

1-1 By: Estes S.B. No. 1361
1-2 (In the Senate - Filed March 9, 2011; March 22, 2011, read
1-3 first time and referred to Committee on Natural Resources;
1-4 April 6, 2011, reported favorably by the following vote: Yeas 9,
1-5 Nays 0; April 6, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the audit report exemption for certain general and
1-9 special law districts.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 49.198, Water Code, is amended to read as
1-12 follows:

1-13 Sec. 49.198. AUDIT REPORT EXEMPTION. (a) A district may
1-14 elect to file annual financial reports with the executive director
1-15 in lieu of the district's compliance with Section 49.191 provided:

1-16 (1) the district had no bonds or other long-term (more
1-17 than one year) liabilities outstanding during the fiscal period;

1-18 (2) the district did not have gross receipts from
1-19 operations, loans, taxes, or contributions in excess of \$250,000
1-20 [~~\$100,000~~] during the fiscal period; and

1-21 (3) the district's cash and temporary investments were
1-22 not in excess of \$250,000 [~~\$100,000~~] at any time during the fiscal
1-23 period.

1-24 (b) The annual financial report must be accompanied by an
1-25 affidavit attesting to the accuracy and authenticity of the
1-26 financial report signed by a duly authorized representative of the
1-27 district.

1-28 (c) The annual financial report and affidavit in a format
1-29 prescribed by the executive director must be on file with the
1-30 executive director within 45 days after the close of the district's
1-31 fiscal year.

1-32 (d) Districts governed by this section are subject to
1-33 periodic audits by the executive director.

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