

Texas Legislature Online History

Bill: SB 234**Legislative Session:** 84(R)**Council Document:** 84R 3132 JXC-D**Last Action:** 05/23/2015 H Committee report sent to Calendars**Caption Version:** House Committee Report**Caption Text:** Relating to the creation and operation of a park and recreation district in counties that share a border on the San Marcos River and to the authority of the district to collect fees and issue bonds; creating a criminal offense and providing penalties.**Author:** Zaffirini**Sponsor:** Kuempel**Cosponsor:**

Subjects: CALDWELL COUNTY (G0070)
 GUADALUPE COUNTY (G1715)
 SAN MARCOS RIVER (G0475)
 Parks & Wildlife--Parks (I0555)
 Special Districts & Authorities--Miscellaneous (I0770)
 RECREATIONAL & CULTURAL FACILITIES (S0286)

Senate Committee: Intergovernmental Relations**Status:** Out of committee**Vote:** Ayes=5 Nays=0 Present Not Voting=0 Absent=2**House Committee:** Special Purpose Districts**Status:** Out of committee**Vote:** Ayes=5 Nays=0 Present Not Voting=0 Absent=2**Actions:** (descending date order)

Viewing Votes: Most Recent Senate Vote

| | Description | Comment | Date▼ | Time | Journal Page |
|---|---|---------|------------|----------|--------------|
| H | Committee report sent to Calendars | | 05/23/2015 | | |
| H | Committee report distributed | | 05/23/2015 | 08:59 AM | |
| H | Comte report filed with Committee Coordinator | | 05/22/2015 | | 4343 |
| H | Reported favorably as substituted | | 05/20/2015 | | |
| H | Testimony taken/registration(s) recorded in committee | | 05/20/2015 | | |
| H | Committee substitute considered in committee | | 05/20/2015 | | |
| H | Considered in public hearing | | 05/20/2015 | | |
| H | Scheduled for public hearing on . . . | | 05/20/2015 | | |
| H | Referred to Special Purpose Districts | | 05/14/2015 | 12:12 AM | 3543 |
| H | Read first time | | 05/14/2015 | | 3543 |
| H | Received from the Senate | | 05/11/2015 | | 3108 |
| S | Reported engrossed | | 05/11/2015 | | 1547 |
| S | Record vote | | 05/11/2015 | | 1453 |
| S | Passed | | 05/11/2015 | | 1453 |
| S | Read 3rd time | | 05/11/2015 | | 1453 |

| | | | |
|---|--|---------------------|------|
| S | Record vote | 05/11/2015 | 1453 |
| S | Three day rule suspended | 05/11/2015 | 1453 |
| S | Record vote | 05/11/2015 | 1452 |
| S | Read 2nd time & passed to engrossment | 05/11/2015 | 1452 |
| S | Record vote | 05/11/2015 | 1452 |
| S | Rules suspended-Regular order of business | 05/11/2015 | 1452 |
| S | Placed on intent calendar | 05/07/2015 | |
| S | Committee report printed and distributed | 05/06/2015 11:17 AM | |
| S | Recommended for local & uncontested calendar | 05/06/2015 | |
| S | Reported favorably as substituted | 05/06/2015 | 1392 |
| S | Considered in public hearing | 05/04/2015 | |
| S | Left pending in committee | 04/27/2015 | |
| S | Testimony taken in committee | 04/27/2015 | |
| S | Considered in public hearing | 04/27/2015 | |
| S | Scheduled for public hearing on . . . | 04/27/2015 | |
| S | Referred to Intergovernmental Relations | 01/28/2015 | 146 |
| S | Read first time | 01/28/2015 | 146 |
| S | Filed | 12/09/2014 | |
| S | Received by the Secretary of the Senate | 12/09/2014 | |

1-1 By: Zaffirini S.B. No. 234
1-2 (In the Senate - Filed December 9, 2014; January 28, 2015,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; May 6, 2015, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 May 6, 2015, sent to printer.)

1-7 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|---------------------|-----|--------|-----|
| 1-8 | | | | |
| 1-9 | Lucio | X | | |
| 1-10 | Bettencourt | | X | |
| 1-11 | Campbell | X | | |
| 1-12 | Garcia | X | | |
| 1-13 | Menéndez | X | | |
| 1-14 | Nichols | X | | |
| 1-15 | Taylor of Galveston | | X | |

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 234

By: Lucio

1-17 A BILL TO BE ENTITLED
1-18 AN ACT

1-19 relating to the creation and operation of a park and recreation
1-20 district in counties that share a border on the San Marcos River and
1-21 to the authority of the district to collect fees and issue bonds;
1-22 creating a criminal offense and providing penalties.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle B, Title 10, Local Government Code, is
1-25 amended by adding Chapter 324A to read as follows:

1-26 CHAPTER 324A. PARK AND RECREATION DISTRICTS IN CERTAIN COUNTIES
1-27 ON SAN MARCOS RIVER

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 324A.001. ELIGIBLE COUNTIES AND TERRITORY. (a) Two
1-30 counties that share a border on the San Marcos River may create a
1-31 district as provided by this chapter in all or part of the counties
1-32 to:

1-33 (1) conserve the natural resources in the district;
1-34 and

1-35 (2) improve the public health, safety, and welfare in
1-36 the district.

1-37 (b) The territory of a district created under this chapter
1-38 must include all of at least one county election precinct on each
1-39 side of the San Marcos River, except that the district territory
1-40 must exclude all territory located in a state park.

1-41 (c) The territory of a district created under this chapter
1-42 may not include territory outside of the creating counties
1-43 initially, but the district may annex territory outside the
1-44 counties under Section 324A.121.

1-45 Sec. 324A.002. DEFINITIONS. In this chapter:

1-46 (1) "Board" means the board of directors of a park and
1-47 recreation district created under this chapter.

1-48 (2) "District" means a park and recreation district
1-49 created under this chapter.

1-50 (3) "Eligible county" means a county described by
1-51 Section 324A.001.

1-52 (4) "Fee" includes a toll or any other charge.

1-53 SUBCHAPTER B. CREATION OF PARK AND RECREATION DISTRICT

1-54 Sec. 324A.021. CREATION ELECTIONS REQUIRED. A district may
1-55 be created under this chapter only if:

1-56 (1) the commissioners court of each eligible county in
1-57 which the proposed district will be located:

1-58 (A) receives a written petition for the creation
1-59 of the district that:

1-60 (i) is signed by a number of the registered

2-1 voters who reside in the county equal to at least five percent of
 2-2 the votes received in the county in the most recent gubernatorial
 2-3 general election; and

2-4 (ii) includes an accurate description of
 2-5 the territory to be included in the district by reference to county
 2-6 election precinct boundaries, by metes and bounds, by lot and block
 2-7 number if there is a recorded map or plat and survey of the area, or
 2-8 by other sufficient legal description; or

2-9 (B) passes a motion favoring creation of the
 2-10 district that includes an accurate description of the territory to
 2-11 be included in the district by reference to county election
 2-12 precinct boundaries, by metes and bounds, by lot and block number if
 2-13 there is a recorded map or plat and survey of the area, or by other
 2-14 sufficient legal description;

2-15 (2) the commissioners court of each county in which
 2-16 the proposed district will be located approves the creation of the
 2-17 district after a public hearing held to consider the creation of the
 2-18 district; and

2-19 (3) the creation of the district is approved by the
 2-20 voters as provided by Section 324A.024.

2-21 Sec. 324A.022. HEARING. (a) A commissioners court of an
 2-22 eligible county that receives a petition or passes a motion under
 2-23 Section 324A.021 shall hold a hearing on the creation of the
 2-24 district.

2-25 (b) The commissioners court shall set a date for the hearing
 2-26 that is after the 20th day but on or before the 40th day after the
 2-27 date the petition is received or the passage of the motion, as
 2-28 applicable, under Section 324A.021.

2-29 (c) The commissioners court shall publish in a newspaper of
 2-30 general circulation in the county notice of the petition or motion
 2-31 and the hearing date.

2-32 (d) The notice must be published at least once each week for
 2-33 a period of two weeks before the hearing date.

2-34 (e) At the hearing, the commissioners court shall hear all
 2-35 arguments for and against the creation of the district and shall
 2-36 take evidence as in civil cases in the county court.

2-37 (f) The hearing may be adjourned from time to time on good
 2-38 cause shown.

2-39 Sec. 324A.023. ORDER OF ELECTION. (a) After holding a
 2-40 hearing under Section 324A.022, the commissioners court may approve
 2-41 the creation of the district and order an election on the issue of
 2-42 the creation of the district only if the court finds that:

2-43 (1) the petition, if any, was signed by the required
 2-44 number of registered voters in the county;

2-45 (2) the district will serve the purposes prescribed by
 2-46 Section 324A.001; and

2-47 (3) the territory of the proposed district includes at
 2-48 least one county election precinct in an eligible county on each
 2-49 side of the San Marcos River.

2-50 (b) The commissioners court's election order must provide
 2-51 for the voters of the territory of the proposed district who reside
 2-52 in the county to vote for or against a proposition to approve the
 2-53 creation of the district.

2-54 (c) A commissioners court that orders an election under this
 2-55 section shall notify the commissioners court of the other eligible
 2-56 county in which the proposed district will be located of the order.

2-57 Sec. 324A.024. ELECTION; RESULT. (a) The election must be
 2-58 held on the date of the first regularly scheduled countywide
 2-59 election that follows the date of the order of the election and for
 2-60 which there is sufficient time to comply with other requirements of
 2-61 law.

2-62 (b) The commissioners courts of the counties in which the
 2-63 proposed district will be located are not required to hold their
 2-64 respective creation elections on the same day.

2-65 (c) The returns on the election shall be certified and the
 2-66 results declared in the same manner as provided for other county
 2-67 elections, except as provided by this section.

2-68 (d) A commissioners court that holds an election under this
 2-69 section shall notify the commissioners court of the other county in

3-1 which the district is proposed to be located of the results of the
 3-2 election, including the number of voters who voted for the
 3-3 proposition and the number of voters who voted against the
 3-4 proposition.

3-5 (e) After an election is held in the proposed district
 3-6 territory of each eligible county, the commissioners court of each
 3-7 county shall determine whether the majority of the voters of the
 3-8 proposed district territory in that county voting in the election
 3-9 voted for or against the proposition to approve the creation of the
 3-10 district. The county commissioners courts jointly shall declare
 3-11 the district created if a majority of the voters who voted in each
 3-12 county voted for the proposition. Each commissioners court shall
 3-13 enter in the court's minutes at the court's next meeting that the
 3-14 voters of the county approved or did not approve the creation of the
 3-15 district.

3-16 Sec. 324A.025. COSTS OF CREATION AND ORGANIZATION. The
 3-17 costs necessarily incurred in the creation and organization of the
 3-18 district may be paid from the district's revenue from any source.

3-19 SUBCHAPTER C. BOARD OF DIRECTORS OF PARK AND RECREATION DISTRICT

3-20 Sec. 324A.041. APPOINTMENT OF BOARD MEMBERS; TERMS. (a) A
 3-21 district is governed by a board composed of seven members.

3-22 (b) The commissioners court of each county in which the
 3-23 district is located shall appoint three members of the board.

3-24 (c) A municipality in the district may nominate a candidate
 3-25 for the seventh board member position. The six board members
 3-26 appointed under Subsection (b) shall select a seventh board member
 3-27 from among the nominations or, if the board receives no
 3-28 nominations, shall select a seventh board member.

3-29 (d) A commissioners court or the board shall file with the
 3-30 county clerk of each county in which the district is located a
 3-31 certificate of the appointment of each board member appointed by
 3-32 the court or board. The certificate is conclusive evidence of the
 3-33 proper appointment of the board member.

3-34 (e) Three members of the initial board serve one-year terms
 3-35 and four members serve two-year terms. The members shall draw lots
 3-36 to determine which members serve the one-year terms. Thereafter,
 3-37 each board member is appointed for a term of two years from the date
 3-38 of the board member's appointment.

3-39 (f) A board member may not serve more than four consecutive
 3-40 full terms.

3-41 Sec. 324A.042. QUALIFICATIONS. (a) A board member must:

3-42 (1) be a citizen of the United States; and
 3-43 (2) reside, own property, or own a business in the
 3-44 district.

3-45 (b) A board member may not be an officer or employee of a
 3-46 county in which the district is located or of a municipality in the
 3-47 district.

3-48 (c) Not more than two board members may be owners,
 3-49 operators, or employees of businesses that provide as their main
 3-50 business the same specific good or service.

3-51 Sec. 324A.043. VACANCIES. A vacancy that occurs on the
 3-52 board shall be filled for the unexpired term by appointment in the
 3-53 manner in which the vacating board member was appointed.

3-54 Sec. 324A.044. OATH AND BOND. (a) Not later than the 30th
 3-55 day after the date a board member is appointed, the member must
 3-56 qualify by taking the official oath and by filing a good and
 3-57 sufficient bond with the district.

3-58 (b) The bond must be:

3-59 (1) payable to the district;
 3-60 (2) payable in an amount prescribed by the district of
 3-61 \$5,000 or more; and

3-62 (3) conditioned that the board member will faithfully
 3-63 perform the duties of a board member, including the proper handling
 3-64 of all money that comes into the board member's hands in the board
 3-65 member's official capacity.

3-66 Sec. 324A.045. COMPENSATION AND REIMBURSEMENT. A board
 3-67 member is not entitled to compensation but is entitled to
 3-68 reimbursement for necessary expenses, including travel expenses,
 3-69 incurred in performing the duties of a board member. A board

4-1 member's reimbursement for necessary expenses in excess of \$250
 4-2 must be approved by the board. A board member's approved expense
 4-3 account shall be paid in due time by the board's check or warrant.

4-4 Sec. 324A.046. QUORUM; MAJORITY VOTE. (a) Five board
 4-5 members constitute a quorum of the board.

4-6 (b) An affirmative vote of a majority of the membership of
 4-7 the board is required for board action.

4-8 Sec. 324A.047. APPROVAL OF COMMISSIONERS COURT. (a) The
 4-9 board is subject to the supervision of the commissioners courts of
 4-10 the counties in which the district is located in the exercise of all
 4-11 the board's rights, powers, and privileges and in the performance
 4-12 of the board's duties.

4-13 (b) Not later than the 30th day after the date the board
 4-14 acts, the commissioners courts may approve or disapprove the
 4-15 board's action. If one of the courts disapproves the act, the act
 4-16 is ineffective. Otherwise, the act becomes effective on the
 4-17 earlier of the date each commissioners court approves the act or the
 4-18 31st day after the date the board acted.

4-19 Sec. 324A.048. ORGANIZATION; MEETINGS. (a) Annually, the
 4-20 board shall elect a president, a vice president, a secretary, and a
 4-21 treasurer.

4-22 (b) The offices of secretary and treasurer may be held by
 4-23 the same person. If either the secretary or the treasurer is absent
 4-24 or unavailable, the president may appoint another board member to
 4-25 act for and perform the duties of the absent or unavailable officer.

4-26 (c) The board shall set times for and hold regular meetings.
 4-27 On the request of two or more board members, the board may hold a
 4-28 special meeting at other times as necessary.

4-29 (d) The board shall hold meetings at a public place in a
 4-30 county in which the district is located.

4-31 SUBCHAPTER D. POWERS AND DUTIES

4-32 Sec. 324A.061. DEPOSITORIES AND DISBURSEMENTS. (a) Money
 4-33 and other funds belonging to or under control of the board are
 4-34 public funds.

4-35 (b) The board shall select depositories for the money.

4-36 (c) A warrant or check for the withdrawal of money must be
 4-37 signed by two persons authorized to sign a warrant or check by
 4-38 resolution entered in the board's minutes.

4-39 Sec. 324A.062. ADMINISTRATION. (a) The board may employ a
 4-40 manager and a secretary.

4-41 (b) The board shall determine the qualifications and set the
 4-42 duties of employees.

4-43 (c) The board may call on the county attorney, district
 4-44 attorney, or criminal district attorney of a county in which the
 4-45 district is located for legal services the board requires. The
 4-46 board may contract for and compensate the board's own legal staff.

4-47 (d) The district may maintain and operate an office.

4-48 (e) The board may acquire insurance for the district.

4-49 Sec. 324A.063. SEAL. The board shall adopt a seal to place
 4-50 on each lease, deed, or other instrument usually executed under
 4-51 seal and on other instruments as the board requires.

4-52 Sec. 324A.064. CONTRACTS. (a) The board may enter into
 4-53 any contract that the board considers necessary or convenient to
 4-54 carry out the purposes and powers granted by this chapter.

4-55 (b) If the contract is for an amount less than or equal to
 4-56 \$25,000, the board may enter into the contract without
 4-57 advertisement. If the contract is for more than that amount, the
 4-58 contract is subject to the bidding provisions applicable to county
 4-59 contracts.

4-60 (c) To be effective, a contract must be:

4-61 (1) approved by board resolution;

4-62 (2) executed by the president or vice president; and

4-63 (3) attested by the secretary or treasurer.

4-64 Sec. 324A.065. SUITS. The board may sue and be sued in the
 4-65 board's own name.

4-66 Sec. 324A.066. DISTRICT RULES AND ORDINANCES; CRIMINAL
 4-67 PENALTY. (a) The board may adopt reasonable rules and ordinances
 4-68 applicable to:

4-69 (1) the administration, enforcement, and collection

5-1 of district fees and the issuance, suspension, and cancellation of
 5-2 revenue permits;

5-3 (2) littering and litter abatement on public water in
 5-4 the district;

5-5 (3) activities that endanger the health and safety of
 5-6 persons or property on public water in the district, including the
 5-7 possession or consumption of alcohol by minors, subject to the
 5-8 public's paramount right to navigate inland water; and

5-9 (4) conservation of the district's natural resources
 5-10 and regulation of activities affecting the district's natural
 5-11 resources.

5-12 (b) A program adopted under this section may require a
 5-13 revenue permit holder to participate in a litter abatement program
 5-14 where the permit holder issues a trash bag to a customer.

5-15 (c) A person who violates a rule or ordinance adopted under
 5-16 this section commits an offense. An offense under this subsection
 5-17 is a Class C misdemeanor.

5-18 Sec. 324A.067. ENFORCEMENT. (a) A police officer,
 5-19 constable, sheriff, or other law enforcement officer with
 5-20 jurisdiction in a county in which the district is located may arrest
 5-21 a person who violates a district rule or ordinance, including a
 5-22 revenue permit requirement, in the officer's, constable's, or
 5-23 sheriff's county and carry out the prosecution of that person in the
 5-24 proper court.

5-25 (b) The county attorney, district attorney, or criminal
 5-26 district attorney of a county in which the district is located, or
 5-27 an attorney retained by the board for this purpose, may bring an
 5-28 action to enjoin a violation of a district rule or ordinance, and if
 5-29 the board authorizes, may seek damages and attorney's fees based on
 5-30 the violation, if the violation involves:

5-31 (1) the providing or offering of a rental or service
 5-32 for which collection of a fee is required under Section 324A.092;

5-33 (2) the failure of a revenue permit holder to remit a
 5-34 fee imposed under Section 324A.092 if the fee has been due for more
 5-35 than 60 days; or

5-36 (3) the violation by a revenue permit holder of a
 5-37 district rule or ordinance relating to an activity that endangers
 5-38 the health or safety of a person or property in the district.

5-39 Sec. 324A.068. BOND. If the board brings an action to
 5-40 enforce this subchapter or enjoin a violation of a district rule or
 5-41 ordinance adopted under this subchapter, the board is not required
 5-42 to post a bond.

5-43 Sec. 324A.069. HEALTH AND SAFETY SERVICES. The district
 5-44 may provide for fire protection, law enforcement, or emergency
 5-45 medical services in the district.

5-46 Sec. 324A.070. WATER QUALITY. The district may conduct a
 5-47 program to improve water quality and sanitary conditions in the
 5-48 district.

5-49 Sec. 324A.071. GRANTS AND GRATUITIES. To promote or
 5-50 accomplish a purpose of this chapter, the board may:

5-51 (1) accept grants or gratuities in any form from any
 5-52 source, including the United States government, this state, a state
 5-53 or federal agency, a private or public corporation, or any other
 5-54 person; or

5-55 (2) accept donations of money or other property.

5-56 Sec. 324A.072. DISTRICT AS TRUSTEE. To promote or
 5-57 accomplish a purpose of this chapter, the district may act as
 5-58 trustee of land, money, or other property.

5-59 Sec. 324A.073. MANAGEMENT PLAN; ANNUAL BUDGET; FILING.
 5-60 (a) The board shall develop and approve a three-year master plan
 5-61 for the management of the district.

5-62 (b) The board shall annually review and revise the master
 5-63 plan during the budget process and shall file a copy of the master
 5-64 plan and revisions with the county clerk of each county in which the
 5-65 district is located.

5-66 (c) The board shall annually develop and approve a one-year
 5-67 budget that must include the suggested revisions and additions to
 5-68 the master plan.

5-69 (d) The board shall submit the annual budget to the

6-1 commissioners court of each county in which the district is located
 6-2 for approval and shall file a copy with the county clerk.

6-3 Sec. 324A.074. NO EMINENT DOMAIN POWER. The district may
 6-4 not exercise the power of eminent domain.

6-5 SUBCHAPTER E. FEES; BONDS; FINANCIAL PROVISIONS

6-6 Sec. 324A.091. NO AD VALOREM TAXES. The district may not
 6-7 impose an ad valorem tax.

6-8 Sec. 324A.092. FEES FOR EQUIPMENT RENTALS AND SHUTTLE
 6-9 SERVICE; REVENUE PERMITS; CRIMINAL PENALTY. (a) The district may
 6-10 collect fees and issue revenue permits under this section in the
 6-11 district to carry out any purposes prescribed by this chapter and to
 6-12 pay the obligations and expenses of the district. The district may
 6-13 not impose a fee other than a fee described by this section.

6-14 (b) The board by resolution may impose fees for the rental
 6-15 of water-oriented recreational equipment intended for use on a
 6-16 river in the district, including a canoe, tube, raft, boat, or
 6-17 kayak, or for the provision of shuttle service in, or into or out
 6-18 of, the district, including a service for river ingress and egress.
 6-19 The board may impose different fee rates for different types of
 6-20 rental equipment or services, except that a fee may not be imposed
 6-21 at a rate greater than \$3 per person:

6-22 (1) for each rental of water-oriented recreational
 6-23 equipment; or

6-24 (2) if the person does not rent equipment described by
 6-25 Subdivision (1), for each person using shuttle service.

6-26 (c) A fee imposed under this section is payable by the
 6-27 purchaser or consumer of the item or service subject to the fee
 6-28 except that if the person responsible for collecting the fee does
 6-29 not comply with this chapter by collecting and remitting the fee to
 6-30 the district, the person responsible for collecting the fee is
 6-31 liable for the fee.

6-32 (d) A person who does not hold a revenue permit issued by the
 6-33 board commits an offense if the person provides or offers for
 6-34 compensation a rental or service if the price paid for the rental or
 6-35 service is subject to a fee under this section. Each provision or
 6-36 offer for compensation of the rental or service is a separate
 6-37 offense. An offense under this subsection is a Class C misdemeanor,
 6-38 unless it is shown at the trial of the defendant that the defendant
 6-39 has previously been convicted of an offense under this subsection,
 6-40 in which case the offense is a Class B misdemeanor.

6-41 (e) A person who holds a revenue permit issued by the
 6-42 district shall collect the fees imposed under this section and
 6-43 shall report and remit the collected fees to the district as the
 6-44 district requires.

6-45 (f) If a revenue permit holder remits fees imposed under
 6-46 this section after the due date but on or before the 30th day after
 6-47 the due date, the revenue permit holder shall pay the district a
 6-48 penalty of five percent of the amount of fees due. If the revenue
 6-49 permit holder remits the fees after the 30th day after the due date,
 6-50 the revenue permit holder shall pay the district a penalty of 10
 6-51 percent of the amount of fees due.

6-52 (g) Delinquent fees and accrued penalties draw interest at
 6-53 the rate of 10 percent a year beginning on the 60th day after the
 6-54 date the fees imposed under this section were due.

6-55 (h) If a revenue permit holder does not collect and remit a
 6-56 fee imposed under this section, the board may suspend, revoke, or
 6-57 cancel the holder's revenue permit and pursue any other remedy the
 6-58 district may have to collect the fee under civil or criminal law.

6-59 (i) The board may settle a claim for a penalty or interest
 6-60 accrued on a fee imposed under this section if the board finds that
 6-61 the revenue permit holder exercised reasonable diligence to comply
 6-62 with this chapter.

6-63 (j) In the same manner that this section applies to a person
 6-64 who provides or offers a rental or service for compensation in the
 6-65 district, this section applies to a person who resides or does
 6-66 business outside the district but:

6-67 (1) provides or offers a rental or service for
 6-68 compensation in the district; and

6-69 (2) regularly transports customers into or out of the

7-1 district for river or parking access.

7-2 Sec. 324A.093. FEE EXEMPTION. The district may not collect
 7-3 a fee on a transaction between a person and an interest operated in
 7-4 the district by:

- 7-5 (1) the United States;
 7-6 (2) a state park; or
 7-7 (3) a nonprofit youth-oriented organization.

7-8 Sec. 324A.094. REVENUE BOND ELECTION. (a) Revenue bonds
 7-9 may not be issued by the district until authorized by a majority
 7-10 vote of the district's voters voting at an election called and held
 7-11 for that purpose.

7-12 (b) Not later than two years after the date the district is
 7-13 declared created under Section 324A.024, the board may order a bond
 7-14 election. Regardless of the requirements of Section 324A.047(b),
 7-15 the order is not effective unless approved by the commissioners
 7-16 court of each county in which the district is located. Except as
 7-17 provided by this section, the election shall be held in the manner
 7-18 provided by the Election Code.

7-19 (c) At the election, the ballot must be printed to provide
 7-20 for voting for or against the issuance of revenue bonds.

7-21 (d) If a majority of the votes cast at the election favor the
 7-22 issuance of the bonds, the bonds may be issued by the board. If a
 7-23 majority of the votes cast at the election do not favor issuance of
 7-24 the bonds, the bonds may not be issued.

7-25 Sec. 324A.095. REVENUE BONDS. (a) The district may issue
 7-26 not more than \$300,000 in revenue bonds and may issue the bonds only
 7-27 to provide funds for the initial operation of the district. The
 7-28 bonds must be approved at an election called under Section
 7-29 324A.094.

7-30 (b) The district may make the bonds payable out of any
 7-31 revenue of the district.

7-32 (c) The bonds must be:

- 7-33 (1) issued in the name of the district;
 7-34 (2) signed by the county judge of each county in which
 7-35 the district is located; and

7-36 (3) attested by the county clerk and ex officio clerk
 7-37 of the commissioners court of each county in which the district is
 7-38 located.

7-39 (d) The seal of the commissioners court of each county in
 7-40 which the district is located must be impressed on the bonds.

7-41 (e) The bonds must mature serially or otherwise in not more
 7-42 than 40 years and may be sold at a price and under terms determined
 7-43 by the board to be the most advantageous reasonably obtainable.

7-44 (f) The resolution authorizing the issuance of the bonds may
 7-45 contain provisions for redemption of the bonds before their
 7-46 respective maturity dates at prices and times prescribed in the
 7-47 resolution. Except for rights of redemption expressly reserved in
 7-48 the resolution and in the revenue bonds, the bonds are not subject
 7-49 to redemption before maturity.

7-50 (g) The bonds may be made payable at times and at places,
 7-51 inside or outside the state, prescribed in the resolution.

7-52 (h) The bonds may be made registrable as to principal or as
 7-53 to both principal and interest.

7-54 Sec. 324A.096. BOND ANTICIPATION NOTES. (a) If funds are
 7-55 not available to pay the principal of or interest on bonds issued by
 7-56 the district or to pay other obligations of the district, the board
 7-57 may declare an emergency and may issue negotiable bond anticipation
 7-58 notes to borrow the money needed. The bond anticipation notes may
 7-59 bear interest at a rate that does not exceed the maximum rate
 7-60 provided by Chapter 1204, Government Code, and must mature within
 7-61 one year after their date of issuance.

7-62 (b) Bond anticipation notes may also be issued for any
 7-63 purpose for which bonds of the district have been voted or to refund
 7-64 previously issued bond anticipation notes.

7-65 (c) Bond anticipation notes issued under this section must
 7-66 be authorized by resolution of the board, subject to approval by the
 7-67 commissioners courts under Section 324A.047, and must be executed
 7-68 by the president of the board and attested by the secretary of the
 7-69 board.

8-1 Sec. 324A.097. REFUNDING BONDS. The district may issue
 8-2 refunding bonds under Chapter 1207, Government Code.

8-3 Sec. 324A.098. REPAYMENT OF BONDS THROUGH FEE REVENUE.
 8-4 (a) This section applies only to fees charged by the district
 8-5 while the district has outstanding bonds or interest.

8-6 (b) The board shall charge or require the payment of fees
 8-7 authorized by Section 324A.092 while the principal of or interest
 8-8 on district bonds is outstanding.

8-9 (c) Subject to the maximum fee amount prescribed by Section
 8-10 324A.092(b), the board shall set the fees in amounts that will yield
 8-11 revenues at least sufficient to pay district expenses, to comply
 8-12 with the covenants in the bond resolution, and to make payments
 8-13 prescribed by the bond resolution for debt service. "Debt
 8-14 service," as defined by the bond resolution, may include the
 8-15 payment of principal and interest as each matures, the
 8-16 establishment and maintenance of funds for extensions and
 8-17 improvements, an operating reserve, and an interest and sinking
 8-18 fund reserve.

8-19 Sec. 324A.099. FINANCIAL STATEMENT; BUDGET. (a) On or
 8-20 before February 1 of each year, the board shall prepare and file
 8-21 with the officer responsible for the county budget for each county
 8-22 in which the district is located a complete financial statement
 8-23 showing the financial status of the district and the district's
 8-24 properties, funds, and indebtedness.

8-25 (b) The financial statement must be prepared in accordance
 8-26 with standards adopted by the Governmental Accounting Standards
 8-27 Board and must show separately all information concerning:

8-28 (1) leases, promissory notes, and other indebtedness
 8-29 of the district; and

8-30 (2) fee revenue of the district.

8-31 (c) At the time the financial statement is filed, the board
 8-32 shall file with the commissioners court of each county in which the
 8-33 district is located a proposed budget of the board's needs for the
 8-34 next fiscal year. The proposed budget shall include items that:

8-35 (1) the board is unable to finance from the district's
 8-36 revenues; and

8-37 (2) the board requests purchase of with funds from
 8-38 that county.

8-39 (d) The officer responsible for the county budget for each
 8-40 county in which the district is located shall include the
 8-41 district's proposed budget on the calendar for the next regularly
 8-42 scheduled meeting of the commissioners court. As part of the
 8-43 county's tentative budget, the items certified by the board are
 8-44 subject to state law relating to county budgets.

8-45 (e) The county auditor of a county in which the district is
 8-46 located, after consultation with or notification to the county
 8-47 auditor of the other county in which the district is located, may
 8-48 conduct a general audit and issue a financial statement of the
 8-49 district at times the auditor considers appropriate.

8-50 Sec. 324A.100. DISPOSITION OF REVENUE. A district may use
 8-51 district fee revenue and other revenue for any purpose authorized
 8-52 by this chapter or other law for the benefit of the district.

8-53 SUBCHAPTER F. ANNEXATION; INCORPORATION; DISSOLUTION

8-54 Sec. 324A.121. ANNEXATION. (a) The voters of an area that
 8-55 is contiguous to a district and is in a county election precinct
 8-56 that borders the San Marcos River may file a petition with the board
 8-57 to annex the area to the district.

8-58 (b) The petition must contain an accurate description of the
 8-59 area proposed for annexation by reference to county election
 8-60 precinct boundaries, by metes and bounds, by lot and block number if
 8-61 there is a recorded map or plat and survey of the area, or by other
 8-62 sufficient legal description.

8-63 (c) The petition must be signed by at least one percent of
 8-64 the registered voters in the area proposed for annexation.

8-65 (d) The board shall give notice of a hearing on the petition
 8-66 and hold a hearing in the manner prescribed by Section 324A.022 for
 8-67 a commissioners court hearing.

8-68 (e) After holding the hearing, the board may by order annex
 8-69 the area only if the board finds that the annexation promotes the

9-1 purposes for which the district was created.

9-2 (f) If the board annexes territory into the district located
 9-3 in a county other than the counties in which the district was
 9-4 located on the date of the district's creation, the commissioners
 9-5 court of the new county may appoint two members to the district's
 9-6 board in addition to the members appointed under Section 324A.041.
 9-7 If two additional board members are appointed under this
 9-8 subsection:

9-9 (1) the additional board members shall draw lots to
 9-10 determine which member serves an initial one-year term and which
 9-11 member serves an initial two-year term; and

9-12 (2) the additional board members may participate in
 9-13 selecting the board member under Section 324A.041(c).

9-14 Sec. 324A.122. EFFECT OF INCORPORATION OR ANNEXATION. The
 9-15 incorporation of a political subdivision or the annexation of any
 9-16 part of a district by a political subdivision does not affect the
 9-17 district's boundaries.

9-18 Sec. 324A.123. DISANNEXATION. (a) The voters of or county
 9-19 commissioners for any area in a district may file a petition with
 9-20 the board to disannex the area from the district.

9-21 (b) The petition must contain an accurate description of the
 9-22 area proposed for disannexation by reference to county election
 9-23 precinct boundaries, by metes and bounds, by lot and block number if
 9-24 there is a recorded map or plat and survey of the area, or by other
 9-25 sufficient legal description.

9-26 (c) The petition must be signed by at least one percent of
 9-27 the registered voters in the area proposed for disannexation or by
 9-28 each county commissioner for the area proposed for disannexation.

9-29 (d) The board shall give notice of a hearing on the petition
 9-30 and hold a hearing in the manner prescribed by Section 324A.022 for
 9-31 a commissioners court hearing.

9-32 (e) The board may grant the petition and by order disannex
 9-33 the territory if the board finds that:

9-34 (1) the petition meets the requirements of this
 9-35 section;

9-36 (2) the district's projected revenue from all sources,
 9-37 except from the area proposed for disannexation, is sufficient to
 9-38 pay the district's outstanding debts; and

9-39 (3) the disannexation is in the district's best
 9-40 interests.

9-41 (f) Except as provided by Section 324A.125(d), if the Parks
 9-42 and Wildlife Department creates a state park that includes
 9-43 territory in the district, the board shall by order disannex the
 9-44 overlapping territory from the district.

9-45 (g) The disannexation takes effect on the date stated by the
 9-46 order or, if the order does not state a date, on the date the order
 9-47 is issued.

9-48 Sec. 324A.124. DISSOLUTION OF DISTRICT BY COMMISSIONERS
 9-49 COURTS. (a) The commissioners courts of each county in which the
 9-50 district is located by joint order may dissolve the district. The
 9-51 order may be adopted:

9-52 (1) on a motion by a commissioners court; or

9-53 (2) after the filing of a written petition with each
 9-54 county in which the district is located signed by a number of the
 9-55 registered voters who reside in the district equal to at least 10
 9-56 percent of the votes received in the district in the most recent
 9-57 gubernatorial general election.

9-58 (b) Each commissioners court that receives a petition shall
 9-59 give notice of a hearing on the petition or motion and hold a
 9-60 hearing in the manner prescribed by Section 324A.022.

9-61 (c) The commissioners courts shall jointly grant a petition
 9-62 and order the dissolution of the district if the courts find that
 9-63 the petition, if any, meets the requirements of this section and
 9-64 that the dissolution is in the best interests of the counties.

9-65 Sec. 324A.125. DISSOLUTION OF DISTRICT BY BOARD. (a) The
 9-66 board may by order dissolve the district. The order may be adopted:

9-67 (1) on the board's own motion; or

9-68 (2) after the filing of a written petition signed by a
 9-69 number of the registered voters who reside in the district equal to

10-1 at least 10 percent of the votes received in the district in the
 10-2 most recent gubernatorial general election.

10-3 (b) The board shall give notice of a hearing on the petition
 10-4 or motion and hold a hearing in the manner prescribed by Section
 10-5 324A.022 for a commissioners court hearing.

10-6 (c) After the hearing, the board shall order the dissolution
 10-7 of the district if the board finds that the petition, if any, meets
 10-8 the requirements of this section and that the dissolution is in the
 10-9 best interests of the counties in which the district is located.

10-10 (d) The board shall by order dissolve the district if the
 10-11 Parks and Wildlife Department creates a state park that includes:

10-12 (1) all of the district's territory located in one of
 10-13 the counties in which the district is located; or

10-14 (2) all of the district's territory.

10-15 Sec. 324A.126. DISPOSITION OF DISTRICT ASSETS AND DEBTS.

10-16 (a) If the district is dissolved, the board shall administer the
 10-17 assets and debts until all money has been disposed of and all
 10-18 district debts have been paid or settled.

10-19 (b) The district is dissolved when all money has been
 10-20 disposed of and all district debts have been paid or settled.

10-21 SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

10-22 Sec. 324A.901. REQUIREMENTS FOR RENTAL OF WATER-ORIENTED
 10-23 RECREATIONAL EQUIPMENT. (a) This section applies only to the
 10-24 rental of water-oriented recreational equipment in a district.

10-25 (b) A person may rent water-oriented recreational equipment
 10-26 only if each person who will use the equipment is listed on a
 10-27 written agreement for the rental of that equipment.

10-28 SECTION 2. This Act takes effect immediately if it receives
 10-29 a vote of two-thirds of all the members elected to each house, as
 10-30 provided by Section 39, Article III, Texas Constitution. If this
 10-31 Act does not receive the vote necessary for immediate effect, this
 10-32 Act takes effect September 1, 2015.

10-33

* * * * *

WITNESS LIST

SB 234
Senate Committee Report
Intergovernmental Relations

April 27, 2015 - 8:30 AM

FOR:

Condie, Virginia (Self) , Martindale, TX
Fairchild, Jack (Self) , Martindale, TX
Goynes, Paula (Self) , San Marcos, TX
Goynes, Tom President (also providing written testimony) (Texas Rivers Protection Association), San Marcos, TX
Hutchison, Kevin (Hill Country Fly Fishers), Smithville, TX
Law, Daniel Sheriff (Caldwell County), Lockhart, TX
McClabb, Mike (Self) , Martindale, TX
McGehee, Scott (Self) , San Marcos, TX
Mosier, Doyle Mayor (also providing written testimony) (City of Martindale), Martindale, TX
Schleder, Max (Self) , San Marcos, TX
Wassenich, Dianne (San Marcos River Foundation), San Marcos, TX
Williams, Lynn (Self) , Martindale, TX

AGAINST:

Coleman, Craig Owner - RKY, LTD (also providing written testimony) (RKY, LTD Dons Fish Camp / Texas State Tubes), Martindale, TX
Ewbank, Jim Attorney (RKY LLC Don's Fish Camp), Austin, TX
Lawrence, Richard (Texas State Tubes), Martindale, TX

ON:

Dussere, Mike (Water Oriented Recreation District - Comal), Canyon Lake, TX
Garza-Mayberry, Joann (Fish & Wildlife - Game Warden), Lockhart, TX
Votteler, Todd Executive Manager of Science Intergovernmental Relations and Policy (Guadalupe-Blanco River Authority), Seguin, TX
Warren, Emily Associate Director Meadows Center (Meadows Center for Water & Environment), Austin, TX

Registering, but not testifying:

FOR:

Doner, John (Self) , Austin, TX
Woodard, Shane (Guadalupe Basin Coalition), Austin, TX

AGAINST:

Davis, Doug (Wholesale Beer Distributors of Texas), Austin, TX
Elliott, Ryan (Texas River Alliance), San Marcos, TX
Gurasich, Steve (RKY LTD Don's Fish Camp), Austin, TX
Jensen, Nicole Director of Operations (Austin Tour Company), Austin, TX
Lucero, Homero SR. VP (Texas Travel Industry Association), Austin, TX
Lucero, Homero (Schlitterbahn), Austin, TX
Prosapio, Wister (Schlitterbahn Waterparks & Resorts), New Braunfels, TX
Rowley, David (Texas Association of Campground Owners), San Marcos, TX
Rowley, David (Pecan Park Riverside RV & Cabins), San Marcos, TX
Spilman, Tom (Wholesale Beer Distributors of Texas), Austin, TX

WITNESS LIST

SB 234

HOUSE COMMITTEE REPORT

Special Purpose Districts Committee

May 20, 2015 - 8:00 AM

For :

Goynes, Paula (Self)
Mosier, Doyle (Self; Martindale)
Tegrotenhuis, Duane (Self; T g canoes and kayaks)
Waldrop, Dixie (Self)

Against :

Coleman, Craig (Self)
Ewbank, Jim (Dons Fish Camp)

Registering, but not testifying:

For :

Andrisek, Ann (Self; Trpa)
Doner, John (Self)
Fairchild, Jack (Self)
Hansen, Edward (Self)
Hicks, Phillip (Self)
Howard, Jay (Guadalupe Blanco River Authority)
Jackson, Randy (Self; Trpa)
Langenkamp, Stephanie (Self)
Ramirez, Stephen (Self; San marcos River Foundation)
Rowley, David (Self; Pecan Park Riverside RV & Cabins)
Rowley, Rachael (Self; Pecan Park Riverside RV ans Cabins)
Sackett, Debra (Self)
Spain, Bob (Self)
Waters, Geoff (Self)
Williams, Lynn (Self)
Woodard, Shayne (Guadalupe basin coalition)

Against :

Davis, Doug (Wholesale Beer Distributors of Texas)
Hinkle, Ron (Texas Association of Campground Owners)
Jensen, Nicole (Self; Austin Tour Company)
Lawrence, Richard (Self; Texas state tubes)
Lucero, Homero (Texas Travel Industry Association)
Lucero, Homero (Schlitterbahn Resorts)
Moses, Rocco (Self; Texas state tubes)
Spilman, Tom (Wholesale Beer Distributors of Texas)