

1-1 By: Hilderbran (Senate Sponsor - Fraser) H.B. No. 2073  
1-2 (In the Senate - Received from the House May 1, 2003;  
1-3 May 7, 2003, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 24, 2003, reported adversely,  
1-5 with favorable Committee Substitute by the following vote: Yeas 5,  
1-6 Nays 0; May 24, 2003, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2073 By: Wentworth

1-8 A BILL TO BE ENTITLED  
1-9 AN ACT

1-10 relating to the ad valorem tax rate of a hospital district created  
1-11 under general or special law.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Chapter 285, Health and Safety Code, is amended  
1-14 by adding Subchapter M to read as follows:

1-15 SUBCHAPTER M. CHANGE IN RATE OF AD VALOREM TAXES

1-16 Sec. 285.201. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)  
1-17 Registered voters of a hospital district that is authorized to  
1-18 impose ad valorem taxes and that has a maximum tax rate of less than  
1-19 75 cents on the \$100 valuation of all taxable property in the  
1-20 district may file a petition with the secretary of the governing  
1-21 body of the hospital district requesting an election to authorize  
1-22 the increase of that maximum tax rate. The petition must be signed  
1-23 by at least the lesser of:

- 1-24 (1) 100 of the registered voters of the district; or  
1-25 (2) the number equal to 15 percent of the registered  
1-26 voters of the district.

1-27 (b) The petition must state the maximum tax rate to be voted  
1-28 on at the election, which may not exceed 75 cents on the \$100  
1-29 valuation of all taxable property in the district.

1-30 (c) The governing body of the hospital district by order  
1-31 shall set a time and place to hold a hearing on the petition to  
1-32 increase the maximum tax rate of the district. The governing body  
1-33 shall set a date for the hearing that is not earlier than the 10th  
1-34 day after the date the governing body issues the order.

1-35 (d) If after the hearing the governing body of the hospital  
1-36 district finds that the petition is in proper form and that an  
1-37 increase of the maximum tax rate would benefit the district, the  
1-38 governing body shall order an election to authorize the increase of  
1-39 the maximum tax rate to the tax rate stated in the petition. The  
1-40 order calling the election must state the:

- 1-41 (1) nature of the election, including the proposition  
1-42 that is to appear on the ballot;  
1-43 (2) date of the election;  
1-44 (3) maximum tax rate to be voted on at the election;  
1-45 (4) hours during which the polls will be open; and  
1-46 (5) location of the polling places.

1-47 (e) The governing body of the hospital district shall give  
1-48 notice of the election by publishing a substantial copy of the  
1-49 election order in a newspaper with general circulation in the  
1-50 district once a week for two consecutive weeks. The first  
1-51 publication must appear before the 35th day before the date set for  
1-52 the election.

1-53 (f) The ballot for the election shall be printed to permit  
1-54 voting for or against the proposition: "The increase by the  
1-55 \_\_\_\_\_ (name of district) Hospital District of the rate of  
1-56 annual taxes imposed for hospital purposes to a rate not to exceed  
1-57 \_\_\_\_\_ (insert the amount prescribed by the petition, not to  
1-58 exceed 75 cents) on each \$100 valuation of all taxable property in  
1-59 the district."

1-60 (g) After ordering an election under this subchapter, the  
1-61 governing body of the hospital district shall hold the election on  
1-62 the first authorized uniform election date prescribed by Section  
1-63 41.001, Election Code, that allows sufficient time to comply with

2-1 other requirements of law.

2-2 (h) If the majority of the votes cast in the district favor  
2-3 the proposition, the maximum tax rate of the district is increased  
2-4 to the tax rate stated in the petition.

2-5 Sec. 285.202. EXPIRATION. This subchapter expires  
2-6 September 1, 2008.

2-7 SECTION 2. This Act takes effect immediately if it receives  
2-8 a vote of two-thirds of all the members elected to each house, as  
2-9 provided by Section 39, Article III, Texas Constitution. If this  
2-10 Act does not receive the vote necessary for immediate effect, this  
2-11 Act takes effect September 1, 2003.

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