

BILL ANALYSIS

H.B. 2477
By: Callegari
State Cultural and Recreational Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Constitution prevents the use of water district tax receipts for the development of parks and recreational facilities. Consequently, districts, are limited in their ability to pay for the development and maintenance of such facilities. House Bill 2477 requires districts to gain voter approval before tax-backed bonds may be issued for the development of recreational facilities.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Commission on Environmental Quality (TCEQ) in SECTION 5 (Section 49.466, Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the Water Code to include recreational facility in the definition of district facility.

SECTION 2. Amends the Water Code by removing language referencing the Legislature's authority to authorize districts to develop and maintain parks and recreational facilities.

SECTION 3. Amends the Water Code by expanding the purpose of a district to include the financing of recreational facilities for people in the district.

SECTION 4. Amends the Water Code by authorizing a district to issue bonds for the development and maintenance of recreational facilities only if the bonds are authorized by a majority of votes held in the district. Authorizes a district to issue bonds in the absence of an election if they are only payable by revenues by resolution or from an order of the board. Prohibits a district from issuing bonds supported by ad valorem taxes to pay for the development and maintenance of swimming pools. Requires the district's board to file a park plan in the district office no later than ten days before an election to authorize the issuance of bonds for the development and maintenance of recreational facilities. The required plan must include maps, plats, drawings, and a description of the land, improvements, facilities, and equipment to be purchased or constructed. Requires that the notice of a bond election include the proposition to be voted on and an estimate of the proposition's cost. Authorizes district's bond elections to be held on the same day as other elections or separately. Authorizes the board to submit multiple purposes in a single proposition at an election. Authorizes a district's board to call a bond election for the development and maintenance of recreational facilities as a result of an agreement to annex territory into the district.

SECTION 5. Amends the Water Code, by authorizing the Texas Commission on Environmental Quality to adopt rules regarding districts' provision and financing of recreational facilities.

SECTION 6. Repeals Section 49.461(b), Water Code, providing districts authority to develop and maintain recreational facilities. Repeals Subchapter I, Chapter 54, Water Code, authorizing municipal utility districts (MUDs) to develop and maintain recreational facilities.

SECTION 7. Provides that this Act takes effect on the date on which the constitutional amendment proposed by the 78th Legislature, Regular Session, 2003, relating to the provision of parks and recreational

facilities by certain conservation and reclamation districts is approved by the voters. Provides that if that amendment is not approved by the voters, this Act has no effect.

EFFECTIVE DATE

Effective on November 4, 2003, if the constitutional amendment proposed by the 78th Legislature, Regular Session 2003, relating to the provision of parks and recreational facilities by certain conservation and reclamation districts is approved by the voters.