

1-1 By: Hilderbran (Senate Sponsor - Fraser) H.B. No. 1631
1-2 (In the Senate - Received from the House April 7, 2003;
1-3 April 9, 2003, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 7, 2003, reported favorably by
1-5 the following vote: Yeas 4, Nays 0; May 7, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the Kimble County Hospital District.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Sections 5(f) and (g), Chapter 873, Acts of the
1-11 62nd Legislature, Regular Session, 1971, are amended to read as
1-12 follows:

1-13 (f) Each [~~Thereafter, each~~] year on the first Saturday in
1-14 May [~~April~~], an election shall [~~is to~~] be held for the purpose of
1-15 electing the appropriate number of directors to the board.

1-16 (g) A director holds office for a term of three [~~two~~] years
1-17 and until his successor is elected and has qualified.

1-18 SECTION 2. Chapter 873, Acts of the 62nd Legislature,
1-19 Regular Session, 1971, is amended by adding Section 11A to read as
1-20 follows:

1-21 Sec. 11A. Revenue bonds. The board may issue and sell
1-22 revenue bonds in the name and on the faith and credit of the
1-23 district to purchase, construct, acquire, repair, renovate, or
1-24 equip buildings or improvements for district purposes. The bonds
1-25 shall be payable from and secured by a pledge of all or part of the
1-26 revenues derived from the operation of the district's hospital
1-27 system. The bonds may be additionally secured by a mortgage or deed
1-28 of trust on all or part of the district's property. The revenue
1-29 bonds shall be issued in the manner provided by Sections 264.042,
1-30 264.043, 264.046, 264.047, 264.048, and 264.049, Health and Safety
1-31 Code, for the issuance of revenue bonds by county hospital
1-32 authorities.

1-33 SECTION 3. Chapter 873, Acts of the 62nd Legislature,
1-34 Regular Session, 1971, is amended by adding Section 12A to read as
1-35 follows:

1-36 Sec. 12A. Authority to borrow money. (a) The board may
1-37 borrow money at a rate not to exceed the maximum annual percentage
1-38 rate allowed by law for district obligations at the time of the
1-39 loan.

1-40 (b) To secure a loan, the board may pledge:

1-41 (1) revenues of the district that are not pledged to
1-42 pay the bonded indebtedness of the district;

1-43 (2) district taxes to be levied by the district during
1-44 the 12-month period following the date of the pledge that are not
1-45 pledged to pay the principal of or interest on district bonds; or

1-46 (3) district bonds that have been authorized but not
1-47 sold.

1-48 (c) A loan for which taxes or bonds are pledged shall mature
1-49 not later than the first anniversary of the date on which the loan
1-50 is made. A loan for which district revenues are pledged shall
1-51 mature not later than the fifth anniversary of the date on which the
1-52 loan is made.

1-53 SECTION 4. (a) The election of the board of directors of
1-54 the Kimble County Hospital District scheduled before the effective
1-55 date of this Act to be held in May 2004 must be held, and the
1-56 directors elected at that election shall draw lots to determine
1-57 which two directors shall serve three-year terms and which two
1-58 directors shall serve two-year terms.

1-59 (b) The election of the board of directors scheduled before
1-60 the effective date of this Act to be held in May 2005 must be held,
1-61 and the directors elected at that election shall serve three-year
1-62 terms.

1-63 (c) The directors elected at the elections to be held in May
1-64 2006, May 2007, and May 2008 shall serve three-year terms.

2-1 SECTION 5. This Act takes effect immediately if it receives
2-2 a vote of two-thirds of all the members elected to each house, as
2-3 provided by Section 39, Article III, Texas Constitution. If this
2-4 Act does not receive the vote necessary for immediate effect, this
2-5 Act takes effect September 1, 2003.

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