

AN ACT

relating to multi-jurisdictional library districts.

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

SECTION 1. The heading to Subchapter B, Chapter 336, Local Government Code, is amended to read as follows:

SUBCHAPTER B. CREATION OF DISTRICT; ELECTIONS

SECTION 2. Section 336.021, Local Government Code, is amended to read as follows:

Sec. 336.021. ~~[ROLE OF]~~ LEAD GOVERNMENTAL ENTITY; PARTICIPATION BY OTHER COUNTIES AND MUNICIPALITIES. (a) A district may be created by a lead governmental entity ~~[county or municipality]~~ that, by resolution, ~~[assumes the role of a lead governmental entity under this chapter and]~~ proposes the creation of a district for specific ~~[contiguous]~~ counties and municipalities that by resolution agree to have their territory in the district.

(b) The governing body of a county or municipality may adopt a resolution under Subsection (a) on its own motion ~~[or after a hearing held on a petition requesting the creation of a district]~~.

(c) As soon as feasible and prudent, the ~~[The]~~ lead governmental entity shall provide over 50 percent of the initial assets to the district.

SECTION 3. Section 336.022, Local Government Code, is amended to read as follows:

Sec. 336.022. TERRITORY INCLUDED IN DISTRICT. (a) The

lead governmental entity shall describe the initial district territory in the resolution creating the district under Section 336.021. The initial district territory~~[, which]~~ must include all territory of each municipality or county that agrees to have its territory in the district under Section 336.021, except as provided by Subsections (c) and (d).

(b) The district may include incorporated or unincorporated territory and may include any ~~[contiguous]~~ territory in one or more counties that agree by resolution to have the counties' territory in the district under Section 336.021.

(c) If the boundaries of the proposed district include any territory that~~[, on the date on which an election is ordered on the question of creating the district,]~~ is part of a municipality that operates a municipal public library, the governing body of that municipality must consent by resolution to allow the inclusion of that municipal territory in the proposed district. This subsection applies only to a municipality whose municipal public library is:

- (1) financed and operated by that municipality;
- (2) accredited for membership in the state library system; and
- (3) open and free of charge to all members of the public under identical conditions.

(d) Except as provided by this subsection and Subsection (c), the district includes all incorporated and unincorporated areas of a county that agrees by resolution to have its territory in the district under Section 336.021. In its resolution, the county may exclude any incorporated area of the county where the local

1 sales and use tax exceeds one and one-half percent.

2 SECTION 4. Section 336.023, Local Government Code, is
3 amended to read as follows:

4 Sec. 336.023. ~~[CONFIRMATION]~~ ELECTION. (a) A district
5 ~~[created under this chapter]~~ may call an election to approve one or
6 both of the following:

7 (1) ~~[for the purpose of approving]~~ a sales tax; or
8 (2) an ad valorem tax~~[, or both,]~~ on property in the
9 district.

10 (b) A sales tax and an ad valorem tax may be approved at the
11 same election.

12 (c) Before a district may call the first election under this
13 section, the lead governmental entity by resolution must set:

14 (1) the date of the election; and
15 (2) the type and rate of each tax that will appear on
16 the ballot proposition under Section 336.027.

17 SECTION 5. Section 336.027, Local Government Code, is
18 amended to read as follows:

19 Sec. 336.027. BALLOT PROPOSITION. (a) If the board calls
20 an election to approve ~~[governing body of the lead governmental~~
21 ~~entity determines under Section 336.025 that the district should be~~
22 ~~supported by]~~ a sales tax, the ballot for the election shall be
23 printed to permit voting for or against the proposition: "The
24 ~~[creation of a multi-jurisdictional library district to be known as~~
25 ~~the _____ (name of district) and]~~ adoption of a sales tax in
26 the _____ (name of district) at a ~~[the]~~ rate up to ~~[of]~~
27 _____ (rate of tax) percent to be used for district purposes."

(b) If the board calls an election to approve ~~[governing body of the lead governmental entity determines under Section 336.025 that the district should be supported by]~~ an ad valorem tax, the ballot for the election shall be printed to permit voting for or against the proposition: "The ~~[creation of a multi-jurisdictional library district to be known as the _____ (name of district) and]~~ adoption of an ad valorem tax in the _____ (name of district) at a rate up to _____ (rate of tax) cents per \$100 valuation of property to be used for district purposes ~~[provide revenue for the district]~~."

SECTION 6. Section 336.028, Local Government Code, is amended to read as follows:

Sec. 336.028. RESULTS OF ~~[CONFIRMATION]~~ ELECTION. (a) If a majority of the voters voting in the election favor the ~~[creation of the district and the]~~ adoption of a sales tax or of an ad valorem tax, the board ~~[lead governmental entity]~~ shall by resolution ~~[or order declare that the district is created and shall]~~ declare the rate of the sales tax or the amount of the ad valorem tax adopted and enter the result in its minutes.

(b) If a majority of the voters voting in the election are not in favor of a tax under Subsection (a) ~~[against the creation of the district]~~, the board ~~[lead governmental entity]~~ shall declare the measure defeated and enter the result in its minutes.

(c) An order under Subsection (a) must:

(1) contain a description of the district's boundaries and a map of the district;

(2) state the election date; and

1 (3) state the total number of votes cast for and
2 against the ballot proposition.

3 (d) The board [~~lead governmental entity~~] must file in the
4 deed records of the county in which the district is located a
5 resolution [~~or order~~] issued under Subsection (a).

6 SECTION 7. Section 336.155, Local Government Code, is
7 amended by adding Subsection (c) to read as follows:

8 (c) A district and a political subdivision may enter into an
9 agreement for any district purpose.

10 SECTION 8. Subchapter E, Chapter 336, Local Government
11 Code, is amended by adding Section 336.160 to read as follows:

12 Sec. 336.160. DONATION OF LIBRARY ASSETS BY COUNTY OR
13 MUNICIPALITY. A county or municipality, including the lead
14 governmental entity, that creates or joins the district may donate
15 library assets to the district without compensation from the
16 district.

17 SECTION 9. Subsection (a), Section 336.254, Local
18 Government Code, is amended to read as follows:

19 (a) The board by order may decrease or abolish the ad
20 valorem tax rate or may call an election to increase, decrease, or
21 abolish the ad valorem tax rate. In an election under this
22 subsection and except as provided by Subsection (b), the board
23 shall use the procedures for a tax election under Subchapter B.

24 SECTION 10. Section 336.351, Local Government Code, is
25 amended to read as follows:

26 Sec. 336.351. PROCEDURE FOR [~~NO~~] DISSOLUTION. (a) The
27 board by resolution may dissolve a district if the governing body of

1 the lead governmental entity by resolution consents to the
2 dissolution.

3 (b) If the district has debt, including any outstanding
4 bonds, the district shall remain in existence for the sole purpose
5 of paying its debt and transferring any remaining assets. The board
6 shall transfer to the lead governmental entity any assets that
7 remain after satisfaction of all debt.

8 (c) After the debt is paid and the assets are transferred,
9 the district is [~~A district created under this chapter may not be~~]
10 dissolved.

11 SECTION 11. The following are repealed:

12 (1) Section 336.024, Local Government Code;
13 (2) Section 336.025, Local Government Code;
14 (3) Section 336.026, Local Government Code; and
15 (4) Subsection (c), Section 336.254, Local Government
16 Code.

17 SECTION 12. This Act takes effect immediately if it
18 receives a vote of two-thirds of all the members elected to each
19 house, as provided by Section 39, Article III, Texas Constitution.
20 If this Act does not receive the vote necessary for immediate
21 effect, this Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 940 passed the Senate on March 28, 2007, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 940 passed the House on May 16, 2007, by the following vote: Yeas 149, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor