

## **BILL ANALYSIS**

Senate Research Center  
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C.S.S.B. 1638  
By: Wentworth  
Intergovernmental Relations  
4/17/2009  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In a county that has river frontage on both the Guadalupe and Comal rivers, a district may be created for all or part of the unincorporated area in the county to operate and maintain public parks, conserve natural resources, and improve the public welfare in the district. Such a district is a water-oriented recreation district. The district may impose taxes to facilitate its functions.

C.S.S.B. 1638 amends current law relating to the powers of a recreational district board in a county with frontage on the Guadalupe and Comal Rivers.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 324.099, Local Government Code, by adding Subsections (l) and (m), as follows:

(l) Requires the managing entity, as defined by Section 221.002 (Definitions), Property Code, of a timeshare property as defined by Section 221.002, Property Code, to collect and remit to a district, on a property owner's behalf, all district taxes imposed under Subsection (b)(2) (providing that the taxes that a district is authorized to levy apply only within the district and are a tax imposed by resolution of the board at a rate not greater than four percent on the cost of occupancy of a hotel) if the managing entity participates in the rental of the property by either advertising rental availability on behalf of the property owner or collecting the rent on the property owner's behalf.

(m) Requires that a certificate executed in good faith by the managing entity and delivered to the district informing the district that the managing entity does not collect rent or advertise rentals on the behalf of property owners, if a managing entity located in the district does not collect rent or advertise availability on behalf of its property owners, be final and binding on the district, so long as the certificate remains accurate.

SECTION 2. Amends Subchapter E, Chapter 324, Local Government Code, by adding Section 324.0995, as follows:

Sec. 324.0995. TAX EXEMPTIONS. (a) Provides that Section 324.099(b)(2) does not impose a tax on an employee of the United States government conducting official business in the district or a person who occupies a lodging facility or campground in the district if the person has evacuated from the person's home due to an emergency and the state has temporarily suspended collection of the state hotel occupancy tax.

(b) Prohibits the district from taxing a transaction between a person and an interest operated by the United States in the district or a state park in the district.

SECTION 3. Amends Section 324.122, Local Government Code, as follows:

Sec. 324.122. New heading: EFFECT OF INCORPORATION OR ANNEXATION. Provides that the incorporation of a political subdivision or the annexation of any part of

a park district, rather than of any area in a park district, by a political subdivision does not affect the district's boundaries.

SECTION 4. Provides that the change in law made by this Act does not affect tax liability accruing before the effective date of this Act. Provides that that liability continues in effect as if this Act has not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 5. Effective date: September 1, 2009.