

BILL ANALYSIS

H.B. 3558
By: Hilderbran
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Act creating the Ballinger Hospital District (district) was passed by the 70th Legislature in 1987 and amended by the 71st Legislature in 1989. The district's enabling legislation requires additional updating to conform with current laws and amendment to allow the district to hold an election to raise the district's maximum ad valorem tax rate up to the constitutional limit of 75 cents on the \$100 valuation of property in the district. When the district was created in 1989, the maximum tax rate was capped at 25 cents on the \$100 valuation. The district's tax rate is currently at 25 cents on the \$100 valuation, which means that the district has reached the cap set by the voters. There is currently no provision in the district's enabling legislation or any general law that specifically allows the district to hold an election to raise its maximum tax rate. This bill would allow the district to hold an election to raise the cap in the event it becomes financially necessary to do so. Also, the district would like to amend its enabling legislation to put procedures in place for the dissolution of the district.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

House Bill 3558 amends the enabling legislation to provide that notice of election shall be published in accordance with Section 4.003 of the Election Code (SECTION 1).

The bill amends the enabling legislation to provide that applications for candidates for the board of directors shall be in accordance with Section 144.005 of the Election Code rather than the petition process currently in place (SECTION 2).

The bill amends the enabling legislation to allow the board to spend district money, enter into agreements and take other necessary action to recruit physicians and hospital personnel (SECTION 3).

The bill amends the enabling legislation to provide that the board may enter into a construction contract in excess of the amount prescribed by Section 271.024 of the Local Government Code only after competitive bidding as required by Subchapter B, Chapter 271 of the Local Government Code. The bill further updates the reference to Chapter 2253 of the Government Code (SECTION 4).

The bill updates the reference to Section 61.053 of the Health and Safety Code regarding applications for indigent care assistance (SECTION 5).

The bill updates the reference to the Indigent Health Care and Treatment Act (SECTION 6).

The bill authorizes the district to sponsor and create a nonprofit corporation for the purposes of providing health care or other services the district is authorized to provide (SECTION 7).

The bill updates the reference to Section 1251.003 of the Government Code regarding notice of a bond election (SECTION 8).

The bill updates the references to Sections 264.042, 264.043, 264.046, 264.047, 264.048 and 264.049

of the Health and Safety Code regarding the issuance of revenue bonds (SECTION 9).

The bill updates the reference to Chapter 1207 of the Government Code regarding issuance of refunding bonds (SECTION 10).

The bill updates the reference to Chapter 1204 of the Government Code regarding issuance, interest and maturity of district bonds (SECTION 11).

The bill updates the reference to Chapter 618 of the Government Code regarding the signing of bonds (SECTION 12).

The bill amends the enabling legislation to add a section authorizing the district to hold an election on the question of increasing the maximum tax rate of the district to a rate not to exceed 75 cents on the \$100 valuation of taxable property in the district and establishing procedures for such an election (SECTION 13).

The bill amends the enabling legislation to add a section allowing the dissolution of the district only upon the approval of the district voters and establishing procedures for such dissolution (SECTION 14).

The bill repeals Section 7.05(c), Chapter 137, Acts of the 70th Legislature, Regular Session, regarding the issuance of refunding bonds by the district (SECTION 15).

EFFECTIVE DATE

On passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2003.