

LOCAL GOVERNMENT CODE

TITLE 10. PARKS AND OTHER RECREATIONAL AND CULTURAL RESOURCES
SUBTITLE C. PARKS AND OTHER RECREATIONAL AND CULTURAL RESOURCES
PROVISIONS APPLYING TO MORE THAN ONE TYPE OF LOCAL GOVERNMENT
CHAPTER 336. MULTI-JURISDICTIONAL LIBRARY DISTRICTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 336.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of trustees.
- (2) "District" means a multi-jurisdictional library district created under this chapter.
- (3) "Executive director" means an executive director employed under Section [336.103](#).
- (4) "Lead governmental entity" means the county or municipality that proposes to create a district under this chapter. Added by Acts 2005, 79th Leg., Ch. 883 (S.B. [1205](#)), Sec. 2, eff. June 17, 2005.

Sec. 336.002. NATURE OF DISTRICT. A district created under this chapter is a special district and a political subdivision of this state.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. [1205](#)), Sec. 2, eff. June 17, 2005.

Sec. 336.003. MULTI-JURISDICTIONAL PUBLIC LIBRARY. (a) A district created under this chapter shall establish, equip, support, operate, and maintain one or more public libraries for the dissemination of educational programs and general information relating to the arts, sciences, literature, and other subject areas of interest to the public.

(b) Each public library created under this chapter must be accredited by and meet the standards for basic public library services established by the Texas State Library and Archives Commission.

(c) A library created under this chapter must be open to all members of the public under identical conditions.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER B. CREATION OF DISTRICT; ELECTIONS

Sec. 336.021. LEAD GOVERNMENTAL ENTITY; PARTICIPATION BY OTHER COUNTIES AND MUNICIPALITIES. (a) A district may be created by a lead governmental entity that, by resolution, proposes the creation of a district for specific 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.

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

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 2, eff. June 15, 2007.

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

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 3, eff. June 15, 2007.

Sec. 336.023. ELECTION. (a) A district may call an election to approve one or both of the following:

- (1) a sales tax; or
- (2) an ad valorem tax on property in the district.

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

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

- (1) the date of the election; and
- (2) the type and rate of each tax that will appear on

the ballot proposition under Section 336.027.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 4, eff. June 15, 2007.

Sec. 336.027. BALLOT PROPOSITION. (a) If the board calls an election to approve a sales tax, the ballot for the election

shall be printed to permit voting for or against the proposition: "The adoption of a sales tax in the _____ (name of district) at a rate up to _____ (rate of tax) percent to be used for district purposes."

(b) If the board calls an election to approve an ad valorem tax, the ballot for the election shall be printed to permit voting for or against the proposition: "The 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."

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 5, eff. June 15, 2007.

Sec. 336.028. RESULTS OF ELECTION. (a) If a majority of the voters voting in the election favor the adoption of a sales tax or of an ad valorem tax, the board shall by resolution 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), the board 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

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

(d) The board must file in the deed records of the county in which the district is located a resolution issued under Subsection (a).

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 6, eff.

June 15, 2007.

Sec. 336.029. INITIAL BOARD AND PRESIDING OFFICER. (a) Appointments to the initial board are made as provided by Subchapter C, except that the initial trustees shall agree to stagger their terms, with four members' terms expiring in two years and three members' terms expiring in one year. If the trustees cannot agree on the initial staggering, the trustees shall draw lots to determine the staggering.

(b) The lead governmental entity shall appoint the board's initial presiding officer to serve a two-year term in that capacity. The requirement of Section 336.056 that the board of trustees elect the presiding officer does not apply to the presiding officer appointed under this subsection.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.030. REPAYMENT OF ORGANIZATIONAL EXPENSES. (a) The district may:

(1) pay all costs and expenses necessarily incurred in the creation and organization of the district; and

(2) reimburse any person for money advanced for the costs and expenses described by Subdivision (1).

(b) Payments under this section may be made from money obtained from taxes or other district revenue.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER C. BOARD OF TRUSTEES

Sec. 336.051. GOVERNING BODY. A district is governed by a seven-member board of trustees. The board has control over and shall manage the affairs of the district.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.052. APPOINTMENT. (a) The lead governmental

entity shall appoint four trustees to the board.

(b) The most populous county in which the district is located shall appoint three trustees to the board, unless the county is the lead governmental entity. If the county is the lead governmental entity, the most populous municipality in the county shall appoint three trustees.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.053. ELIGIBILITY FOR APPOINTMENT. A person is eligible for appointment to the board if the person:

- (1) resides in the district;
- (2) is registered to vote in a county in which the district is located; and
- (3) has recognized expertise in:
 - (A) library services;
 - (B) education;
 - (C) information technology;
 - (D) local or Texas history; or
 - (E) business management.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.054. TERMS. (a) Trustees serve staggered two-year terms.

(b) A trustee may not serve more than two consecutive terms or more than four terms.

(c) A trustee who has served two consecutive terms but fewer than four terms is eligible for appointment to a new term on the date one year after the date on which the trustee's former term ended.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.055. VACANCY. A vacancy on the board shall be filled by appointment for the remainder of the unexpired term by the governmental entity that appointed the vacating member.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.056. OFFICERS. (a) The board shall elect a trustee to serve as the board's presiding officer. The presiding officer presides at all board meetings and is the chief executive officer of the district.

(b) The board shall elect from among its members a vice presiding officer, a secretary, and any other officers the board considers necessary.

(c) The vice presiding officer acts as the presiding officer if the presiding officer is incapacitated or absent from a meeting.

(d) The secretary acts as the presiding officer if both the presiding officer and vice presiding officer are incapacitated or absent from a meeting.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.057. MEETINGS AND NOTICE. (a) The board may establish regular meetings to conduct district business and may hold special meetings at other times as the business of the district requires.

(b) The board shall hold its meetings at a designated meeting place.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.058. CONFLICT OF INTEREST IN CONTRACT. (a) For purposes of this section, a trustee who is an employee of, or a trustee related within the second degree by affinity or consanguinity as determined under Subchapter B, Chapter 573, Government Code, to a person who is financially interested in a contract is considered to be financially interested in the contract.

(b) A trustee who is financially interested in a contract may not vote on the acceptance of the contract or participate in the discussion on the contract.

(c) A trustee who is financially interested in a contract with the district shall disclose that fact to the other trustees. The disclosure shall be entered into the minutes of the meeting.

(d) The failure of a trustee to disclose the trustee's financial interest in a contract and to have the disclosure entered in the minutes invalidates the contract.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER D. OTHER ADMINISTRATIVE PROVISIONS

Sec. 336.101. BYLAWS. The board may adopt bylaws to govern:

(1) the time, place, and manner of conducting board meetings;

(2) the powers, duties, and responsibilities of the board's officers and employees;

(3) the disbursement of money by a check, draft, or warrant;

(4) the appointment and authority of board committees;

(5) the keeping of accounts and other records; and

(6) any other matter the board considers appropriate.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.102. EMPLOYEES. (a) The board may employ any person the board considers necessary for conducting the district's affairs.

(b) The board may remove any employee.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.103. EXECUTIVE DIRECTOR. (a) The board may employ an executive director to administer the affairs of the district under policies and requirements established by the board.

(b) The board shall set the compensation of the executive director.

(c) The board may delegate to the executive director the board's authority to hire, establish the compensation of, review the performance of, discipline, or remove a district employee. Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.104. QUALIFICATIONS OF EXECUTIVE DIRECTOR OR LIBRARY DIRECTOR. The board shall ensure that the executive director or a subordinate library director has all necessary qualifications to oversee library services in the district.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 251 (S.B. 913), Sec. 10, eff. September 1, 2007.

Sec. 336.105. BOND. The board may require an officer or employee to execute a bond payable to the district and conditioned on the faithful performance of the person's duties.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.106. EMPLOYEE PLANS. (a) The board may provide for and administer a workers' compensation, health benefit, retirement, disability, or death compensation plan for district employees.

(b) The board may adopt a plan to accomplish the purpose of this section.

(c) The board, after notice and a hearing, may change any plan or rule adopted under this section.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.107. RECORDS; SECRETARY. (a) The secretary is responsible for ensuring that all district books and other records are properly maintained.

(b) The board may appoint the executive director or an

employee as assistant or deputy secretary to assist the secretary in performing the secretary's duties under this section. The assistant or deputy secretary may certify the authenticity of any district record.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER E. POWERS AND DUTIES

Sec. 336.151. GENERAL POWERS OF DISTRICT. A district has all authority necessary to accomplish district purposes.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.152. RULES; VIOLATION OF RULES. (a) The board may adopt reasonable rules to accomplish district purposes.

(b) The board may set monetary charges in reasonable amounts for the violation of a district rule.

(c) The board may exclude from the use of a public library a person who intentionally violates a rule adopted by the board under this section.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.153. LOCATION OF PUBLIC LIBRARY FACILITIES. A district may locate a public library facility at any place in the district, including the territory of a political subdivision within the district.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.154. CONTRACTS. A district may contract with any person for any district purpose.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.155. AGREEMENTS WITH OTHER POLITICAL SUBDIVISIONS.

(a) A district may contract with a municipality, county, or other political subdivision for the district to provide public library services outside the district.

(b) A district may enter into one or more agreements with any municipality included in the area of the district for the acquisition or operation of the municipality's library facilities.

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

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 7, eff. June 15, 2007.

Sec. 336.156. PROPERTY AND EQUIPMENT. (a) A district may construct, acquire, own, lease, operate, maintain, repair, or improve any land, works, materials, supplies, improvements, facilities, equipment, vehicles, machinery, appliances, or other property as necessary.

(b) If a district acquires property of any kind related to the operation of a public library, the district may assume the contracts and obligations of the previous owner.

(c) A district may hold, use, sell, lease, dispose of, and acquire, by any means, property and licenses, patents, rights, and other interests necessary, convenient, or useful to the exercise of any district power.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.157. SURPLUS PROPERTY. A district may sell, lease, or dispose of in any other manner and at any time:

(1) any right, interest, or property of the district that is not needed for, or, if a lease, is inconsistent with, the efficient operation and maintenance of a public library; or

(2) surplus materials or other property that is not needed for a district purpose.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff.

June 17, 2005.

Sec. 336.158. SUITS. (a) A district may sue and be sued in any court of this state in the name of the district.

(b) A court of this state shall take judicial notice of the establishment of a district.

(c) A district is not required to give security for costs in a suit or to give a supersedeas or cost bond in an appeal of a judgment.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.159. EXPANSION OF DISTRICT. (a) The district may expand to include additional territory if the commissioners court of the county in which the district is located holds an election for that purpose in the territory to be added to the district.

(b) If a majority of the voters voting at the expansion election approve the expansion of the district, the territory of the district is expanded.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

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

Added by Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 8, eff. June 15, 2007.

SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS

Sec. 336.201. BORROWING. A district may borrow money.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.202. FEES; GENERAL. (a) A district may impose any

necessary charges or fee for providing a district service.

(b) A district may discontinue a service to enforce payment of an unpaid charge or fee that is owed to the district.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.203. LIBRARY FEES. A library created under this chapter may charge reasonable fees to remove certain materials from the library or for other services provided by the library.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.204. DEPOSITORY. (a) The board shall designate one or more banks inside or outside of the district to serve as the depository for district money.

(b) The district shall deposit district tax revenue in a depository bank.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.205. EXPENDITURES. A district may disburse district money only by check, draft, money order, or another instrument that must be signed by one or more officers or employees of the district as designated by the board.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.206. ACCOUNTS AND RECORDS; AUDITS. (a) A district shall keep a complete system of accounts.

(b) The district shall have an annual audit of the district affairs performed by an independent certified public accountant.

(c) A signed copy of the audit report shall be delivered to each trustee not later than the 120th day after the closing date of each fiscal year.

(d) A copy of the audit report shall be kept on file at the district office and shall be made available for inspection by any interested person during regular business hours.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.207. FISCAL YEAR. The fiscal year of the district is from October 1 to September 30, unless the board adopts another fiscal year.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.208. GRANTS AND DONATIONS. A district may accept and administer a grant or donation from any source for any district purpose.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER G. TAXES

Sec. 336.251. AD VALOREM TAX ASSESSMENT AND COLLECTION. (a) A district may impose an ad valorem tax.

(b) If the district imposes an ad valorem tax, the board shall have the taxable property in its district assessed for ad valorem taxation and the ad valorem taxes in the district collected, in accordance with any one of the methods set forth in this section, and any method adopted remains in effect until changed by the board.

(c) The board may have the taxable property in its district assessed or its taxes collected, wholly or partly, by the tax assessors or tax collectors of any county, municipality, taxing district, or other governmental entity in which all or any part of the district is located. The tax assessors or tax collectors of a governmental entity, on the request of the board, shall assess and collect the taxes of the district in the manner prescribed in the Property Tax Code. Tax assessors and tax collectors shall receive compensation in an amount agreed on between the appropriate parties, but not to exceed two percent of the ad valorem taxes assessed.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff.

June 17, 2005.

Sec. 336.252. IMPOSITION, COMPUTATION, ADMINISTRATION, AND GOVERNANCE OF SALES TAX. (a) A district may impose a sales and use tax.

(b) Chapter 323, Tax Code, to the extent not inconsistent with this chapter, governs the imposition, computation, administration, and governance of the sales and use tax under this subchapter, except that Sections 323.101, 323.105, 323.404, and 323.406-323.408, Tax Code, do not apply.

(c) Chapter 323, Tax Code, does not apply to the use and allocation of revenue under this chapter.

(d) In applying the procedures under Chapter 323, Tax Code, to the district, the district's name shall be substituted for "the county," and "board of trustees" is substituted for "commissioners court."

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.253. SALES AND USE TAX RATES. The permissible rates for a sales and use tax imposed under this chapter are one-eighth of one percent, one-fourth of one percent, three-eighths of one percent, and one-half of one percent.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.254. ABOLITION OF OR CHANGE IN AD VALOREM TAX RATE.

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

(b) At the election, the ballot shall be printed to permit voting for or against the proposition: "The increase (decrease) in the ad valorem tax rate of _____ (name of district) to a rate up to _____ (rate of tax) cents per \$100 valuation of taxable property to be used for district purposes" or "The abolition of the

district ad valorem tax." The increase or decrease in the tax rate, or the abolition of the tax, is effective if it is approved by a majority of the votes cast.

(c) Repealed by Acts 2007, 80th Leg., R.S., Ch. 1148, Sec. 11(4), eff. June 15, 2007.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 9, eff. June 15, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. 940), Sec. 11(4), eff. June 15, 2007.

Sec. 336.255. USE OF TAX. A tax collected under this subchapter may be used only for a district purpose and may be pledged as collateral for borrowing money to further those purposes.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER H. BONDS

Sec. 336.301. DEFINITION. In this subchapter, "bond" includes a note.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.302. GENERAL POWER TO ISSUE BONDS. (a) A district may issue bonds at any time and for any amount it considers necessary or appropriate to acquire, construct, equip, or improve district facilities.

(b) The board by resolution may authorize the issuance of bonds payable solely from revenue.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.303. LEAD GOVERNMENTAL ENTITY'S CONSENT REQUIRED.

The district may not issue bonds under this subchapter unless the lead governmental entity's governing body by resolution consents to the issuance.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. [1205](#)), Sec. 2, eff. June 17, 2005.

Sec. 336.304. SHORT-TERM BONDS. (a) The board by resolution may issue bonds that are secured by revenue or taxes of the district if the bonds:

- (1) have a term of not more than 12 months; and
- (2) are payable only from revenue or taxes received on or after the date of their issuance and before the end of the fiscal year following the fiscal year in which the bonds are issued.

(b) Approval by the attorney general or registration with the comptroller is not required for a bond issued under this section.

(c) An election is not required to issue bonds under this section.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. [1205](#)), Sec. 2, eff. June 17, 2005.

Sec. 336.305. ELECTION REQUIRED FOR CERTAIN BONDS SECURED BY TAXES. Except for short-term bonds issued under Section [336.304](#), bonds payable wholly or partly from taxes may not be issued unless authorized by a majority of the votes received in an election held for that purpose.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. [1205](#)), Sec. 2, eff. June 17, 2005.

Sec. 336.306. SECURITY PLEDGED. (a) To secure the payment of a district's bonds, the district may:

- (1) pledge all or part of revenue realized from any tax that the district may impose;
- (2) pledge all or part of revenue from library facilities; or
- (3) mortgage all or part of the district's facilities, including any part of the facilities subsequently acquired.

(b) A district may, subject to the terms of the bond indenture or the resolution authorizing the issuance of the bonds, secure payment of district bonds by encumbering a separate item of the district facilities and may acquire, use, hold, or contract for the property by lease, chattel mortgage, or other conditional sale.

(c) This subchapter does not prohibit a district from encumbering one or more library facilities to purchase, construct, or improve one or more other district facilities.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.307. LIEN ON REVENUE. The expense of operation and maintenance of library facilities, including salaries, labor, materials, and repairs necessary to provide efficient service, and every other proper item of expense are a first lien and charge against the revenue of a district encumbered under this chapter.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.308. EXCHANGE OF BONDS FOR EXISTING LIBRARY FACILITIES. A district's revenue bonds may be exchanged, in lieu of cash, for the property of all or part of existing library facilities to be acquired by the district.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

Sec. 336.309. GOVERNMENTAL ENTITIES NOT RESPONSIBLE FOR DISTRICT OBLIGATIONS. A governmental entity, other than the district, is not required to pay a bond or other district obligation.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. 1205), Sec. 2, eff. June 17, 2005.

SUBCHAPTER I. DISSOLUTION

Sec. 336.351. PROCEDURE FOR DISSOLUTION. (a) The board by resolution may dissolve a district if the governing body of the lead

governmental entity by resolution consents to the dissolution.

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

(c) After the debt is paid and the assets are transferred, the district is dissolved.

Added by Acts 2005, 79th Leg., Ch. 883 (S.B. [1205](#)), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1148 (S.B. [940](#)), Sec. 10, eff. June 15, 2007.