdiction in which the district is to be located or in which the
28 improvements are to be undertaken. The final publication of notice
29 must be made before the 15th day before the date of the hearing. The
30 notice must state:

31 (1) the time and place of the hearing;

1 (2) the general nature of the proposed improvements
2 [~~improvement~~];

3 (3) the estimated qualified costs [~~cost~~] of the
4 proposed improvements [~~improvement~~];

5 (4) the boundaries of the proposed public improvement
6 [~~assessment~~] district; and

7 (5) the proposed method of assessment [~~, and~~

8 [~~(6) the proposed apportionment of cost between the~~
9 ~~improvement district and the municipality or county as a whole~~].

10 (d) Written notice containing the information required by
11 Subsection (c) must be mailed before the 15th day before the date of
12 the hearing. The notice must be addressed to "Property Owner" and
13 mailed to the current address of the owner, as reflected on tax
14 rolls, of property subject to assessment under the proposed public
15 improvement district.

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

24 (b) An authorization takes effect when it has been published
25 one time in a newspaper of general circulation in the municipality
26 or county. If any part of the [~~improvement~~] district is located in
27 the municipality's extraterritorial jurisdiction or if any part of
28 the improvements is to be undertaken in the municipality's
29 extraterritorial jurisdiction, the authorization does not take
30 effect until the notice is also given one time in a newspaper of
31 general circulation in the part of the extraterritorial

1 jurisdiction in which the district is located or in which the
2 improvements are to be undertaken.

3 (c) Actual construction of improvements [~~an improvement~~]
4 may not begin, and acquisition of existing improvements may not
5 occur, until after the 20th day after the date the authorization
6 takes effect and may not begin if during that 20-day period written
7 protests signed by at least two-thirds of the owners of record of
8 property within the [~~improvement~~] district or by the owners of
9 record of property comprising at least two-thirds of the total area
10 of the district are filed with the municipal [~~or county~~] secretary
11 or other officer performing the duties of the municipal [~~or county~~]
12 secretary or the county clerk or other officer designated by the
13 commissioners court. A person whose name appears on a protest may
14 withdraw the name from the protest at any time before the governing
15 body of the municipality or county convenes to determine the
16 sufficiency of the protest.

17 (d) Before the levy of assessments under Section 372.017,
18 the property owners in the district who signed the original
19 petition may petition the governing body to amend the resolution
20 creating the district adopted under Subsection (a) to amend the
21 estimated qualified costs of the improvements, including adding or
22 deleting improvement projects. The governing body shall provide
23 notice of the owners' petition and hold a public hearing as provided
24 by Section 372.009 to make findings, by amended resolution, of the
25 nature and estimated qualified costs of each improvement. A county
26 or other entity that proposes to amend a resolution under this
27 subsection in the corporate boundaries or extraterritorial
28 jurisdiction of a municipality shall provide notice to the
29 municipality on or before the 30th day before the date the entity
30 amends the resolution.

31 Sec. 372.011. DISSOLUTION. (a) A public hearing may be

1 ~~[called and]~~ held after giving notice in the same manner as a
2 hearing under Section 372.009 for the purpose of dissolving a
3 district if a petition requesting dissolution is filed and the
4 petition contains the signatures of at least enough property owners
5 in the district to make a petition sufficient under Section
6 372.005(b). If the district is dissolved, the district nonetheless
7 shall remain in effect for the purpose of meeting obligations of
8 indebtedness for improvements.

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

16 Sec. 372.012. AREA OF DISTRICT. The area of a public
17 improvement district to be assessed according to the findings of
18 the governing body of the municipality or county establishing the
19 boundaries may include contiguous and noncontiguous tracts of land
20 and may be less than the area described in the proposed boundaries
21 stated by the notice under Section 372.009. The area to be assessed
22 may not include property not described by the notice as being within
23 the proposed boundaries of the district unless a hearing is held to
24 include the property and notice for the hearing is given in the same
25 manner as notice under Section 372.009.

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

1 advisory body.

2 (b) The plan must cover a period of at least five years and
3 must also define the annual indebtedness and the projected
4 qualified costs for improvements.

5 (c) The plan shall be reviewed and updated annually for the
6 purpose of determining the annual budget for improvements. As part
7 of the annual update, a revised assessment roll must be prepared to
8 reflect any division of parcels and any reallocation of assessments
9 based on the division.

10 Sec. 372.014. ASSESSMENT PLAN; PAYMENT BY EXEMPT
11 JURISDICTIONS. (a) An assessment plan must be included in the
12 annual service plan prepared under Section 372.013.

13 (b) The municipality or county is responsible for payment of
14 assessments against exempt municipal or county property in the
15 district if any assessments are levied. Payment of assessments by
16 other exempt jurisdictions must be established by contract.

17 (c) The assessment plan may require the district to be
18 divided into development phases and, subject to Sections 372.016
19 and 372.017, may levy assessments periodically in separate
20 development phases or may stagger the collection of assessments,
21 with different development phases in the district assigned
22 different payment and collection dates. The development phases and
23 staggered collection dates may be coordinated with the installation
24 of the improvements or with the maturity dates of installation
25 purchase or reimbursement contract obligations or with temporary
26 notes, time warrants, or bonds [~~An assessment paid by the~~
27 ~~municipality or county under this subsection is considered to have~~
28 ~~been paid by special assessment for the purposes of Subsection~~
29 ~~(a)].~~

30 Sec. 372.015. DETERMINATION OF ASSESSMENT. (a) The
31 governing body of the municipality or county shall apportion the

1 qualified costs [~~cost~~] of an improvement to be assessed against
2 property in a public [~~an~~] improvement district. The apportionment
3 shall be made on the basis of special benefits accruing to the
4 property because of the improvement.

5 (b) The qualified costs [~~cost~~] of an improvement may be
6 assessed:

7 (1) equally per front foot or square foot;

8 (2) according to the value of the property as
9 determined by the governing body, with or without regard to
10 improvements on the property; or

11 (3) in any other manner that results in imposing equal
12 shares of the qualified costs [~~cost~~] on property similarly
13 benefitted.

14 (c) The governing body may establish by ordinance or order:

15 (1) reasonable classifications and formulas for the
16 apportionment of the qualified costs [~~cost~~] between the
17 municipality or county and the area to be assessed; and

18 (2) the methods of assessing the special benefits for
19 various classes of improvements.

20 (d) The amount of assessment for each property owner may be:

21 (1) adjusted following the annual review of the
22 service plan; and

23 (2) reallocated, but not increased, if an assessed
24 parcel has been divided.

25 (e) Notice of any reallocation of assessments shall be given
26 to the property owner of the divided parcel.

27 (f) The findings, determinations, and assessments made by
28 the governing body under this section are conclusive.

29 Sec. 372.016. ASSESSMENT ROLL. (a) The [~~After the total~~
30 ~~cost of an improvement is determined, the governing body of the]~~
31 municipality or county shall prepare a proposed assessment roll

1 based on the estimated qualified costs of the improvements. The
2 roll must state the assessment against each parcel of land in the
3 district and~~[, as determined by]~~ the method of assessment ~~[chosen~~
4 ~~by the municipality or county under this subchapter].~~

5 (b) The ~~[governing body shall file the]~~ proposed assessment
6 roll must be filed with the municipal secretary or other officer
7 performing the functions of the municipal secretary or in a
8 district formed by a county, the county tax assessor-collector.
9 The proposed assessment roll is subject to public inspection. When
10 the assessment roll is filed, the appropriate designated officer
11 described by this subsection shall ~~[The governing body shall~~
12 ~~require the municipal secretary or other officer or county tax~~
13 ~~assessor-collector to]~~ publish notice of the governing body's
14 intention to consider the proposed assessments at a public hearing.
15 The notice must be published in a newspaper of general circulation
16 in the municipality or county before the 10th day before the date of
17 the hearing. If any part of the public improvement district is
18 located in the municipality's extraterritorial jurisdiction or if
19 any part of the improvements is to be undertaken in the
20 municipality's extraterritorial jurisdiction, the notice must also
21 be published, before the 10th day before the date of the hearing, in
22 a newspaper of general circulation in the part of the
23 extraterritorial jurisdiction in which the district is located or
24 in which the improvements are to be undertaken. The notice must
25 state:

- 26 (1) the date, time, and place of the hearing;
- 27 (2) the general nature of the improvements
28 ~~[improvement]~~;
- 29 (3) the qualified costs ~~[cost]~~ of the improvements
30 ~~[improvement]~~;
- 31 (4) the boundaries of the ~~[assessment]~~ district; and

1 (5) that written or oral objections will be considered
2 at the hearing.

3 (c) When the assessment roll is filed under Subsection (b),
4 the appropriate designated [~~municipal secretary or other~~] officer
5 shall mail to the owners of property liable for assessment a notice
6 of the hearing. The notice must contain the information required by
7 Subsection (b) and the appropriate designated [~~secretary or other~~]
8 officer shall mail the notice to the last known address of the
9 property owner. The failure of a property owner to receive notice
10 does not invalidate the proceeding.

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

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

26 (b) After all objections have been heard and the governing
27 body has passed on the objections, the governing body by ordinance
28 or order shall levy the assessment in the amount required to pay
29 qualified costs as a special assessment on the property. The
30 governing body by ordinance or order shall specify the method of
31 payment of the assessment. The governing body may provide that

1 assessments be paid in periodic installments. The installments may
2 be in equal or different annual amounts, but must be in amounts each
3 year necessary to meet annual qualified costs. The installments
4 [for improvements and] must continue for a period and be in amounts
5 necessary to retire any [the] indebtedness or obligation to pay or
6 reimburse for the qualified costs, including the proper
7 administration of the district [on the improvements]. The
8 obligation to pay installments may be conditioned on the occurrence
9 of a future event or condition if the first periodic installment
10 payment of the assessment occurs on a date not later than the fifth
11 anniversary of the date the assessment was levied.

12 (c) The governing body may:

13 (1) levy multiple assessments on property in the
14 district to finance all or part of public improvements and must
15 comply with Section 372.016 for each assessment;

16 (2) execute and deliver installment purchase or
17 reimbursement contracts or temporary notes or time warrants or
18 issue revenue bonds, special assessment bonds, or certificates of
19 obligation to pay the qualified costs or to refund previously
20 executed installment purchase or reimbursement contracts or
21 temporary notes or time warrants; and

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

25 Sec. 372.018. INTEREST ON ASSESSMENT; LIEN. (a) An
26 assessment bears interest at the rate and for the period specified
27 by the governing body of the municipality or county, but may not
28 exceed a rate that is [one-half of] one percent higher than the
29 actual interest rate paid on any installment purchase or
30 reimbursement contract obligation or temporary note or time warrant
31 [the public debt] used to finance or to evidence an obligation to

1 pay for the improvement. If revenue bonds, special assessment
2 bonds, or certificates of obligation are issued to pay or refund any
3 of the obligations described by this subsection, the annual
4 interest rate is adjusted to a rate not to exceed one percent higher
5 than the actual rate paid on the bonds or certificates, if the rate
6 is lower than the rate on the obligations. Interest on the
7 assessment between the effective date of the ordinance or order
8 levying the assessment and the date the first installment is
9 payable shall be added to the first installment. The interest on
10 any delinquent installment shall be added to each subsequent
11 installment until all delinquent installments are paid. The added
12 interest payable on an installment purchase or reimbursement
13 contract or a temporary note, time warrant, or bond under this
14 subsection may be used by a municipality or county to pay qualified
15 costs of improvements or the costs of administration of the
16 district, including the enforcement of assessments or the payment
17 or prepayment of obligations.

18 (b) An assessment or reassessment, with interest, the
19 expense of collection, and reasonable attorney's fees, if incurred,
20 is a first and prior lien against the property assessed, superior to
21 all other liens and claims except liens or claims for [~~state,~~
22 county, special [~~school~~] district, or municipality ad valorem
23 taxes, and is a personal liability of and charge against the owners
24 of the property regardless of whether the owners are named. The
25 lien is effective from the date of the ordinance or order levying
26 the assessment until the assessment is paid in full and may be
27 enforced by the governing body in the same manner that an ad valorem
28 tax lien against real property may be enforced by the governing
29 body. On the sale of assessed property, any installment or portion
30 of an assessment that is or will be payable for the property during
31 the year of the sale shall be prorated between the buyer and the

1 seller in the same manner as ad valorem taxes are prorated between a
2 buyer and seller. Delinquent installments of the assessment shall
3 incur interest, penalties, and [~~attorney's~~] fees in the same manner
4 as delinquent ad valorem taxes.

5 (c) A district assessment on property under this subchapter
6 runs with the land. Any portion of an assessment payment obligation
7 that is not yet due is not eliminated by the foreclosure of an ad
8 valorem tax lien. Any purchaser of property at a foreclosure sale
9 under an ad valorem tax lien takes the property subject to any
10 assessment payment obligation that is not yet due and to the terms
11 of payment under the applicable assessment ordinance or order.

12 (d) The owner of assessed property may pay at any time on any
13 parcel or lot the entire assessment, with interest that:

14 (1) has accrued on the assessment; and

15 (2) will accrue on the assessment until the next
16 scheduled prepayment or redemption date on the installment purchase
17 or reimbursement contract or temporary note, time warrant, revenue
18 bond, special assessment bond, or certificate of obligation that
19 secured the assessment [~~, on any lot or parcel~~].

20 Sec. 372.019. SUPPLEMENTAL ASSESSMENTS. After notice and a
21 hearing, the governing body of the municipality or county may make
22 supplemental assessments to correct omissions or mistakes in the
23 assessment relating to the qualified costs [~~total cost~~] of the
24 improvement. Notice must be given and the hearing held under this
25 section in the same manner as required by Sections 372.016 and
26 372.017.

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

30 (1) a court [~~of competent jurisdiction~~] sets aside an
31 assessment against the parcel;

1 (2) the governing body determines that the original
2 assessment is excessive; or

3 (3) on the written advice of counsel, the governing
4 body determines that the original assessment is invalid.

5 Sec. 372.021. SPECIAL IMPROVEMENT DISTRICT FUND. (a) A
6 municipality or county that intends to create a public improvement
7 district may by ordinance or order establish a special improvement
8 district fund in the municipal or county treasury or in a bank
9 designated by the municipality or county to serve as a depository
10 bank for the district's funds.

11 (b) The municipality or county annually may levy a tax to
12 support the fund established under this section.

13 (c) The fund may be used to:

14 (1) pay the qualified costs of improvements [~~planning,~~
15 ~~administration, and an improvement authorized by this subchapter~~];

16 (2) prepare preliminary plans, studies, and
17 engineering reports to determine the feasibility of improvements
18 [~~an improvement~~]; and

19 (3) if ordered by the governing body of the
20 municipality or county, pay the initial qualified costs of
21 improvements [~~cost of the improvement~~] until installment purchase
22 contracts or reimbursement contracts are entered into or temporary
23 notes or [~~7~~] time warrants are issued or revenue bonds, special
24 assessment bonds, or certificates of obligation are [~~7 or~~
25 ~~improvement bonds have been~~] issued and sold.

26 (d) The fund is not required to be budgeted for expenditure
27 during any year, but the amount of the fund must be stated in the
28 municipality's or county's annual budget. The amount of the fund
29 must be based on an annual service plan that describes the public
30 improvements for the fiscal year.

31 [~~(e) A grant-in-aid or contribution made to the~~

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

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

8 (b) The following revenues shall be deposited to the fund:

9 (1) special assessments;

10 (2) money, if any, contributed by the municipality or
11 county to pay qualified costs;

12 (3) proceeds [~~Proceeds~~] from the sale of revenue
13 bonds, if payable in part from special assessments;

14 (4) proceeds from the sale of special assessment bonds
15 or certificates of obligation; [~~temporary notes, and time~~
16 warrants,] and

17 (5) any other sums appropriated to the fund by the
18 governing body of the municipality or county for the district
19 [~~shall be credited to the fund~~].

20 (c) The fund may be used solely to pay:

21 (1) qualified costs of improvement;

22 (2) amounts due on an installment purchase contract or
23 reimbursement amounts owed under a reimbursement contract,
24 temporary note, or time warrant; or

25 (3) any revenue bonds, special assessment bonds, or
26 certificates of obligation that are payable in whole or in part from
27 special assessments levied under this subchapter [~~incurred in~~
28 making an improvement].

29 (d) When an improvement is completed and all of the
30 obligations are paid in full, the balance on deposit in the special
31 improvement district fund that was derived from special

1 assessments, if any, [of the part of the assessment that is for
2 improvements] shall be transferred to a [the] fund established for
3 the retirement of bonds that are payable in whole or in part from
4 assessments.

5 Sec. 372.023. PAYMENT OF QUALIFIED COSTS. (a) The
6 qualified costs [cost] of an improvement made under this subchapter
7 may [must] be paid by a method or by a combination of methods
8 described by [in accordance with] this section and Section 372.024.

9 (b) The [A cost payable by the] municipality or county [as a
10 whole] may, on its own or under an installment purchase,
11 reimbursement, or other contract with a third party:

12 (1) erect, acquire, construct, improve, repair,
13 establish, install, or equip improvements; and

14 (2) pay all or part of the qualified costs of the
15 improvements [be paid] from:

16 (A) general funds or other revenues available for
17 that [the] purpose;

18 (B) special assessments; or

19 (C) the issuance and sale of general obligation
20 bonds, certificates of obligation, revenue bonds, or special
21 assessment bonds [other available general funds].

22 (c) The municipality or county may enter into and execute an
23 installment purchase or reimbursement contract with or may deliver
24 a nonnegotiable but transferable temporary note or time warrant to
25 a third party under which:

26 (1) the third party agrees to:

27 (A) erect, acquire, construct, improve, repair,
28 establish, install, or equip public improvements; and

29 (B) dedicate or sell the improvements to the
30 municipality, county, or authorized instrumentality; and

31 (2) the municipality, county, or authorized

1 instrumentality agrees to pay or reimburse the third party for the
2 qualified costs by paying accumulated amounts due under the
3 installment purchase or reimbursement contract, temporary note, or
4 time warrant from any and all of the sources described by Subsection
5 (b)(2) [A cost payable from a special assessment that has been paid
6 in full shall be paid from that assessment].

7 (d) Subject to Section 372.018, an installment purchase or
8 reimbursement contract, temporary note, or time warrant may bear
9 interest at a rate and for a period determined by the governing body
10 of the municipality or county [A cost payable from a special
11 assessment that is to be paid in installments and a cost payable by
12 the municipality or county as a whole but not payable from available
13 general funds or other available general improvement funds shall be
14 paid by the issuance and sale of revenue or general obligation
15 bonds].

16 (e) An installment purchase or reimbursement contract,
17 temporary note, or time warrant that is payable from installments
18 of assessments is subject to prepayment and redemption at any time
19 from the proceeds of prepayment of assessments made by a property
20 owner under Section 372.018(d) [While an improvement is in
21 progress, the governing body of the municipality or county may
22 issue temporary notes or time warrants to pay for the costs of the
23 improvement and, on completion of the improvement, issue revenue or
24 general obligation bonds.

25 [~~(f)~~ The cost of more than one improvement may be paid from a
26 single issue and sale of bonds without other consolidation
27 proceedings before the bond issue.

28 [~~(g)~~ The costs of any improvement include all costs incurred
29 in connection with the issuance of bonds under Section 372.024 and
30 may be included in the assessments against the property in the
31 improvement district as provided by this subchapter].

1 Sec. 372.024. GENERAL OBLIGATION BONDS, [AND] REVENUE AND
2 SPECIAL ASSESSMENT BONDS, CERTIFICATES OF OBLIGATION, AND BONDS
3 ISSUED BY AUTHORIZED INSTRUMENTALITY. (a) The governing body of a
4 municipality or county may issue:

5 (1) general [General] obligation bonds [issued to pay
6 costs under Section 372.023(d) must be issued] under [the
7 provisions of] Subtitles A and C, Title 9, Government Code;

8 (2) revenue bonds or special assessment bonds in one
9 or more series; and

10 (3) certificates of obligation under Subchapter C,
11 Chapter 271.

12 (b) A bond or obligation described by Subsection (a) may be
13 issued to:

14 (1) pay qualified costs under Section 372.023(b),
15 including the costs of issuing bonds; and

16 (2) pay or refund obligations executed or issued under
17 Section 372.023(c).

18 (c) Certificates of obligation may be payable from and
19 secured by installment payments of special assessments levied under
20 this subchapter.

21 (d) The governing body of the municipality or county or the
22 authorized instrumentality may include any term or provision
23 consistent with this subchapter in a revenue bond or a special
24 assessment bond issued under this section.

25 (e) The governing body of a municipality or county may
26 incorporate an authorized instrumentality to act on its behalf to
27 issue revenue bonds or special assessment bonds under this section.

28 The governing body may enter into agreements and contracts with the
29 authorized instrumentality to transfer pledged revenues, funds,
30 and special assessments to or for the account of the authorized
31 instrumentality at the times and as required by the terms of the

1 resolution authorizing the issuance of the revenue bonds or special
2 assessment bonds. Any bonds issued by an authorized
3 instrumentality must be approved by the governing body of the
4 municipality or county before issuance and delivery to the
5 purchaser.

6 (f) To the extent consistent with this subchapter, an
7 authorized instrumentality shall issue revenue bonds or special
8 assessment bonds under:

9 (1) Chapter 303, if the authorized instrumentality is
10 a public facility corporation; or

11 (2) Subchapter D, Chapter 431, Transportation Code, if
12 the authorized instrumentality is a local government corporation
13 [Revenue bonds issued to pay costs under that subsection may be
14 issued from time to time in one or more series and are to be payable
15 from and secured by liens on all or part of the revenue derived from
16 improvements authorized under this subchapter, including revenue
17 derived from installment payments of special assessments].

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

22 (b) The policy may establish the general requirements and
23 standards for and the preconditions to:

24 (1) the creation of a public improvement district
25 under this subchapter;

26 (2) the execution and issuance of installment purchase
27 or reimbursement contracts or temporary notes or time warrants; and

28 (3) the issuance of any bonds or certificates of
29 obligation payable in whole or in part from special assessments.

30 (c) If a management policy is adopted, compliance with the
31 terms of the policy, including any amendments to the policy, is

1 required for:

2 (1) the execution of any installment purchase or
3 reimbursement contracts or temporary notes or time warrants;

4 (2) the issuance of any revenue bonds or special
5 assessment bonds by the municipality or county or by an authorized
6 instrumentality; and

7 (3) the issuance of any certificates of obligation by
8 a municipality or county.

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

12 (1) ordinance, if issued by a municipality;

13 (2) order, if issued by a county; and

14 (3) resolution, if issued by an authorized
15 instrumentality.

16 (b) Revenue bonds and special assessment bonds may be issued
17 to mature serially or in any other manner but must mature not later
18 than 40 years after their date. A provision may be made for the
19 subsequent issuance of additional parity bonds or subordinate lien
20 bonds secured in whole or in part by any assessments or any other
21 revenues authorized by this subchapter under terms and conditions
22 specified in the ordinance, ~~or~~ order, or resolution authorizing
23 the issuance of the bonds.

24 (c) Revenue bonds, special assessment bonds, and
25 certificates of obligation may be subject to redemption before
26 maturity at the option of the issuer and at the times and in the
27 manner provided by the ordinance, order, or resolution authorizing
28 the issuance. Revenue bonds and certificates of obligation that
29 are secured in part by a pledge of special assessments and all
30 special assessment bonds are subject to mandatory redemption at
31 least semiannually from funds provided by assessed parties, if any,

1 as prepayment of installments of special assessments under Section
2 372.018(d).

3 (d) Revenue bonds and special assessment bonds shall be
4 executed in the manner and by the persons required by the ordinance,
5 order, or resolution authorizing the issuance.

6 (e) Revenue bonds and special assessment [~~(b)~~ ~~The~~] bonds
7 [~~shall be executed and the bonds~~] and any interest coupons
8 appertaining to the bonds [~~them~~] are negotiable instruments within
9 the meaning and for all purposes of the Uniform Commercial Code
10 (Section 1.101 et seq., Business & Commerce Code).

11 (f) The ordinance, [~~or~~] order, or resolution authorizing
12 the issuance of the revenue bonds or special assessment bonds must
13 specify:

14 (1) whether the bonds may be registered [~~are issued~~
15 ~~registrable~~] as to principal alone or as to both principal and
16 interest;

17 (2) whether the bonds are redeemable before maturity;

18 (3) the form, denomination, and manner of issuance;

19 (4) the terms, conditions, and other details applying
20 to the bonds including the price, terms, and interest rates on the
21 bonds; and

22 (5) the manner of sale of the bonds.

23 (g) [~~e~~] The ordinance, [~~or~~] order, or resolution
24 authorizing the issuance of the bonds may specify that the proceeds
25 from the sale of the bonds:

26 (1) be used to pay interest on the bonds during and
27 after the period of acquisition or construction of an improvement
28 financed through the sale of the bonds;

29 (2) be used for creating a reserve fund for payment of
30 the principal of and interest on the bonds and for creating other
31 funds; [~~and~~]

1 (3) be used for the payment of any other qualified
2 costs as determined by the governing body of the municipality or
3 county or by the authorized instrumentality; and

4 (4) may be placed in time deposit or invested, until
5 needed.

6 Sec. 372.026. PLEDGES. (a) For the payment of [~~bonds~~
7 ~~issued under this subchapter and the payment of~~] principal,
8 interest, and any other amounts payable on or with respect to any
9 bonds issued by a municipality or county under this subchapter
10 ~~[required or permitted in connection with the bonds]~~, the governing
11 body of the municipality or county may pledge:

12 (1) all or part of the income from improvements
13 financed under this subchapter, including income received in
14 installment payments from special assessments; and

15 (2) if the payment is for the payment of revenue bonds,
16 any other revenue described by Subsection (e) [under Section
17 372.023].

18 (b) For the payment of principal, interest, and any other
19 amounts payable on or with respect to bonds issued by an authorized
20 instrumentality under this subchapter, the authorized
21 instrumentality may pledge all or part of the assessments or other
22 revenues, if any, that are to be transferred and paid to the
23 authorized instrumentality by the municipality or county under an
24 agreement entered into between the parties under Section
25 372.024(e).

26 (c) Pledged income must be [~~fixed and collected in amounts~~]
27 sufficient, with other pledged resources, if any, to pay principal,
28 interest, and other expenses related to the bonds, and to the extent
29 required by the ordinance, ~~[or]~~ order, or resolution authorizing
30 the bonds, to pay for the operation, maintenance, and other
31 expenses related to improvements authorized by this subchapter.

1 (d) Bonds issued by a municipality or county [~~(c)~~ ~~The~~
2 ~~bonds~~] may also be secured by mortgages or deeds of trust on any
3 real property related to the facilities authorized under this
4 subchapter that are owned or are to be acquired by the municipality
5 or county and by chattel mortgages, liens, or security interests on
6 any personal property appurtenant to that real property. The
7 governing body may authorize the execution of trust indentures,
8 mortgages, deeds of trust, or other forms of encumbrances as
9 evidence of the security interest of the holders of the bonds in the
10 related property [~~indebtedness~~].

11 (e) [~~(d)~~] The governing body may pledge to the payment of
12 certificates of obligation issued by the governing body or to the
13 payment of revenue bonds issued by the governing body or by an
14 authorized instrumentality all or part of a grant, donation,
15 revenue, or income received or to be received from the government of
16 the United States or any other public or private source, whether or
17 not it is received pursuant to an agreement or otherwise, including
18 impact fees and incremental ad valorem tax revenues collected by a
19 municipality or by another taxing unit and municipal sales tax
20 collected by a municipality from all or part of a tax increment
21 reinvestment zone created under Chapter 311, Tax Code.

22 Sec. 372.027. REFUNDING BONDS. (a) Revenue bonds and
23 special assessment bonds issued under this subchapter and
24 certificates of obligation payable solely from special assessments
25 may be refunded or refinanced by the issuance of refunding bonds,
26 under terms or conditions provided [~~set forth~~] in the ordinance,
27 order, or resolution authorizing the issuance [~~ordinances or~~
28 ~~orders~~] of the [~~municipality or county issuing the~~] bonds. The
29 provisions of this subchapter applying generally to revenue bonds
30 and special assessment bonds, including provisions related to the
31 issuance of those bonds, apply to refunding bonds of like kind

1 authorized by this section. The refunding bonds may be sold and
2 delivered in amounts necessary to pay [~~for~~] the principal,
3 interest, and any redemption premium of the bonds [~~to be refunded~~],
4 on the date of the maturity of the bonds [~~bond~~] or any redemption
5 date of the bonds [~~bond~~].

6 (b) Refunding bonds may be issued for exchange with the
7 bonds they are refunding. The comptroller of public accounts shall
8 register refunding bonds described by this subsection and deliver
9 the bonds to holders of bonds being refunded in accordance with the
10 ordinance, [~~or~~] order, or resolution authorizing the issuance of
11 refunding bonds. The exchange may be made in one delivery or
12 several installment deliveries.

13 (c) General obligation bonds and certificates of obligation
14 issued under this subchapter may be refunded in the manner provided
15 by law.

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

24 (b) If the attorney general determines that the bonds were
25 authorized and the contracts or leases related to the bonds were
26 made in accordance with the law, the attorney general shall approve
27 the bonds and the contract or lease. After [~~On the approval of~~] the
28 attorney general approves the bonds and the contract or lease, the
29 comptroller of public accounts shall register the bonds.

30 (c) Bonds and contracts or leases approved and registered
31 under this section are:

1 (1) valid and binding obligations for all purposes in
2 accordance with their terms; and

3 (2) [~~are~~] incontestable in any court or other forum.

4 (d) General obligation bonds and certificates of obligation
5 issued under this subchapter shall be approved and registered as
6 provided by law.

7 Sec. 372.029. AUTHORIZED INVESTMENTS; SECURITY.

8 (a) Bonds issued under this subchapter are legal and authorized
9 investments for:

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

12 (2) all insurance companies;

13 (3) fiduciaries, trustees, and guardians; and

14 (4) interest funds, sinking funds, and other public
15 funds of the state or of an agency, subdivision, or instrumentality
16 of the state, including a county, municipality, school district, or
17 other district, public agency, or body politic.

18 (b) Bonds issued under this subchapter may be security for
19 deposits of public funds of the state or of an agency, subdivision,
20 or instrumentality of the state, including a county, municipality,
21 school district, or other district, public agency, or body politic,
22 to the extent of the market value of the bonds, if accompanied by
23 any appurtenant [~~unmatured~~] interest coupons that have not matured.

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

28 SECTION _____. Section 61.0572, Education Code, is amended
29 by adding Subsection (f) to read as follows:

30 (f) Approval of the board is not required for buildings or
31 other facilities financed by a public improvement district under

1 Subchapter A, Chapter 372, Local Government Code.

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

4 (c) This section does not apply to construction, repair, or
5 rehabilitation of buildings or other facilities financed by a
6 public improvement district under Subchapter A, Chapter 372, Local
7 Government Code.

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

ADOPTED

FLOOR AMENDMENT NO. 4

MAY 26 2009 BY: [Signature]

Amend H.B. 3485 (senate committee report) as follows:

[Signature]
Secretary of the Senate

(1) Insert the following appropriately numbered SECTIONS to the bill:

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 1.2 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 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

(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 372.127, Local Government Code, is amended to read as follows:

(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 maximum 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 1.2 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

7

(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 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:

(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 maximum 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 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 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.

(2) Renumber SECTIONS of the bill appropriately.

ADOPTED

MAY 26 2009

FLOOR AMENDMENT NO. 5

Atty Gen
Secretary of the Senate

BY:

Robert Duncan

1 Amend C.S.H.B. No. 3485 (senate committee printing) by
2 adding the following appropriately numbered SECTIONS to the bill
3 and renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION ____ Subchapter B, Chapter 281, Health and Safety
5 Code, is amended by adding Section 281.0282 to read as follows:

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

12 (b) The term of an employment contract entered into under
13 this section may not exceed four years.

14 (c) This section may not be construed as authorizing the
15 board of the Dallas County Hospital District to supervise or
16 control the practice of medicine, as prohibited by Subtitle B,
17 Title 3, Occupations Code.

18 (d) The authority granted to the board of the Dallas
19 County Hospital District under Subsection (a) to employ
20 physicians shall apply only as necessary for the district to
21 fulfill the district's statutory mandate to provide medical care
22 for the indigent and needy residents of the district as provided
23 by Section 281.046.

24 (e) The Dallas County Hospital District shall establish a
25 committee consisting of at least five actively practicing
26 physicians who provide care in the district. The committee
27 shall approve existing policies or adopt new policies, if no
28 policies exist, to ensure that a physician who is employed by
29 the district is exercising the physician's independent medical
30 judgment in providing care to patients.

1 (f) The chair of the committee must be a member of the
2 executive committee of the Dallas County Hospital District's
3 medical staff.

4 (g) The policies adopted or approved by the committee
5 shall include policies relating to credentialing, quality
6 assurance, utilization review, peer review, medical decision-
7 making, governance of the committee, and due process.

8 (h) Each member of a committee shall provide biennially to
9 the chief medical officer of the Dallas County Hospital District
10 a signed, verified statement indicating that the committee
11 member:

12 (1) is licensed by the Texas Medical Board;

13 (2) will exercise independent medical judgment in all
14 committee matters, including matters relating to credentialing,
15 quality assurance, utilization review, peer review, medical
16 decision-making, and due process;

17 (3) will exercise the committee member's best efforts
18 to ensure compliance with the Dallas County Hospital District's
19 policies that are adopted or established by the committee; and

20 (4) will report immediately to the Texas Medical
21 Board any action or event that the committee member reasonably
22 and in good faith believes constitutes a compromise of the
23 independent medical judgment of a physician in caring for a
24 patient.

25 (i) The committee shall adopt rules requiring the
26 disclosure of financial conflicts of interest by a committee
27 member.

28 (j) For all matters relating to the practice of medicine,
29 each physician employed by the board shall ultimately report to
30 the chief medical officer of the Dallas County Hospital
31 District.

1 SECTION ____ Chapter 311, Health and Safety Code, is
2 amended by adding Subchapter E to read as follows:

3 SUBCHAPTER E. EMPLOYMENT OF PHYSICIANS BY CERTAIN HOSPITALS

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

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

12 (1) is certified by the Texas Medical Board under
13 Section 162.001(d), Occupations Code;

14 (2) satisfies the requirements of Subchapter A,
15 Chapter 162, Occupations Code, including Texas Medical Board
16 rules; and

17 (3) satisfies the requirements of this subchapter.

18 (b) A hospital subject to this subchapter may continue to
19 employ any physicians employed by the hospital on or before the
20 date of release of a federal decennial census that shows the
21 county's population exceeds 50,000. The hospital may not employ
22 a new physician after that date.

23 (c) The requirements of this subchapter and Subchapter A,
24 Chapter 162, Occupations Code, may not be voided or waived by
25 contract.

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

31 (b) The policies adopted under this section must include
32 policies relating to:

1 (1) credentialing and privileges;

2 (2) quality assurance;

3 (3) utilization review;

4 (4) peer review;

5 (5) medical decision-making; and

6 (6) due process.

7 (c) The policies adopted under this section, including any
8 amendments to the policies, must be approved by the hospital
9 governing board after input from the medical staff as
10 appropriate.

11 (d) The policies adopted under this section must include
12 the implementation of a complaint mechanism for processing and
13 resolving complaints regarding interference or attempted
14 interference with the physician's independent medical judgment.
15 The policies must address the manner in which the public can
16 access board complaint procedures.

17 (e) The policies of the hospital must be drafted and
18 interpreted in a manner that reserves to physicians, including
19 physicians employed and physicians not employed by the hospital,
20 the sole authority to engage in the practice of medicine.

21 Sec. 311.064. CREDENTIALING AND PRIVILEGES. (a) A
22 physician employed by a hospital under this subchapter is
23 subject to the same standards and procedures regarding
24 credentialing, peer review, quality of care, and privileges as a
25 physician not employed by the hospital.

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

30 Sec. 311.065. OTHER HOSPITAL-PHYSICIAN RELATIONSHIPS.
31 This subchapter may not be construed as altering, voiding, or
32 prohibiting any relationship between a hospital and a physician,

1 including a contract or arrangement with an approved nonprofit
2 health corporation that is certified under Section 162.001(b),
3 Occupations Code, and that holds a certificate of authority
4 issued under Chapter 844, Insurance Code.

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

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

13 (b) A hospital that employs physicians shall provide peer
14 review and quality assurance through a multi-hospital peer
15 review agreement, an external independent peer review
16 organization, or an internal peer review process approved by the
17 hospital governing board with appropriate input from the medical
18 staff.

19 Sec. 311.068. REFERRAL OF PATIENTS. (a) In this section,
20 "referral" means referral for admissions, diagnostic tests and
21 procedures, surgeries, or other health care services.

22 (b) An employment agreement entered into between a
23 physician and a hospital under this subchapter:

24 (1) must state that the hospital may not set goals
25 regarding referrals; and

26 (2) may not set, as a condition of employment, the
27 volume or number of referrals that must be made.

28 Sec. 311.069. NONRETALIATION REQUIREMENTS. (a) A hospital
29 may not terminate, retaliate against, or otherwise penalize a
30 person who reports in good faith to the hospital or the Texas
31 Medical Board a violation or attempted violation of this

1 subchapter, Subchapter A, Chapter 162, Occupations Code, or
2 Texas Medical Board rules.

3 (b) A hospital may not prohibit, restrict, or discourage a
4 physician from communicating with the hospital or advocating for
5 a patient regarding medically appropriate health care.

6 (c) A physician who makes a report under this section:

7 (1) is immune from civil liability for a report made
8 in good faith; and

9 (2) may not be disciplined by the Texas Medical Board
10 for any corporate practice of medicine violation related to the
11 reported action, event, or policy.

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

13 (1) "Governmental unit" has the meaning assigned by
14 Section 101.001, Civil Practice and Remedies Code.

15 (2) "Governmental hospital" means a hospital that is
16 owned or operated by a governmental unit.

17 (3) "Health care liability claim" has the meaning
18 assigned by Section 74.001, Civil Practice and Remedies Code.

19 (b) Chapters 101 and 108, Civil Practice and Remedies
20 Code, do not apply in an action in which final judgment is
21 rendered in a health care liability claim against a physician
22 employed under this subchapter by a governmental hospital.

23 (c) A physician's civil liability is limited to a maximum
24 amount of \$250,000 for each single occurrence of bodily injury
25 or death in an action in which final judgment is rendered in a
26 health care liability claim against a physician employed under
27 this subchapter by a governmental hospital.

28 (d) A governmental hospital shall maintain professional
29 liability insurance or a plan of self-insurance covering each
30 physician employed by the hospital in the amount of \$250,000 for
31 each single occurrence of bodily injury or death.

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

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

6 (1) applies for certification on a form approved by
7 the board; [~~and~~]

8 (2) presents proof satisfactory to the board that the
9 organization meets the requirements of Subsection (b), ~~or~~ (c),
10 or (d); and

11 (3) states that the health organization has consulted
12 with the organization's medical staff before filing an
13 application for certification under Subsection (d), if
14 appropriate.

15 (d) The board shall certify a health organization to
16 employ physicians licensed by the board if the organization is
17 in compliance with Subchapter E, Chapter 311, Health and Safety
18 Code, and this subchapter, including board rules.

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

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

25 (1) the organization shall ensure that each physician
26 retains independent medical judgment in providing care to
27 patients at the organization and may not be penalized for
28 reasonably advocating for patient care;

29 (2) the organization shall provide a certain portion
30 of medical services free of charge, or at a reduced fee
31 commensurate with a patient's ability to pay;

1 (3) a physician employed by the organization shall
2 participate in the provision of services under Subdivision (2);

3 (4) an organization may not include or enforce a
4 noncompete clause in a physician employment contract or
5 condition privileges on the continuation or termination of an
6 employment contract; and

7 (5) a physician who has privileges at the
8 organization and is employed by the hospital and a physician who
9 is not employed by the hospital must be given equal
10 consideration and treatment in the creation and execution of all
11 medical staff bylaw provisions regardless of the physician's
12 employer.

13 Sec. 162.005. FEES; ENFORCEMENT. (a) The board may
14 charge a reasonable fee as necessary for the certification of an
15 organization under Section 162.001(d) and for the investigation,
16 review, and enforcement of the organization's compliance with
17 this subchapter and Subchapter E, Chapter 311, Health and Safety
18 Code.

19 (b) The board may adopt and impose fines and
20 administrative remedies, including the revocation of
21 certification under Section 162.003, for a violation of this
22 subchapter or Subchapter E, Chapter 311, Health and Safety Code.

23 Sec. 162.006. BIENNIAL COMPLIANCE STATEMENT. When an
24 organization applies for certification, and every two years
25 after that date, an organization seeking certification under
26 Section 162.001(d) shall provide to the board a compliance
27 statement signed by the organization's chief executive officer
28 attesting that the organization is in compliance with all
29 requirements for certification and continued certification,
30 including the requirements of this subchapter and Subchapter E,
31 Chapter 311, Health and Safety Code.

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

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

ADOPTED

MAY 26 2009

Atty Gen
Secretary of the Senate

FLOOR AMENDMENT NO. 6

BY: *J. Wentworth*

1 Amend C.S.H.B. No. 3485 (senate committee printing) by adding
2 the following appropriately numbered SECTIONS to the bill and
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION _____. Article 49.01, Code of Criminal Procedure, is
5 amended to read as follows:

6 Art. 49.01. DEFINITIONS. In this chapter [~~article~~]:

7 (1) "Autopsy" means a post mortem examination of the
8 body of a person, including an external examination of the body
9 [~~X-rays~~] and an examination of the internal organs [~~and structures~~
10 ~~after dissection~~], to determine the cause and manner of death or the
11 nature of any pathological changes that may have contributed to the
12 death or to obtain information or material for evidentiary or
13 identification purposes. The forensic pathologist or physician
14 performing the autopsy may limit the individuals in attendance at
15 the examination and may vary the extent of the examination. The
16 examination may include:

- 17 (A) radiographs;
18 (B) a microscopic examination;
19 (C) retention of an organ part or whole organ;
20 (D) an anthropologic examination;
21 (E) a dental examination;
22 (F) any other procedure considered necessary by
23 the examining forensic pathologist or physician; or
24 (G) at the discretion of the medical examiner,
25 the medical examiner's designee, or the justice of the peace, as
26 appropriate, an in-person examination of the scene of death or
27 injury or an examination of the scene through reports or
28 photographs related to the injury or death.

29 (1-a) "Forensic pathologist" means a physician who is

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1 board certified in anatomic and forensic pathology by the American
2 Board of Pathology.

3 (2) "Inquest" means an investigation into the cause
4 and circumstances of the death of a person, and a determination,
5 made with or without a formal court hearing, as to whether the death
6 was caused by an unlawful act or omission. The term includes each
7 level of investigation, from rudimentary information gathering to a
8 complete autopsy examination and formal hearing.

9 (3) "Inquest hearing" means a formal court hearing
10 held to determine whether the death of a person was caused by an
11 unlawful act or omission and, if the death was caused by an unlawful
12 act or omission, to obtain evidence to form the basis of a criminal
13 prosecution.

14 (4) "Institution" means any place where health care
15 services are rendered, including a hospital, clinic, health
16 facility, nursing home, extended-care facility, out-patient
17 facility, foster-care facility, and retirement home.

18 (5) "Physician" means a practicing doctor of medicine
19 or doctor of osteopathic medicine who is licensed by the Texas
20 [~~State Board of~~] Medical Board [~~Examiners~~] under Subtitle B, Title
21 3, Occupations Code.

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

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

1 federal census.

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

4 (b) There may be only one chief medical examiner in a
5 medical examiners district, although the chief medical examiner
6 ~~[he]~~ may employ, within the district, necessary staff personnel,
7 including deputy medical examiners. When a county becomes a part of
8 a medical examiners district, the effect is the same within the
9 county as if the office of medical examiner had been established in
10 that county alone. A ~~[The]~~ district medical examiner has all the
11 powers and duties within the district that a medical examiner who
12 serves in a single county has within that county.

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

15 Sec. 2. APPOINTMENTS AND QUALIFICATIONS. (a) The
16 commissioners court shall appoint the chief medical examiner, who
17 serves ~~[shall serve]~~ at the pleasure of the commissioners court.
18 The chief medical examiner must be:

19 (1) board certified in anatomic and forensic pathology
20 by the American Board of Pathology; and

21 (2) ~~[No person shall be appointed medical examiner~~
22 ~~unless he is]~~ a physician licensed by the Texas ~~[State Board of]~~
23 Medical Board ~~[Examiners. To the greatest extent possible, the~~
24 ~~medical examiner shall be appointed from persons having training~~
25 ~~and experience in pathology, toxicology, histology and other~~
26 ~~medico-legal sciences].~~

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

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

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

8 (b) A deputy medical examiner must:

9 (1) be board certified in anatomic and forensic
10 pathology; or

11 (2) have satisfactorily completed accredited
12 residency and fellowship training programs in anatomic and forensic
13 pathology and, not later than the third anniversary of the date the
14 training programs were completed, obtain board certification in
15 anatomic and forensic pathology.

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

18 Sec. 4. SALARIES. The commissioners court shall establish
19 and pay the salaries and compensations of the chief medical
20 examiner and the chief medical examiner's ~~[his]~~ staff.

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

23 Sec. 6. DEATH INVESTIGATIONS. (a) A chief ~~[Any]~~ medical
24 examiner, or the chief medical examiner's ~~[his]~~ duly authorized
25 deputy medical examiner, shall ~~[be authorized, and it shall be his~~
26 ~~duty, to]~~ hold inquests with or without a jury in the ~~[within his]~~
27 county in which the office is established~~[7]~~ in the following
28 cases:

29 (1) ~~[1-]~~ When a person dies ~~[shall die]~~ within
30 twenty-four hours after the person is:

31 (A) admitted ~~[admission]~~ to a hospital or

1 institution;

2 (B) confined [~~or~~] in prison or in jail; or

3 (C) placed in law enforcement custody;

4 (2) [~~2.~~] When any person:

5 (A) is killed;

6 (B) [~~or~~] from any cause dies an unnatural death,
7 except under sentence of the law;

8 (C) [~~or~~] dies in the absence of one or more good
9 witnesses; or

10 (D) dies as a result of medical treatment or
11 therapy;

12 (3) [~~3.~~] When the body or a body part of a person is
13 found and [~~and~~] the cause or circumstances of death are unknown [~~and~~

14 [~~(A) the person is identified, or~~

15 [~~(B) the person is unidentified~~];

16 (4) [~~4.~~] When the circumstances of the death of any
17 person [~~are such as to~~] lead to suspicion that the person died [~~he~~
18 ~~came to his death~~] by unlawful means;

19 (5) [~~5.~~] When any person commits suicide, or the
20 circumstances of the person's [~~his~~] death [~~are such as to~~] lead to
21 suspicion that the person [~~he~~] committed suicide;

22 (6) [~~6.~~] When a person dies who has not [~~without~~
23 ~~having~~] been attended during the preceding year by a duly licensed
24 and practicing physician [~~, and the local health officer or~~
25 ~~registrar required to report the cause of death under Section~~
26 ~~193.005, Health and Safety Code, does not know the cause of death.~~
27 ~~When the local health officer or registrar of vital statistics~~
28 ~~whose duty it is to certify the cause of death does not know the~~
29 ~~cause of death, he shall so notify the medical examiner of the~~
30 ~~county in which the death occurred and request an inquest~~];

31 (7) [~~7.~~] When the person is a child [~~who is~~] younger

1 than six years of age and the death is reported under Chapter 264,
2 Family Code; ~~and~~

3 (8) When an unidentified person dies; and

4 (9) [8-] When a person dies who has been attended
5 immediately preceding the person's ~~[his]~~ death by a duly licensed
6 and practicing physician or physicians~~[r]~~ and the ~~[such]~~ physician
7 or physicians ~~[are not certain as to the cause of death and]~~ are
8 unable to certify to a reasonable degree of medical probability
9 ~~[with certainty]~~ the cause of death as required by Section 193.005
10 ~~[193.004]~~, Health and Safety Code.

11 (a-1) If a physician is unable to certify the cause of death
12 to a reasonable degree of medical probability, ~~[In case of such~~
13 ~~uncertainty]~~ the attending physician or physicians, or the
14 superintendent or general manager of the hospital or institution in
15 which the deceased ~~[shall have]~~ died, shall ~~[so]~~ report the
16 inability to the medical examiner of the county in which the death
17 occurred~~[r]~~ and request an inquest.

18 (a-2) If a medical examiner determines after performing an
19 inquest that the death is due to natural causes and the deceased
20 person was attended by a physician at the time of death or during
21 the preceding year, the medical examiner may waive the medical
22 examiner's authority to further investigate the case. If the
23 medical examiner waives the authority to further investigate the
24 case, the attending physician shall certify the cause of death.

25 (b) The inquests authorized and required by this Article
26 shall be held by the chief medical examiner of the county in which
27 the death occurred.

28 (c) In making such investigations and holding such
29 inquests, the chief medical examiner or an authorized deputy
30 medical examiner may administer oaths and take affidavits. In the
31 absence of next of kin or legal representatives of the deceased, the

1 chief medical examiner or authorized deputy medical examiner shall
2 take charge of the body and all property found with it.

3 (d) A medical examiner may subpoena medical records, law
4 enforcement records, or other types of records required to perform
5 the duties imposed under this section.

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

8 Sec. 6a. ORGAN TRANSPLANT DONORS; NOTICE; INQUESTS.

9 (a) When death occurs to an individual designated a prospective
10 organ donor for transplantation by a licensed physician under
11 circumstances requiring the chief medical examiner of the county in
12 which death occurred, or the chief medical examiner's authorized
13 deputy medical examiner, to hold an inquest, the chief medical
14 examiner, or a member of the chief medical examiner's [~~his~~] staff,
15 shall [~~will~~] be [~~so~~] notified by the administrative head of the
16 facility in which the prospective donor is located [~~transplantation~~
17 ~~is to be performed~~].

18 (b) When notified pursuant to Subsection (a) of this
19 Section, the chief medical examiner or the chief medical examiner's
20 deputy medical examiner shall perform an inquest on the deceased
21 prospective organ donor.

22 (c) Subject to the procedures and requirements established
23 by Section 693.002, Health and Safety Code, a medical examiner may:

24 (1) determine before or after the medical examiner
25 examines the body of the deceased that the release of organs or
26 tissues for transplant purposes will likely hinder the
27 determination of the cause or manner of death or compromise an
28 evidentiary aspect of the examination; and

29 (2) based on the determination, prohibit or limit the
30 extent of the organ or tissue removal.

31 SECTION _____. Subsection (b), Section 7, Article 49.25,

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

2 (b) A person investigating the [a] death of an unidentified
3 person [described by Subdivision 3(B) of Section 6(a)] shall report
4 the death to the missing children and missing persons information
5 clearinghouse of the Department of Public Safety and the national
6 crime information center not later than the 10th working day after
7 the date the investigation began.

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

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

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

20 Sec. 9. AUTOPSY. (a) If the cause of death is [~~shall be~~]
21 determined beyond a reasonable doubt as a result of the
22 investigation, the medical examiner shall prepare [~~file~~] a report
23 on the investigation [~~thereof~~] setting forth specifically the cause
24 of death and file the report with the district attorney or criminal
25 district attorney, or in a county in which there is no district
26 attorney or criminal district attorney with the county attorney, of
27 the county in which the death occurred.

28 (b) If in the opinion of the medical examiner an autopsy is
29 necessary to determine the cause or manner of death, to better
30 determine any pathological or injurious process present, or to
31 obtain evidence for a potential legal proceeding or for

1 identification purposes, or if the autopsy [~~such~~] is requested by
2 the district attorney or criminal district attorney, or county
3 attorney where there is no district attorney or criminal district
4 attorney, the autopsy shall be [~~immediately~~] performed by the chief
5 medical examiner or a duly authorized deputy medical examiner. In
6 [~~those~~] cases where a complete autopsy is considered [~~deemed~~]
7 unnecessary by the medical examiner to ascertain the cause of
8 death, the medical examiner may perform a limited autopsy or
9 external inspection of the body that may include [~~involving the~~]
10 taking [~~of~~] blood samples or any other samples of body fluids,
11 tissues, or organs [~~, in order~~] to ascertain the cause of death or
12 whether a crime has been committed.

13 (c) If [~~In~~] the identity [~~case~~] of a body of a human being
14 [~~whose identity~~] is unknown, the medical examiner may authorize the
15 [~~such~~] investigative and laboratory tests and processes [~~as are~~]
16 required to determine the [~~its~~] identity and [~~as well as~~] the cause
17 of death.

18 (d) The extent of an autopsy is solely at the discretion of
19 the medical examiner.

20 (e) A medical examiner is not required to notify or seek any
21 approval from a deceased person's next of kin to perform an autopsy
22 or any other type of examination related to an autopsy.

23 (f) On [~~In performing an autopsy the medical examiner or~~
24 ~~authorized deputy may use the facilities of any city or county~~
25 ~~hospital within the county or such other facilities as are made~~
26 ~~available. Upon~~] completion of the autopsy, the medical examiner
27 shall prepare [~~file~~] a report setting forth the findings in detail
28 and file the report with the office of the district attorney or
29 criminal district attorney of the county, or if there is no district
30 attorney or criminal district attorney, with the county attorney of
31 the county.

1 (g) [~~(b)~~] A medical examination on an unidentified person
2 shall include the following information to enable a timely and
3 accurate identification of the person:

4 (1) all available fingerprints and palm prints;

5 (2) dental charts and radiographs (X-rays) of the
6 person's teeth;

7 (3) [~~frontal and lateral~~] facial photographs with
8 scale indicated;

9 (4) notation [~~and photographs, with scale indicated,~~]
10 of a significant scar, mark, tattoo, or item of clothing or other
11 personal effect found with or near the body;

12 (5) notation of any identified antemortem medical
13 conditions; and

14 (6) notation of observations pertinent to the
15 estimation of time of death[~~, and~~

16 [~~(7) precise documentation of the location of burial~~
17 ~~of the remains~~].

18 (h) [~~(c)~~] A medical examination on an unidentified person
19 may include the following information to enable a timely and
20 accurate identification of the person:

21 (1) full body radiographs (X-rays); and

22 (2) [~~hair~~] specimens from the body for DNA
23 characterization and comparison [~~with roots~~].

24 (i) A medical examiner performing an autopsy of a deceased
25 person may retain an organ or part of an organ if the medical
26 examiner determines that retaining the organ or organ part is
27 necessary for further examination and testing. After completing
28 the examination or testing on the organ or organ part, the medical
29 examiner shall:

30 (1) retain the organ or organ part as required by law
31 or by published professional or accreditation standards;

1 (2) dispose of the organ or organ part as a hazardous
2 biological specimen; or

3 (3) release the organ or organ part to the funeral
4 establishment or crematory under Subsection (m)(2).

5 (j) A medical examiner may not be required to perform an
6 autopsy on a person whose death resulted from a highly infectious
7 disease or a chemical or radiological agent that presents a hazard
8 to the medical examiner, the medical examiner's staff, or the
9 public.

10 (k) Except as provided by Subsection (l), a medical examiner
11 may not perform an autopsy on a deceased person if the medical
12 examiner receives before the performance of the autopsy a notarized
13 affidavit signed by the person before the person's death that
14 states the person's objection for religious reasons to the
15 performance of an autopsy on the person after the person's death.

16 (l) A medical examiner may perform an autopsy on a deceased
17 person following receipt of a notarized affidavit under Subsection
18 (k) if the chief medical examiner determines a compelling public
19 necessity exists to perform the autopsy on the deceased person
20 despite the objection.

21 (m) If the medical examiner performs the autopsy despite
22 receipt of a notarized affidavit under Subsection (k), the medical
23 examiner shall:

24 (1) use the least invasive means possible in the
25 performance of the autopsy; and

26 (2) notwithstanding Subsection (i), release to the
27 funeral establishment or crematory any organ or organ part retained
28 by the medical examiner, except as required by law or by published
29 professional or accreditation standards.

30 (n) In this section, "compelling public necessity" means:

31 (1) a criminal homicide investigation in which the

1 deceased person is the victim;

2 (2) an immediate and substantial threat to public
3 health;

4 (3) the death of a child under 12 years of age for
5 which the cause of death is not apparent and neglect or a threat to
6 public health was suspected;

7 (4) the cause or manner of death of the deceased person
8 is not apparent after a diligent investigation by the medical
9 examiner; or

10 (5) the autopsy is required by law.

11 SECTION _____. Section 10, Article 49.25, Code of Criminal
12 Procedure, is amended to read as follows:

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

18 (b) A [~~Before any~~] body on [~~upon~~] which an inquest is
19 authorized by [~~the provisions of~~] this Article may not [~~can~~] be
20 [~~lawfully~~] cremated unless [~~an examination is~~] autopsy shall be
21 performed on the body [~~thereon~~] as provided in this Article [~~or a~~
22 certificate that the examination [~~no autopsy~~] was not necessary is
23 [~~shall be~~] furnished by the medical examiner.

24 (c) Before a [~~any~~] dead body may [~~can~~] be [~~lawfully~~]
25 cremated, the owner or operator of the crematory shall demand and be
26 furnished with a certificate, signed by the medical examiner of the
27 county in which the death occurred stating [~~showing~~] that:

28 (1) an examination [~~autopsy~~] was performed on the
29 [~~said~~] body; or

30 (2) an examination on the body [~~that no autopsy~~
31 ~~thereon~~] was not necessary.

1 (d) ~~The [It shall be the duty of the]~~ medical examiner shall
2 ~~[to]~~ determine whether or not, from all the circumstances
3 surrounding the death, an examination ~~[autopsy]~~ is necessary prior
4 to issuing a certificate under ~~[the provisions of]~~ this section.

5 (e) The owner or operator of a crematory requesting
6 authorization to cremate a body shall provide the medical examiner
7 with a legible and properly completed death certificate.

8 (f) A medical examiner is not required to perform an
9 examination ~~[No autopsy shall be required by the medical examiner]~~
10 as a prerequisite to cremation if the ~~[in case]~~ death was ~~[is]~~
11 caused by ~~[the]~~ pestilential or highly infectious diseases ~~[of~~
12 ~~Asiatic cholera, bubonic plague, typhus fever, or smallpox]~~.

13 (g) All certificates furnished to the owner or operator of a
14 crematory by any medical examiner, under the terms of this Article,
15 shall be preserved by the ~~[such]~~ owner or operator until the second
16 anniversary of ~~[such crematory for a period of two years from]~~ the
17 date of the body's cremation ~~[of said body]~~.

18 (h) A medical examiner is not required to perform an autopsy
19 on the body of a deceased person whose death was caused by a
20 communicable disease during a public health disaster.

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

23 Sec. 10a. WAITING PERIOD BETWEEN DEATH AND CREMATION.

24 (a) The body of a deceased person shall not be cremated within 48
25 hours after the time of death as indicated on the regular death
26 certificate, unless:

27 (1) the death certificate indicates death was caused
28 by ~~[the]~~ pestilential or highly infectious diseases; ~~[of Asiatic~~
29 ~~cholera, bubonic plague, typhus fever, or smallpox,]~~ or

30 (2) ~~[unless]~~ the time requirement is waived in writing
31 by the county medical examiner or, in counties without ~~[not having]~~

1 a county medical examiner, a justice of the peace.

2 (b) In a public health disaster, the commissioner of state
3 ~~[public]~~ health services may designate other communicable diseases
4 for which cremation within 48 hours of the time of death is
5 authorized.

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

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

9 (1) keep full and complete records properly indexed
10 that include~~[, giving]~~ the name if known of every person whose death
11 is investigated, the place where the body was found, the date, and
12 the cause and manner of death;~~[,]~~ and

13 (2) ~~[shall]~~ issue a death certificate.

14 (b) The full report and detailed findings of the autopsy, if
15 any, shall be a part of the record.

16 (c) ~~[Copies of all records shall promptly be delivered to~~
17 ~~the proper district, county, or criminal district attorney in any~~
18 ~~case where further investigation is advisable.]~~ The records are
19 subject to required public disclosure in accordance with Chapter
20 552, Government Code, except that a photograph or x-ray of a body
21 taken during a medical examiner investigation ~~[an autopsy]~~ is
22 excepted from required public disclosure in accordance with Chapter
23 552, Government Code, but is subject to disclosure:

24 (1) under a subpoena or authority of other law; or

25 (2) if the photograph or x-ray is of the body of a
26 person who died while in the custody of law enforcement.

27 SECTION _____. Section 12, Article 49.25, Code of Criminal
28 Procedure, is amended to read as follows:

29 Sec. 12. TRANSFER OF DUTIES OF JUSTICE OF PEACE. When the
30 commissioners court of any county establishes ~~[shall establish]~~ the
31 office of medical examiner, all powers and duties of justices of the

1 peace in the [~~such~~] county relating to the investigation of deaths
2 and inquests [~~shall~~] vest in the office of the medical examiner.
3 Any subsequent General Law pertaining to the duties of justices of
4 the peace in death investigations and inquests [~~shall~~] apply to the
5 medical examiner in the county [~~such counties as~~] to the extent not
6 inconsistent with this Article, and all laws or parts of laws
7 otherwise in conflict with this Article [~~herewith~~] are [~~hereby~~]
8 declared [~~to be~~] inapplicable to this Article.

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

11 (a) A person commits an offense if the person knowingly
12 violates this article or knowingly provides false information to a
13 medical examiner in the performance by the medical examiner of an
14 investigation under this article.

15 SECTION _____. Section 13, Article 49.25, Code of Criminal
16 Procedure, is repealed.

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

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

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

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

29 SECTION _____. Notwithstanding Sections 2 and 3, Article
30 49.25, Code of Criminal Procedure, as amended by this Act, a person
31 serving as the chief medical examiner or a deputy medical examiner

1 for a medical examiners district or county in this state on the
2 effective date of this Act is not required to be board certified in
3 anatomic and forensic pathology by the American Board of Pathology
4 to continue to hold that position of chief medical examiner or
5 deputy medical examiner for that district or county.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3485 by Coleman (Relating to the administration of certain county services and duties, including the administration of county assistance districts.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, and Occupations Code relating to administration of various county services and duties. Included in amendments to the Code of Criminal Procedure would be changes relating to the use of video teleconferencing systems in certain criminal proceedings.

The bill would amend various sections of the Code of Criminal Procedure relating to requirements for justices of the peace and medical examiners regarding autopsies and investigations. Among the changes that would have a fiscal impact would be the requirement that a chief medical examiner hold an inquest when a person dies within 24 hours after the person was placed into law enforcement custody or dies as a result of medical treatment or therapy. Various reporting requirements by medical examiners to county officials under current statute would be removed.

The bill would also add Subchapter C to Article 49 of the Code of Criminal Procedure to establish procedures for obtaining informed consent prior to the conduct of an autopsy. The commissioner of the Department of State Health Services (DSHS) in consultation with the Texas Medical Board (TMB) would be required to develop an informed autopsy consent form that includes information stated in the bill.

The bill would amend Chapter 61, Education Code, to stipulate that approval by the Higher Education Coordinating Board would not be required for buildings or other facilities financed by a public improvement district under Chapter 372, Local Government Code.

The bill would amend Chapter 281, Health and Safety Code, regarding the Dallas County Hospital District and its employment of health care providers and physicians.

The bill would add Subchapter E to Chapter 311 of the Health and Safety Code to authorize certain hospitals to employ a physician and retain all or part of the professional income generated by the physician for medical services provided at the hospital. The bill would set forth policies and bylaws required of the hospitals, including requirements related to liability insurance.

The bill would amend Section 157 of the Local Government Code to authorize an intergovernmental pool operating under Chapter 119 or its successor, pursuant to certain policies, to require reimbursement for the provision of punitive damage coverage from a person to whom the pool provides coverage.

The bill would amend Chapter 250, Local Government Code, to require a county or municipality issuing a citation for a violation of a county or municipal rule or ordinance related to real property to 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.

The bill would amend Subchapter C, Chapter 372, Local Government Code, relating to the powers and duties of certain public improvement districts regarding procedures for annexing or excluding land from the district. The bill would adjust the population criteria regarding the counties to which Subchapter C would apply.

The bill would amend Chapter 372 of the Local Government Code to expand the methods that can be used to fund public improvement projects, to add projects that qualify for funding as a public improvement project, and to provide for additional uses of public improvement district funds. In addition, the bill would make changes to operational procedures of a district such as those relating to posting and filing notices, dissolving a district, revising assessment rolls, and revising assessments.

Provisions of the bill specify that a public improvement district is not a separate body politic or corporate from the municipality or county that created it.

All governmental acts and proceedings conducted under Chapter 372, Local Government Code, prior to the effective date of the bill related to establishing a public improvement district, designating improvements, levying assessments, and financing costs of improvements in response to a petition filed that conform with Section 372.005, Local Government Code, as it existed prior to the effective date of the bill would be validated and confirmed.

The bill would amend Section 387 of the Local Government Code to authorize the creation of more than one county assistance district in a county and sets out procedures for creating more than one district. The bill would also amend statutes regarding powers, duties, operations, elections, and sales and use tax change of a county assistance district. Under current statute, if an election is held and the vote is against the creation of a district, another election may not be held prior to the first anniversary of the most recent election concerning the creation. Under the proposed change in statute, one or more elections may be held, and the limit on when the election could be held would be removed.

The bill would amend Chapter 162, Occupations Code, related to requirements of the Texas Medical Board regarding certification of a health organization and would allow the board to charge a reasonable fee as necessary for the certification of an organization and for the investigation, review, and enforcement of the organization's compliance with applicable statutes.

The bill would add Section 51.0022 to the Property Code to require, beginning with a sale on or after January 1, 2010, a person filing a notice of sale of foreclosed residential property to submit to the county clerk a completed form that provides the zip code of the property. On completion of the sale of real property, the trustee or sheriff would be required to submit a form to the county clerk that contains certain information. Not later than the 30th day after receipt of a form under the section, the county clerk would be required to transmit the form to the Texas Department of Housing and Community Affairs (TDHCA). By not later than January 1, 2010, TDHCA would be required to prescribe the forms required under the section and to report the information received from the county clerks to the legislature on a quarterly basis.

Proposed changes to Section 250.003, Local Government Code, would take effect on or after January 1, 2010. Otherwise, the bill would take effect September 1, 2009.

Based on analysis by affected agencies, it is anticipated that any costs associated with implementing provisions of the bill could be absorbed within existing resources.

Local Government Impact

It is anticipated that the proposed changes in the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, and Occupations Code relating to administration of various county services and duties would provide a positive fiscal impact for counties that would vary by county.

It is anticipated that the proposed amendments to the Code of Criminal Procedure regarding video conferencing systems would create a savings related to court proceedings if a system is already in place.

The fiscal impact to local governments under Article 49, Code of Criminal Procedure, regarding inquests of deaths of persons in law enforcement custody or as a result of medical treatment or therapy would depend on the number of such deaths that occur. The costs are not anticipated to be significant. As an example of potential impact, Midland County (2000 U.S. Census population of 116,009) reports that the current cost of performing an autopsy is \$2,000.

It is anticipated that the proposed addition to Chapter 157, Local Government Code, would provide a positive fiscal impact that would depend on the costs associated with punitive damage coverage.

Under proposed changes to Chapter 250, Local Government Code, a county or municipality would incur costs that would vary depending on how many citations are issued.

A municipality or county that has created or would create a public improvement district under provisions of chapter 372, Local Government Code, would benefit from the additional methods of financing. The positive fiscal impact would vary depending on decisions made by the governing body. Procedural changes are not anticipated to have significant fiscal implications.

Based on analysis provided from the Texas Association of Counties (TAC), the costs to implement the changes in Section 387 of the Local Government Code would vary by county depending on if an associated election coincides with other elections previously determined to take place in the county or if an election is held alone. As an example, TAC cited special election costs for Waller County at \$20,920 and Kaufman County at \$35,000. (Election costs vary depending not only on the type of election, but also on the number of eligible voters and number of precincts.)

Costs associated with requirements for gathering and submitting foreclosure data would vary by county and would depend on the number of foreclosures; however, based on information provided by TAC, those costs are not expected to be significant.

According to the Texas Hospital Association, provisions of the bill under Chapters 281 and 311, Health and Safety Code, and Chapter 162, Occupations Code, would provide a significant positive fiscal impact to the applicable hospitals.

Source Agencies: 332 Department of Housing and Community Affairs, 503 Texas Medical Board, 537 State Health Services, Department of, 781 Higher Education Coordinating Board

LBB Staff: JOB, DB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 22, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3485 by Coleman (Relating to the administration of certain county services and duties, including the administration of county assistance districts.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, and Occupations Code relating to administration of various county services and duties.

Included in amendments to the Code of Criminal Procedure would be changes relating to the use of video teleconferencing systems in certain criminal proceedings. The bill would permit a peace officer to provide testimony to a grand jury and allow certain defendants to waive the right of trial by jury from a remote site by means of a teleconferencing system.

The bill would amend Section 157 of the Local Government Code to authorize an intergovernmental pool operating under Chapter 119 or its successor, pursuant to certain policies, to require reimbursement for the provision of punitive damage coverage from a person to whom the pool provides coverage.

Additionally, the bill would amend Section 387 of the Local Government Code to authorize the creation of more than one county assistance district in a county and sets out procedures for creating more than one district. The bill would also amend statutes regarding powers, duties, operations, elections, and sales and use tax change of a county assistance district. Under current statute, if an election is held and the vote is against the creation of a district, another election may not be held prior to the first anniversary of the most recent election concerning the creation. Under the proposed change in statute, one or more elections may be held, and the limit on when the election could be held would be removed.

The bill would add Section 51.0022 to the Property Code to require, beginning with a sale on or after January 1, 2010, a person filing a notice of sale of foreclosed residential property to submit to the county clerk a completed form that provides the zip code of the property. On completion of the sale of real property, the trustee or sheriff would be required to submit a form to the county clerk that contains certain information. Not later than the 30th day after receipt of a form under the section, the county clerk would be required to transmit the form to the Texas Department of Housing and Community Affairs (TDHCA). By not later than January 1, 2010, TDHCA would be required to prescribe the forms required under the section and to report the information received from the county clerks to the legislature on a quarterly basis.

The bill would take effect September 1, 2009.

Based on analysis by TDHCA, it is anticipated that any costs associated with implementing provisions of the bill could be absorbed within existing resources.

Local Government Impact

It is anticipated that the proposed changes in the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, and Occupations Code relating to administration of various county services and duties would provide a positive fiscal impact for counties that would vary by county.

It is anticipated that the proposed amendments to the Code of Criminal Procedure regarding video teleconferencing systems would create a savings related to court proceedings if a system is already in place.

It is anticipated that the proposed addition to Chapter 157, Local Government Code, would provide a positive fiscal impact that would depend on the costs associated with punitive damage coverage.

Based on analysis provided from the Texas Association of Counties (TAC), the costs to implement the changes in Section 387 of the Local Government Code would vary by county depending on if an associated election coincides with other elections previously determined to take place in the county or if an election is held alone. As an example, TAC cited special election costs for Waller County at \$20,920 and Kaufman County at \$35,000. (Election costs vary depending not only on the type of election, but also on the number of eligible voters and number of precincts.)

Costs associated with requirements for gathering and submitting foreclosure data would vary by county and would depend on the number of foreclosures; however, based on information provided by TAC, those costs are not expected to be significant.

Source Agencies: 332 Department of Housing and Community Affairs

LBB Staff: JOB, DB, NV, KJG, TP

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 18, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3485 by Coleman (Relating to the administration of certain county services and duties, including the administration of county assistance districts.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, Occupations Code, Probate Code, and Tax Code relating to administration of various county services and duties.

The bill would also amend Section 157 of the Local Government Code to authorize an intergovernmental pool operating under Chapter 119 or its successor, pursuant to certain policies, to require reimbursement for the provision of punitive damage coverage from a person to whom the pool provides coverage.

Additionally, the bill would amend Section 387 of the Local Government Code to authorize the creation of more than one county assistance district in a county and sets out procedures for creating more than one district. The bill would also amend statutes regarding powers, duties, operations, elections, and sales and use tax change of a county assistance district. Under current statute, if an election is held and the vote is against the creation of a district, another election may not be held prior to the first anniversary of the most recent election concerning the creation. Under the proposed change in statute, one or more elections may be held, and the limit on when the election could be held would be removed.

Local Government Impact

It is anticipated that the proposed changes in the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, Occupations Code, Probate Code, and Tax Code relating to administration of various county services and duties would provide a positive fiscal impact for counties that would vary by county.

It is anticipated that the proposed addition to Chapter 157, Local Government Code, would provide a positive fiscal impact that would depend on the costs associated with punitive damage coverage.

Based on analysis provided from the Texas Association of Counties (TAC), the costs to implement the changes in Section 387 of the Local Government Code would vary by county depending on if an associated election coincides with other elections previously determined to take place in the county or if an election is held alone. As an example, TAC cited special election costs for Waller County at \$20,920 and Kaufman County at \$35,000. (Election costs vary depending not only on the type of election, but also on the number of eligible voters and number of precincts.)

Source Agencies:

LBB Staff: JOB, DB, KJG, TP

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 28, 2009

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3485 by Coleman (Relating to the administration of certain county services and duties, including the administration of county assistance districts.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, Occupations Code, and Tax Code relating to administration of various county services and duties.

Additionally, the bill specifically would amend Section 387 of the Local Government Code to authorize the creation of more than one county assistance district in a county and sets out procedures for creating more than one district. The bill would also amend statutes regarding powers, duties, operations, elections, and sales and use tax change of a county assistance district. Under current statute, if an election is held and the vote is against the creation of a district, another election may not be held prior to the first anniversary of the most recent election concerning the creation. Under the proposed change in statute, one or more election may be held, and the limit on when the election could be held would be removed.

Local Government Impact

It is anticipated that the proposed changes in the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, Occupations Code, and Tax Code relating to administration of various county services and duties would provide a positive fiscal impact for counties that would vary by county.

Based on analysis provided from the Texas Association of Counties (TAC), the costs to implement the changes in Section 387 of the Local Government Code would vary by county depending on if an associated election coincides with other elections previously determined to take place in the county or if an election is held alone. As an example, TAC cited special election costs for Waller County at \$20,920 and Kaufman County at \$35,000. (Election costs vary depending not only on the type of election, but also on the number of eligible voters and number of precincts.)

Source Agencies:

LBB Staff: JOB, DB, KJG, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 16, 2009

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3485 by Coleman (Relating to the administration of certain county services and duties.),
As Introduced

No fiscal implication to the State is anticipated.

The bill would amend the Code of Criminal Procedure, Election Code, Government Code, Health and Safety Code, Local Government Code, Occupations Code, and Tax Code relating to administration of various county services and duties.

Local Government Impact

It is anticipated that the proposed changes would provide a positive fiscal impact for counties that would vary by county.

Source Agencies:

LBB Staff: JOB, DB

