

By: Hilderbran

H.B. No. 1631

A BILL TO BE ENTITLED

AN ACT

relating to the Kimble County Hospital District.

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

SECTION 1. Sections 5(f) and (g), Chapter 873, Acts of the 62nd Legislature, Regular Session, 1971, are amended to read as follows:

(f) Each [~~Thereafter, each~~] year on the first Saturday in May [~~April~~], an election shall [~~is to~~] be held for the purpose of electing the appropriate number of directors to the board.

(g) A director holds office for a term of three [~~two~~] years and until his successor is elected and has qualified.

SECTION 2. Chapter 873, Acts of the 62nd Legislature, Regular Session, 1971, is amended by adding Section 11A to read as follows:

Sec. 11A. Revenue bonds. The board may issue and sell revenue bonds in the name and on the faith and credit of the district to purchase, construct, acquire, repair, renovate, or equip buildings or improvements for district purposes. The bonds shall be payable from and secured by a pledge of all or part of the revenues derived from the operation of the district's hospital system. The bonds may be additionally secured by a mortgage or deed of trust on all or part of the district's property. The revenue bonds shall be issued in the manner provided by Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health and Safety

1 Code, for the issuance of revenue bonds by county hospital
2 authorities.

3 SECTION 3. Chapter 873, Acts of the 62nd Legislature,
4 Regular Session, 1971, is amended by adding Section 12A to read as
5 follows:

6 Sec. 12A. Authority to borrow money. (a) The board may
7 borrow money at a rate not to exceed the maximum annual percentage
8 rate allowed by law for district obligations at the time of the
9 loan.

10 (b) To secure a loan, the board may pledge:

11 (1) revenues of the district that are not pledged to
12 pay the bonded indebtedness of the district;

13 (2) district taxes to be levied by the district during
14 the 12-month period following the date of the pledge that are not
15 pledged to pay the principal of or interest on district bonds; or

16 (3) district bonds that have been authorized but not
17 sold.

18 (c) A loan for which taxes or bonds are pledged shall mature
19 not later than the first anniversary of the date on which the loan
20 is made. A loan for which district revenues are pledged shall
21 mature not later than the fifth anniversary of the date on which the
22 loan is made.

23 SECTION 4. (a) The election of the board of directors of
24 the Kimble County Hospital District scheduled before the effective
25 date of this Act to be held in May 2004 must be held, and the
26 directors elected at that election shall draw lots to determine
27 which two directors shall serve three-year terms and which two

1 directors shall serve two-year terms.

2 (b) The election of the board of directors scheduled before
3 the effective date of this Act to be held in May 2005 must be held,
4 and the directors elected at that election shall serve three-year
5 terms.

6 (c) The directors elected at the elections to be held in May
7 2006, May 2007, and May 2008 shall serve three-year terms.

8 SECTION 5. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2003.