

AN ACT

relating to the ad valorem tax rate of a hospital district created under general or special law.

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

SECTION 1. Chapter 285, Health and Safety Code, is amended by adding Subchapter M to read as follows:

SUBCHAPTER M. CHANGE IN RATE OF AD VALOREM TAXES

Sec. 285.201. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)

Registered voters of a hospital district that is authorized to impose ad valorem taxes and that has a maximum tax rate of less than 75 cents on the \$100 valuation of all taxable property in the district may file a petition with the secretary of the governing body of the hospital district requesting an election to authorize the increase of that maximum tax rate. The petition must be signed by at least the lesser of:

(1) 100 of the registered voters of the district; or

(2) the number equal to 15 percent of the registered voters of the district.

(b) The petition must state the maximum tax rate to be voted on at the election, which may not exceed 75 cents on the \$100 valuation of all taxable property in the district.

(c) The governing body of the hospital district by order shall set a time and place to hold a hearing on the petition to increase the maximum tax rate of the district. The governing body

1 shall set a date for the hearing that is not earlier than the 10th
2 day after the date the governing body issues the order.

3 (d) If after the hearing the governing body of the hospital
4 district finds that the petition is in proper form and that an
5 increase of the maximum tax rate would benefit the district, the
6 governing body shall order an election to authorize the increase of
7 the maximum tax rate to the tax rate stated in the petition. The
8 order calling the election must state the:

9 (1) nature of the election, including the proposition
10 that is to appear on the ballot;

11 (2) date of the election;

12 (3) maximum tax rate to be voted on at the election;

13 (4) hours during which the polls will be open; and

14 (5) location of the polling places.

15 (e) The governing body of the hospital district shall give
16 notice of the election by publishing a substantial copy of the
17 election order in a newspaper with general circulation in the
18 district once a week for two consecutive weeks. The first
19 publication must appear before the 35th day before the date set for
20 the election.

21 (f) The ballot for the election shall be printed to permit
22 voting for or against the proposition: "The increase by the
23 _____ (name of district) Hospital District of the rate of
24 annual taxes imposed for hospital purposes to a rate not to exceed
25 _____ (insert the amount prescribed by the petition, not to
26 exceed 75 cents) on each \$100 valuation of all taxable property in
27 the district."

1 (g) After ordering an election under this subchapter, the
2 governing body of the hospital district shall hold the election on
3 the first authorized uniform election date prescribed by Section
4 41.001, Election Code, that allows sufficient time to comply with
5 other requirements of law.

6 (h) If the majority of the votes cast in the district favor
7 the proposition, the maximum tax rate of the district is increased
8 to the tax rate stated in the petition.

9 Sec. 285.202. EXPIRATION. This subchapter expires
10 September 1, 2008.

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

President of the Senate

Speaker of the House

I certify that H.B. No. 2073 was passed by the House on April 30, 2003, by the following vote: Yeas 142, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2073 on May 30, 2003, by the following vote: Yeas 142, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2073 was passed by the Senate, with amendments, on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor