

By: Lindsay

S.B. No. 624

A BILL TO BE ENTITLED

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

AN ACT

relating to the provision of parks and recreational facilities by certain conservation and reclamation districts; authorizing the issuance of bonds on voter approval.

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

SECTION 1. Subdivision (10), Subsection (a), Section 49.001, Water Code, is amended to read as follows:

(10) "District facility" means tangible real and personal property of the district, including any plant, equipment, means, recreational facility as defined by Section 49.462, or instrumentality owned, leased, operated, used, controlled, furnished, or supplied for, by, or in connection with the business or operations of a district. The term specifically includes a reservoir or easement of a district.

SECTION 2. Section 49.107, Water Code, is amended by adding Subsection (h) to read as follows:

(h) An operation and maintenance tax to be used for recreational facilities, as defined by Section 49.462, may be levied only by a district described by Section 49.4645(a). The maximum rate of tax used for recreational facility purposes may not exceed 10 cents per \$100 of assessed valuation of taxable property in the district.

SECTION 3. Subsection (a), Section 49.461, Water Code, is amended to read as follows:

1 (a) The legislature finds that:

2 (1) the provision of parks and recreational facilities
3 is necessary and desirable for the health and well-being of the
4 people of this state; and

5 (2) it is the policy of the state and the purpose of
6 this subchapter to encourage persons in districts to provide parks
7 and recreational facilities for their use and benefit[+

8 [~~(3) within constitutional limitations, the power to~~
9 ~~enact laws vested in the legislature by Section 1, Article III,~~
10 ~~Texas Constitution, is supreme;~~

11 [~~(4) there is no constitutional inhibition that would~~
12 ~~prohibit the legislature from authorizing districts to acquire,~~
13 ~~own, develop, construct, improve, manage, operate, and maintain~~
14 ~~parks and recreational facilities; and~~

15 [~~(5) the general legislative power alone is adequate~~
16 ~~to support the enactment of this subchapter without reference to~~
17 ~~any specific constitutional authorization].~~

18 SECTION 4. Section 49.463, Water Code, is amended to read as
19 follows:

20 Sec. 49.463. AUTHORIZATION OF RECREATIONAL FACILITIES. In
21 addition to the other purposes for which a district is created, a
22 district is created for the purpose of financing, developing, and
23 maintaining recreational facilities for the people in the district.
24 A district may accomplish this purpose as provided in this
25 subchapter.

26 SECTION 5. Subsection (a), Section 49.464, Water Code, is
27 amended to read as follows:

1 (a) Except as provided by Section 49.4645, a [A] district
2 may not issue bonds supported by ad valorem taxes to pay for the
3 development and maintenance of recreational facilities.

4 SECTION 6. Subchapter N, Chapter 49, Water Code, is amended
5 by adding Section 49.4645 to read as follows:

6 Sec. 49.4645. DISTRICT IN CERTAIN COUNTIES: BONDS FOR
7 RECREATIONAL FACILITIES. (a) A district all or part of which is
8 located in Travis County, Harris County, Galveston County, Brazoria
9 County, Fort Bend County, or Montgomery County may issue bonds
10 supported by ad valorem taxes to pay for the development and
11 maintenance of recreational facilities only if the bonds are
12 authorized by a majority vote of the qualified voters of the
13 district voting in an election held for that purpose. The
14 outstanding principal amount of bonds, notes, and other obligations
15 issued to finance parks and recreational facilities payable from
16 any source may not exceed an amount equal to one percent of the
17 value of the taxable property in the district as shown by the tax
18 rolls of the central appraisal district at the time of the issuance
19 of the bonds, notes, and other obligations or an amount greater than
20 the estimated cost provided in the park plan under Subsection (b),
21 whichever is smaller. The board may issue bonds payable solely from
22 revenues by resolution or by order of the board without an election.
23 The district may not issue bonds supported by ad valorem taxes to
24 pay for the development and maintenance of:

- 25 (1) indoor or outdoor swimming pools; or
26 (2) golf courses.

27 (b) Not later than the 10th day before an election is held to

1 authorize the issuance of bonds for the development and maintenance
2 of recreational facilities, the board shall file in the district
3 office for review by the public a park plan covering the land,
4 improvements, facilities, and equipment to be purchased or
5 constructed and their estimated cost, together with maps, plats,
6 drawings, and data fully showing and explaining the park plan. The
7 park plan is not part of the proposition to be voted on, and the park
8 plan does not create a contract with the voters.

9 (c) Notice of a bond election for the development and
10 maintenance of recreational facilities must contain the
11 proposition to be voted on, which must include the estimate of the
12 probable cost of design, construction, purchase, acquisition, and
13 maintenance of improvements and additions and incidental expenses
14 connected with the improvements and the issuance of bonds.

15 (d) A bond election for the development and maintenance of
16 recreational facilities may be held on the same day as another
17 district election. The board may call a bond election by a separate
18 election order or as part of another election order. The board may
19 submit multiple purposes in a single proposition at an election.

20 (e) The board may call a bond election for the development
21 and maintenance of recreational facilities as a result of an
22 agreement to annex additional territory into the district.

23 SECTION 7. Subchapter N, Chapter 49, Water Code, is amended
24 by adding Section 49.466 to read as follows:

25 Sec. 49.466. COMMISSION RULES. (a) The commission shall
26 adopt rules regarding the provision and financing of recreational
27 facilities funded through the issuance of bonds that are supported

1 by ad valorem taxes.

2 (b) The commission rules shall:

3 (1) emphasize the primary goal of financing water,
4 sewer, and drainage facilities to serve the district;

5 (2) emphasize and encourage the secondary goal of
6 financing recreational facilities; and

7 (3) encourage the conveyance of land to be used for
8 recreational facilities.

9 SECTION 8. Subsection (b), Section 49.461, Water Code, and
10 Subchapter I, Chapter 54, Water Code, are repealed.

11 SECTION 9. This Act takes effect on the date on which the
12 constitutional amendment proposed by the 78th Legislature, Regular
13 Session, 2003, relating to the provision of parks and recreational
14 facilities by certain conservation and reclamation districts is
15 approved by the voters. If that amendment is not approved by the
16 voters, this Act has no effect.