



By: Zaffirini

S.B. No. 234

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the creation and operation of a park and recreation  
3 district in counties that share a border on the San Marcos River and  
4 to the authority of the district to collect fees and issue bonds;  
5 creating a criminal offense and providing penalties.

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

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

9 CHAPTER 324A. PARK AND RECREATION DISTRICTS IN CERTAIN COUNTIES ON

10 SAN MARCOS RIVER

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 324A.001. ELIGIBLE COUNTIES AND TERRITORY. (a) Two  
13 counties that share a border on the San Marcos River may create a  
14 district as provided by this chapter in all or part of the counties  
15 to:

16 (1) conserve the natural resources in the district;  
17 and  
18 (2) improve the public health, safety, and welfare in  
19 the district.

20 (b) The territory of a district created under this chapter  
21 must include all of at least one county election precinct on each  
22 side of the San Marcos River, except that the district territory  
23 must exclude all territory located in a state park.

24 (c) The territory of a district created under this chapter



1 may not include territory outside of the creating counties  
2 initially, but the district may annex territory outside the  
3 counties under Section 324A.121.

4 Sec. 324A.002. DEFINITIONS. In this chapter:

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

7 (2) "District" means a park and recreation district  
8 created under this chapter.

9 (3) "Eligible county" means a county described by  
10 Section 324A.001.

11 (4) "Fee" includes a toll or any other charge.

12 SUBCHAPTER B. CREATION OF PARK AND RECREATION DISTRICT

13 Sec. 324A.021. CREATION ELECTIONS REQUIRED. A district may  
14 be created under this chapter only if:

15 (1) the commissioners court of each eligible county in  
16 which the proposed district will be located:

17 (A) receives a written petition for the creation  
18 of the district that:

19 (i) is signed by a number of the registered  
20 voters who reside in the county equal to at least five percent of  
21 the votes received in the county in the most recent gubernatorial  
22 general election; and

23 (ii) includes an accurate description of  
24 the territory to be included in the district by reference to county  
25 election precinct boundaries, by metes and bounds, by lot and block  
26 number if there is a recorded map or plat and survey of the area, or  
27 by other sufficient legal description; or



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

7           (2) the commissioners court of each county in which  
8 the proposed district will be located approves the creation of the  
9 district after a public hearing held to consider the creation of the  
10 district; and

11           (3) the creation of the district is approved by the  
12 voters as provided by Section 324A.024.

13           Sec. 324A.022. HEARING. (a) A commissioners court of an  
14 eligible county that receives a petition or passes a motion under  
15 Section 324A.021 shall hold a hearing on the creation of the  
16 district.

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

21           (c) The commissioners court shall publish in a newspaper of  
22 general circulation in the county notice of the petition or motion  
23 and the hearing date.

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

26           (e) At the hearing, the commissioners court shall hear all  
27 arguments for and against the creation of the district and shall



1 take evidence as in civil cases in the county court.

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

4 Sec. 324A.023. ORDER OF ELECTION. (a) After holding a  
5 hearing under Section 324A.022, the commissioners court may approve  
6 the creation of the district and order an election on the issue of  
7 the creation of the district only if the court finds that:

8 (1) the petition, if any, was signed by the required  
9 number of registered voters in the county;

10 (2) the district will serve the purposes prescribed by  
11 Section 324A.001; and

12 (3) the territory of the proposed district includes at  
13 least one county election precinct in an eligible county on each  
14 side of the San Marcos River.

15 (b) The commissioners court's election order must provide  
16 for the voters of the territory of the proposed district who reside  
17 in the county to vote for or against a proposition to approve the  
18 creation of the district.

19 (c) A commissioners court that orders an election under this  
20 section shall notify the commissioners court of the other eligible  
21 county in which the proposed district will be located of the order.

22 Sec. 324A.024. ELECTION; RESULT. (a) The election must be  
23 held on the date of the first regularly scheduled countywide  
24 election that follows the date of the order of the election and for  
25 which there is sufficient time to comply with other requirements of  
26 law.

27 (b) The commissioners courts of the counties in which the



1 proposed district will be located are not required to hold their  
2 respective creation elections on the same day.

3 (c) The returns on the election shall be certified and the  
4 results declared in the same manner as provided for other county  
5 elections, except as provided by this section.

6 (d) A commissioners court that holds an election under this  
7 section shall notify the commissioners court of the other county in  
8 which the district is proposed to be located of the results of the  
9 election, including the number of voters who voted for the  
10 proposition and the number of voters who voted against the  
11 proposition.

12 (e) After an election is held in the proposed district  
13 territory of each eligible county, the commissioners court of each  
14 county shall determine whether the majority of the voters of the  
15 proposed district territory in that county voting in the election  
16 voted for or against the proposition to approve the creation of the  
17 district. The county commissioners courts jointly shall declare  
18 the district created if a majority of the voters who voted in each  
19 county voted for the proposition. Each commissioners court shall  
20 enter in the court's minutes at the court's next meeting that the  
21 voters of the county approved or did not approve the creation of the  
22 district.

23 Sec. 324A.025. COSTS OF CREATION AND ORGANIZATION. The  
24 costs necessarily incurred in the creation and organization of the  
25 district may be paid from the district's revenue from any source.

26 SUBCHAPTER C. BOARD OF DIRECTORS OF PARK AND RECREATION DISTRICT

27 Sec. 324A.041. APPOINTMENT OF BOARD MEMBERS; TERMS. (a) A



1 district is governed by a board composed of seven members.

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

4 (c) A municipality in the district may nominate a candidate  
5 for the seventh board member position. The six board members  
6 appointed under Subsection (b) shall select a seventh board member  
7 from among the nominations or, if the board receives no  
8 nominations, shall select a seventh board member.

9 (d) A commissioners court or the board shall file with the  
10 county clerk of each county in which the district is located a  
11 certificate of the appointment of each board member appointed by  
12 the court or board. The certificate is conclusive evidence of the  
13 proper appointment of the board member.

14 (e) Three members of the initial board serve one-year terms  
15 and four members serve two-year terms. The members shall draw lots  
16 to determine which members serve the one-year terms. Thereafter,  
17 each board member is appointed for a term of two years from the date  
18 of the board member's appointment.

19 (f) A board member may not serve more than four consecutive  
20 full terms.

21 Sec. 324A.042. QUALIFICATIONS. (a) A board member must:

22 (1) be a citizen of the United States; and

23 (2) reside, own property, or own a business in the  
24 district.

25 (b) A board member may not be an officer or employee of a  
26 county in which the district is located or of a municipality in the  
27 district.



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

4       Sec. 324A.043. VACANCIES. A vacancy that occurs on the  
5 board shall be filled for the unexpired term by appointment in the  
6 manner in which the vacating board member was appointed.

7       Sec. 324A.044. OATH AND BOND. (a) Not later than the 30th  
8 day after the date a board member is appointed, the member must  
9 qualify by taking the official oath and by filing a good and  
10 sufficient bond with the district.

11       (b) The bond must be:

12           (1) payable to the district;

13           (2) payable in an amount prescribed by the district of  
14 \$5,000 or more; and

15           (3) conditioned that the board member will faithfully  
16 perform the duties of a board member, including the proper handling  
17 of all money that comes into the board member's hands in the board  
18 member's official capacity.

19       Sec. 324A.045. COMPENSATION AND REIMBURSEMENT. A board  
20 member is not entitled to compensation but is entitled to  
21 reimbursement for necessary expenses, including travel expenses,  
22 incurred in performing the duties of a board member. A board  
23 member's reimbursement for necessary expenses in excess of \$250  
24 must be approved by the board. A board member's approved expense  
25 account shall be paid in due time by the board's check or warrant.

26       Sec. 324A.046. QUORUM; MAJORITY VOTE. (a) Five board  
27 members constitute a quorum of the board.



1       (b) An affirmative vote of a majority of the membership of  
2 the board is required for board action.

3       Sec. 324A.047. APPROVAL OF COMMISSIONERS COURT. (a) The  
4 board is subject to the supervision of the commissioners courts of  
5 the counties in which the district is located in the exercise of all  
6 the board's rights, powers, and privileges and in the performance  
7 of the board's duties.

8       (b) Not later than the 30th day after the date the board  
9 acts, the commissioners courts may approve or disapprove the  
10 board's action. If one of the courts disapproves the act, the act  
11 is ineffective. Otherwise, the act becomes effective on the  
12 earlier of the date each commissioners court approves the act or the  
13 31st day after the date the board acted.

14       Sec. 324A.048. ORGANIZATION; MEETINGS. (a) Annually, the  
15 board shall elect a president, a vice president, a secretary, and a  
16 treasurer.

17       (b) The offices of secretary and treasurer may be held by  
18 the same person. If either the secretary or the treasurer is absent  
19 or unavailable, the president may appoint another board member to  
20 act for and perform the duties of the absent or unavailable officer.

21       (c) The board shall set times for and hold regular meetings.  
22 On the request of two or more board members, the board may hold a  
23 special meeting at other times as necessary.

24       (d) The board shall hold meetings at a public place in a  
25 county in which the district is located.

26                   SUBCHAPTER D. POWERS AND DUTIES

27       Sec. 324A.061. DEPOSITORIES AND DISBURSEMENTS. (a) Money





1 and other funds belonging to or under control of the board are  
2 public funds.

3 (b) The board shall select depositories for the money.

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

7 Sec. 324A.062. ADMINISTRATION. (a) The board may employ a  
8 manager and a secretary.

9 (b) The board shall determine the qualifications and set the  
10 duties of employees.

11 (c) The board may call on the county attorney, district  
12 attorney, or criminal district attorney of a county in which the  
13 district is located for legal services the board requires. The  
14 board may contract for and compensate the board's own legal staff.

15 (d) The district may maintain and operate an office.

16 (e) The board may acquire insurance for the district.

17 Sec. 324A.063. SEAL. The board shall adopt a seal to place  
18 on each lease, deed, or other instrument usually executed under  
19 seal and on other instruments as the board requires.

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

23 (b) If the contract is for an amount less than or equal to  
24 \$25,000, the board may enter into the contract without  
25 advertisement. If the contract is for more than that amount, the  
26 contract is subject to the bidding provisions applicable to county  
27 contracts.



1 (c) To be effective, a contract must be:

2 (1) approved by board resolution;

3 (2) executed by the president or vice president; and

4 (3) attested by the secretary or treasurer.

5 Sec. 324A.065. SUITS. The board may sue and be sued in the  
6 board's own name.

7 Sec. 324A.066. DISTRICT RULES AND ORDINANCES; CRIMINAL  
8 PENALTY. (a) The board may adopt reasonable rules and ordinances  
9 applicable to:

10 (1) the administration, enforcement, and collection  
11 of district fees and the issuance, suspension, and cancellation of  
12 revenue permits;

13 (2) littering and litter abatement on public water in  
14 the district;

15 (3) activities that endanger the health and safety of  
16 persons or property on public water in the district, including the  
17 possession or consumption of alcohol by minors, subject to the  
18 public's paramount right to navigate inland water; and

19 (4) conservation of the district's natural resources  
20 and regulation of activities affecting the district's natural  
21 resources.

22 (b) A program adopted under this section may require a  
23 revenue permit holder to participate in a litter abatement program  
24 where the permit holder issues a trash bag to a customer.

25 (c) A person who violates a rule or ordinance adopted under  
26 this section commits an offense. An offense under this subsection  
27 is a Class C misdemeanor.



1       Sec. 324A.067. ENFORCEMENT. (a) A police officer,  
2 constable, sheriff, or other law enforcement officer with  
3 jurisdiction in a county in which the district is located may arrest  
4 a person who violates a district rule or ordinance, including a  
5 revenue permit requirement, in the officer's, constable's, or  
6 sheriff's county and carry out the prosecution of that person in the  
7 proper court.

8       (b) The county attorney, district attorney, or criminal  
9 district attorney of a county in which the district is located, or  
10 an attorney retained by the board for this purpose, may bring an  
11 action to enjoin a violation of a district rule or ordinance, and if  
12 the board authorizes, may seek damages and attorney's fees based on  
13 the violation, if the violation involves:

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

16               (2) the failure of a revenue permit holder to remit a  
17 fee imposed under Section 324A.092 if the fee has been due for more  
18 than 60 days; or

19               (3) the violation by a revenue permit holder of a  
20 district rule or ordinance relating to an activity that endangers  
21 the health or safety of a person or property in the district.

22       Sec. 324A.068. BOND. If the board brings an action to  
23 enforce this subchapter or enjoin a violation of a district rule or  
24 ordinance adopted under this subchapter, the board is not required  
25 to post a bond.

26       Sec. 324A.069. HEALTH AND SAFETY SERVICES. The district  
27 may provide for fire protection, law enforcement, or emergency



1 medical services in the district.

2 Sec. 324A.070. WATER QUALITY. The district may conduct a  
3 program to improve water quality and sanitary conditions in the  
4 district.

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

7 (1) accept grants or gratuities in any form from any  
8 source, including the United States government, this state, a state  
9 or federal agency, a private or public corporation, or any other  
10 person; or

11 (2) accept donations of money or other property.

12 Sec. 324A.072. DISTRICT AS TRUSTEE. To promote or  
13 accomplish a purpose of this chapter, the district may act as  
14 trustee of land, money, or other property.

15 Sec. 324A.073. MANAGEMENT PLAN; ANNUAL BUDGET; FILING.

16 (a) The board shall develop and approve a three-year master plan  
17 for the management of the district.

18 (b) The board shall annually review and revise the master  
19 plan during the budget process and shall file a copy of the master  
20 plan and revisions with the county clerk of each county in which the  
21 district is located.

22 (c) The board shall annually develop and approve a one-year  
23 budget that must include the suggested revisions and additions to  
24 the master plan.

25 (d) The board shall submit the annual budget to the  
26 commissioners court of each county in which the district is located  
27 for approval and shall file a copy with the county clerk.



1       Sec. 324A.074. NO EMINENT DOMAIN POWER. The district may  
2 not exercise the power of eminent domain.

3               SUBCHAPTER E. FEES; BONDS; FINANCIAL PROVISIONS

4       Sec. 324A.091. NO AD VALOREM TAXES. The district may not  
5 impose an ad valorem tax.

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

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

20                       (1) for each rental of water-oriented recreational  
21 equipment; or

22                       (2) if the person does not rent equipment described by  
23 Subdivision (1), for each person using shuttle service.

24               (c) A fee imposed under this section is payable by the  
25 purchaser or consumer of the item or service subject to the fee  
26 except that if the person responsible for collecting the fee does  
27 not comply with this chapter by collecting and remitting the fee to



1 the district, the person responsible for collecting the fee is  
2 liable for the fee.

3 (d) A person who does not hold a revenue permit issued by the  
4 board commits an offense if the person provides or offers for  
5 compensation a rental or service if the price paid for the rental or  
6 service is subject to a fee under this section. Each provision or  
7 offer for compensation of the rental or service is a separate  
8 offense. An offense under this subsection is a Class C misdemeanor,  
9 unless it is shown at the trial of the defendant that the defendant  
10 has previously been convicted of an offense under this subsection,  
11 in which case the offense is a Class B misdemeanor.

12 (e) A person who holds a revenue permit issued by the  
13 district shall collect the fees imposed under this section and  
14 shall report and remit the collected fees to the district as the  
15 district requires.

16 (f) If a revenue permit holder remits fees imposed under  
17 this section after the due date but on or before the 30th day after  
18 the due date, the revenue permit holder shall pay the district a  
19 penalty of five percent of the amount of fees due. If the revenue  
20 permit holder remits the fees after the 30th day after the due date,  
21 the revenue permit holder shall pay the district a penalty of 10  
22 percent of the amount of fees due.

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

26 (h) If a revenue permit holder does not collect and remit a  
27 fee imposed under this section, the board may suspend, revoke, or



1 cancel the holder's revenue permit and pursue any other remedy the  
2 district may have to collect the fee under civil or criminal law.

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

7 (j) In the same manner that this section applies to a person  
8 who provides or offers a rental or service for compensation in the  
9 district, this section applies to a person who resides or does  
10 business outside the district but:

11 (1) provides or offers a rental or service for  
12 compensation in the district; and

13 (2) regularly transports customers into or out of the  
14 district for river or parking access.

15 Sec. 324A.093. FEE EXEMPTION. The district may not collect  
16 a fee on a transaction between a person and an interest operated in  
17 the district by:

18 (1) the United States;

19 (2) a state park; or

20 (3) a nonprofit youth-oriented organization.

21 Sec. 324A.094. REVENUE BOND ELECTION. (a) Revenue bonds  
22 may not be issued by the district until authorized by a majority  
23 vote of the district's voters voting at an election called and held  
24 for that purpose.

25 (b) Not later than two years after the date the district is  
26 declared created under Section 324A.024, the board may order a bond  
27 election. Regardless of the requirements of Section 324A.047(b),



1 the order is not effective unless approved by the commissioners  
2 court of each county in which the district is located. Except as  
3 provided by this section, the election shall be held in the manner  
4 provided by the Election Code.

5 (c) At the election, the ballot must be printed to provide  
6 for voting for or against the issuance of revenue bonds.

7 (d) If a majority of the votes cast at the election favor the  
8 issuance of the bonds, the bonds may be issued by the board. If a  
9 majority of the votes cast at the election do not favor issuance of  
10 the bonds, the bonds may not be issued.

11 Sec. 324A.095. REVENUE BONDS. (a) The district may issue  
12 not more than \$300,000 in revenue bonds and may issue the bonds only  
13 to provide funds for the initial operation of the district. The  
14 bonds must be approved at an election called under Section  
15 324A.094.

16 (b) The district may make the bonds payable out of any  
17 revenue of the district.

18 (c) The bonds must be:

19 (1) issued in the name of the district;

20 (2) signed by the county judge of each county in which  
21 the district is located; and

22 (3) attested by the county clerk and ex officio clerk  
23 of the commissioners court of each county in which the district is  
24 located.

25 (d) The seal of the commissioners court of each county in  
26 which the district is located must be impressed on the bonds.

27 (e) The bonds must mature serially or otherwise in not more





1 than 40 years and may be sold at a price and under terms determined  
2 by the board to be the most advantageous reasonably obtainable.

3 (f) The resolution authorizing the issuance of the bonds may  
4 contain provisions for redemption of the bonds before their  
5 respective maturity dates at prices and times prescribed in the  
6 resolution. Except for rights of redemption expressly reserved in  
7 the resolution and in the revenue bonds, the bonds are not subject  
8 to redemption before maturity.

9 (g) The bonds may be made payable at times and at places,  
10 inside or outside the state, prescribed in the resolution.

11 (h) The bonds may be made registrable as to principal or as  
12 to both principal and interest.

13 Sec. 324A.096. BOND ANTICIPATION NOTES. (a) If funds are  
14 not available to pay the principal of or interest on bonds issued by  
15 the district or to pay other obligations of the district, the board  
16 may declare an emergency and may issue negotiable bond anticipation  
17 notes to borrow the money needed. The bond anticipation notes may  
18 bear interest at a rate that does not exceed the maximum rate  
19 provided by Chapter 1204, Government Code, and must mature within  
20 one year after their date of issuance.

21 (b) Bond anticipation notes may also be issued for any  
22 purpose for which bonds of the district have been voted or to refund  
23 previously issued bond anticipation notes.

24 (c) Bond anticipation notes issued under this section must  
25 be authorized by resolution of the board, subject to approval by the  
26 commissioners courts under Section 324A.047, and must be executed  
27 by the president of the board and attested by the secretary of the



1 board.

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

4 Sec. 324A.098. REPAYMENT OF BONDS THROUGH FEE REVENUE.

5 (a) This section applies only to fees charged by the district  
6 while the district has outstanding bonds or interest.

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

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

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

26 (b) The financial statement must be prepared in accordance  
27 with standards adopted by the Governmental Accounting Standards



1 Board and must show separately all information concerning:

2 (1) leases, promissory notes, and other indebtedness  
3 of the district; and

4 (2) fee revenue of the district.

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

9 (1) the board is unable to finance from the district's  
10 revenues; and

11 (2) the board requests purchase of with funds from  
12 that county.

13 (d) The officer responsible for the county budget for each  
14 county in which the district is located shall include the  
15 district's proposed budget on the calendar for the next regularly  
16 scheduled meeting of the commissioners court. As part of the  
17 county's tentative budget, the items certified by the board are  
18 subject to state law relating to county budgets.

19 (e) The county auditor of a county in which the district is  
20 located, after consultation with or notification to the county  
21 auditor of the other county in which the district is located, may  
22 conduct a general audit and issue a financial statement of the  
23 district at times the auditor considers appropriate.

24 Sec. 324A.100. DISPOSITION OF REVENUE. A district may use  
25 district fee revenue and other revenue for any purpose authorized  
26 by this chapter or other law for the benefit of the district.



1        SUBCHAPTER F. ANNEXATION; INCORPORATION; DISSOLUTION

2        Sec. 324A.121. ANNEXATION. (a) The voters of an area that  
3 is contiguous to a district and is in a county election precinct  
4 that borders the San Marcos River may file a petition with the board  
5 to annex the area to the district.

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

11        (c) The petition must be signed by at least one percent of  
12 the registered voters in the area proposed for annexation.

13        (d) The board shall give notice of a hearing on the petition  
14 and hold a hearing in the manner prescribed by Section 324A.022 for  
15 a commissioners court hearing.

16        (e) After holding the hearing, the board may by order annex  
17 the area only if the board finds that the annexation promotes the  
18 purposes for which the district was created.

19        (f) If the board annexes territory into the district located  
20 in a county other than the counties in which the district was  
21 located on the date of the district's creation, the commissioners  
22 court of the new county may appoint two members to the district's  
23 board in addition to the members appointed under Section 324A.041.  
24 If two additional board members are appointed under this  
25 subsection:

26        (1) the additional board members shall draw lots to  
27 determine which member serves an initial one-year term and which



1 member serves an initial two-year term; and

2 (2) the additional board members may participate in  
3 selecting the board member under Section 324A.041(c).

4 Sec. 324A.122. EFFECT OF INCORPORATION OR ANNEXATION. The  
5 incorporation of a political subdivision or the annexation of any  
6 part of a district by a political subdivision does not affect the  
7 district's boundaries.

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

11 (b) The petition must contain an accurate description of the  
12 area proposed for disannexation by reference to county election  
13 precinct boundaries, by metes and bounds, by lot and block number if  
14 there is a recorded map or plat and survey of the area, or by other  
15 sufficient legal description.

16 (c) The petition must be signed by at least one percent of  
17 the registered voters in the area proposed for disannexation or by  
18 each county commissioner for the area proposed for disannexation.

19 (d) The board shall give notice of a hearing on the petition  
20 and hold a hearing in the manner prescribed by Section 324A.022 for  
21 a commissioners court hearing.

22 (e) The board may grant the petition and by order disannex  
23 the territory if the board finds that:

24 (1) the petition meets the requirements of this  
25 section;

26 (2) the district's projected revenue from all sources,  
27 except from the area proposed for disannexation, is sufficient to



1 pay the district's outstanding debts; and

2 (3) the disannexation is in the district's best  
3 interests.

4 (f) Except as provided by Section 324A.125(d), if the Parks  
5 and Wildlife Department creates a state park that includes  
6 territory in the district, the board shall by order disannex the  
7 overlapping territory from the district.

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

11 Sec. 324A.124. DISSOLUTION OF DISTRICT BY COMMISSIONERS  
12 COURTS. (a) The commissioners courts of each county in which the  
13 district is located by joint order may dissolve the district. The  
14 order may be adopted:

15 (1) on a motion by a commissioners court; or

16 (2) after the filing of a written petition with each  
17 county in which the district is located signed by a number of the  
18 registered voters who reside in the district equal to at least 10  
19 percent of the votes received in the district in the most recent  
20 gubernatorial general election.

21 (b) Each commissioners court that receives a petition shall  
22 give notice of a hearing on the petition or motion and hold a  
23 hearing in the manner prescribed by Section 324A.022.

24 (c) The commissioners courts shall jointly grant a petition  
25 and order the dissolution of the district if the courts find that  
26 the petition, if any, meets the requirements of this section and  
27 that the dissolution is in the best interests of the counties.



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

3               (1) on the board's own motion; or

4               (2) after the filing of a written petition signed by a  
5 number of the registered voters who reside in the district equal to  
6 at least 10 percent of the votes received in the district in the  
7 most recent gubernatorial general election.

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

11       (c) After the hearing, the board shall order the dissolution  
12 of the district if the board finds that the petition, if any, meets  
13 the requirements of this section and that the dissolution is in the  
14 best interests of the counties in which the district is located.

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

17               (1) all of the district's territory located in one of  
18 the counties in which the district is located; or

19               (2) all of the district's territory.

20       Sec. 324A.126. DISPOSITION OF DISTRICT ASSETS AND DEBTS.

21       (a) If the district is dissolved, the board shall administer the  
22 assets and debts until all money has been disposed of and all  
23 district debts have been paid or settled.

24       (b) The district is dissolved when all money has been  
25 disposed of and all district debts have been paid or settled.

26               SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

27       Sec. 324A.901. REQUIREMENTS FOR RENTAL OF WATER-ORIENTED



S.B. No. 234

1 RECREATIONAL EQUIPMENT. (a) This section applies only to the  
2 rental of water-oriented recreational equipment in a district.

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

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