

By: Hilderbran

H.B. No. 3558

A BILL TO BE ENTITLED

AN ACT

relating to the Ballinger Memorial Hospital District.

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

SECTION 1. Section 4.04, Chapter 137, Acts of the 70th Legislature, Regular Session, 1987, is amended to read as follows:

Sec. 4.04. NOTICE OF ELECTION. Notice [~~At least 35 days before the date of an election of directors, notice~~] of the election shall be published one time in a newspaper with general circulation in the district in accordance with Section 4.003, Election Code.

SECTION 2. Section 4.05, Chapter 137, Acts of the 70th Legislature, Regular Session, 1987, is amended to read as follows:

Sec. 4.05. APPLICATION [~~PETITION~~]. [~~(a)~~] A person who wishes to have the person's [~~his~~] name printed on the ballot as a candidate for director must file an application with the secretary of the board of directors, in accordance with Section 144.005, Election Code [~~a petition signed by at least 10 registered voters of the district asking that his name be placed on the ballot. The determination of whether a person is a registered voter of the district shall be based on the most recent official list of registered voters.~~]

[~~(b) The petition must be filed with the secretary not later than the 31st day before the date of the election~~].

SECTION 3. Article 4, Chapter 137, Acts of the 70th Legislature, Regular Session, 1987, is amended by adding Section

1 4.18 to read as follows:

2 Sec. 4.18. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES. The
3 board may spend district money, enter into agreements, and take
4 other necessary action to recruit physicians and other persons to
5 serve as medical staff members or employees of the district,
6 including:

7 (1) advertising and marketing;

8 (2) paying travel, recruitment, and relocation
9 expenses;

10 (3) providing a loan or scholarship to a physician or a
11 person currently enrolled in health care education courses at an
12 institution of higher education who contractually agrees to become
13 a district employee or medical staff member; or

14 (4) contracting with one or more full-time medical
15 students or other students in a health occupation, each of whom must
16 be enrolled in and in good standing at an accredited medical school,
17 college, or university, to pay the student's tuition or other
18 expenses in consideration of the student's agreement to serve as an
19 employee or independent contractor for the district.

20 SECTION 4. Section 5.07, Chapter 137, Acts of the 70th
21 Legislature, Regular Session, 1987, is amended to read as follows:

22 Sec. 5.07. CONSTRUCTION CONTRACTS. (a) The board may enter
23 into construction contracts on behalf of the district; however, the
24 board may enter into a contract for construction that requires
25 expenditures in excess of the amount prescribed by Section 271.024,
26 Local Government Code, [~~contracts that involve spending more than~~
27 \$10,000] only after competitive bidding as provided by Subchapter

1 B, Chapter 271, Local Government Code [~~Chapter 770, Acts of the 66th~~
2 ~~Legislature, Regular Session, 1979 (Article 2368a.3, Vernon's~~
3 ~~Texas Civil Statutes)] .~~

4 (b) Chapter 2253, Government Code [~~Article 5160, Revised~~
5 ~~Statutes~~], as it relates to performance and payment bonds, applies
6 to construction contracts of the district.

7 SECTION 5. Section 5.11(a), Chapter 137, Acts of the 70th
8 Legislature, Regular Session, 1987, is amended to read as follows:

9 (a) Not later than the first day [~~beginning~~] of each
10 operating year, the district shall adopt an application procedure
11 to determine eligibility for assistance, as provided by Section
12 61.053, Health and Safety Code [~~10.03, Indigent Health Care and~~
13 ~~Treatment Act (Article 4438f, Vernon's Texas Civil Statutes)] .~~

14 SECTION 6. Section 5.12(a), Chapter 137, Acts of the 70th
15 Legislature, Regular Session, 1987, is amended to read as follows:

16 (a) The board shall require reimbursement from a county,
17 city, or public hospital located outside the boundaries of the
18 district for the district's care and treatment of a sick, diseased,
19 or injured person of that county, city, or public hospital as
20 provided by Chapter 61, Health and Safety Code [~~the Indigent Health~~
21 ~~Care and Treatment Act (Article 4438f, Vernon's Texas Civil~~
22 ~~Statutes)] .~~

23 SECTION 7. Article 5, Chapter 137, Acts of the 70th
24 Legislature, Regular Session, 1987, is amended by adding Section
25 5.16 to read as follows:

26 Sec. 5.16. CREATION OF NONPROFIT CORPORATION. The district
27 may sponsor and create a nonprofit corporation under the Texas

1 Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's
2 Texas Civil Statutes) and may contribute funds to or solicit funds
3 on behalf of the corporation. The corporation may use district
4 funds only to provide health care or other services the district is
5 authorized to provide under this Act. The board shall establish
6 adequate controls to ensure that the corporation uses its funds in
7 accordance with this section. The corporation may invest
8 corporation funds in any manner in which the district may invest
9 funds, including investing funds as authorized by Chapter 2256,
10 Government Code.

11 SECTION 8. Section 7.03(c), Chapter 137, Acts of the 70th
12 Legislature, Regular Session, 1987, is amended to read as follows:

13 (c) Notice of a bond election shall be given as provided by
14 Section 1251.003, Government Code [~~Article 704, Revised Statutes~~].

15 SECTION 9. Section 7.04(c), Chapter 137, Acts of the 70th
16 Legislature, Regular Session, 1987, is amended to read as follows:

17 (c) The bonds must be issued in the manner provided by
18 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,
19 Health and Safety Code [~~8, 10, 11, 12, and 13, County Hospital~~
20 ~~Authority Act (Article 4494r, Vernon's Texas Civil Statutes)~~], for
21 issuance of revenue bonds by county hospital authorities.

22 SECTION 10. Section 7.05(b), Chapter 137, Acts of the 70th
23 Legislature, Regular Session, 1987, is amended to read as follows:

24 (b) The bonds must be issued in the manner provided by
25 Chapter 1207, Government Code [~~784, Acts of the 61st Legislature,~~
26 ~~Regular Session, 1969 (Article 717k-3, Vernon's Texas Civil~~
27 ~~Statutes)~~].

1 SECTION 11. Section 7.06, Chapter 137, Acts of the 70th
2 Legislature, Regular Session, 1987, is amended to read as follows:

3 Sec. 7.06. INTEREST AND MATURITY. District bonds must
4 mature not later than the 50th anniversary of [~~50 years after~~] the
5 date of their issuance and must bear interest at a rate not to
6 exceed that provided by Chapter 1204, Government Code [~~3, Acts of~~
7 ~~the 61st Legislature, Regular Session, 1969 (Article 717k-2,~~
8 ~~Vernon's Texas Civil Statutes)~~].

9 SECTION 12. Section 7.07, Chapter 137, Acts of the 70th
10 Legislature, Regular Session, 1987, is amended to read as follows:

11 Sec. 7.07. EXECUTION OF BONDS. The president of the board
12 shall execute the bonds in the name of the district, and the
13 secretary of the board shall countersign the bonds in the manner
14 provided by Chapter 618, Government Code [~~the Texas Uniform~~
15 ~~Facsimile Signature of Public Officials Act (Article 717j-1,~~
16 ~~Vernon's Texas Civil Statutes)~~].

17 SECTION 13. Article 8, Chapter 137, Acts of the 70th
18 Legislature, Regular Session, 1987, is amended by adding Section
19 8.05 to read as follows:

20 Sec. 8.05. ELECTION TO INCREASE MAXIMUM TAX RATE. (a) The
21 board may order an election on the question of increasing the
22 maximum tax rate of the district to a rate not to exceed 75 cents on
23 the \$100 valuation of all taxable property in the district.

24 (b) Registered voters of the district may file a petition
25 with the secretary of the board requesting an election to authorize
26 the increase of the maximum tax rate. The petition must be signed
27 by at least 100 of the registered voters of the district, according

1 to the most recent official list of registered voters. The petition
2 must state the maximum tax rate to be voted on at the election,
3 which may not exceed 75 cents on the \$100 valuation of all taxable
4 property in the district. The board by order shall set a time and
5 place to hold a hearing on the petition to increase the maximum tax
6 rate of the district. The board shall set a date for the hearing
7 that is after the 10th day after the date the board issues the
8 order. If after the hearing the board finds that the petition is in
9 proper form and that an increase of the maximum tax rate would
10 benefit the district, the board shall order an election to
11 authorize the increase of the maximum tax rate to the tax rate
12 stated in the petition.

13 (c) The order calling an election under this section must
14 state the:

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

17 (2) maximum tax rate to be voted on at the election,
18 which may not exceed 75 cents on the \$100 valuation of all taxable
19 property in the district;

20 (3) date of the election;

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

22 (5) location of the polling places.

23 (d) The board shall give notice of an election under this
24 section by publishing a substantial copy of the election order in a
25 newspaper with general circulation in the district once a week for
26 two consecutive weeks. The first publication must appear before
27 the 35th day before the date set for the election.

1 (e) The ballot for an election under this section shall be
2 printed to permit voting for or against the proposition: "The
3 increase by the Ballinger Memorial Hospital District of the rate of
4 annual taxes imposed for hospital purposes to a rate not to exceed
5 _____ (insert the amount determined by the board or prescribed by the
6 petition, as appropriate, not to exceed 75 cents) on each \$100
7 valuation of all taxable property in the district."

8 (f) An election ordered under this section shall be held
9 after the 45th day and on or before the 60th day after the date on
10 which the election is ordered. Section 41.001(a), Election Code,
11 does not apply to an election held under this section.

12 (g) If the majority of the votes cast in the district favor
13 the proposition, the maximum tax rate of the district is increased
14 to the tax rate determined by the board or stated in the petition,
15 as appropriate.

16 SECTION 14. Chapter 137, Acts of the 70th Legislature,
17 Regular Session, 1987, is amended by adding Article 8A to read as
18 follows:

19 ARTICLE 8A. DISSOLUTION OF DISTRICT

20 Sec. 8A.01. DISSOLUTION AUTHORIZATION. (a) The district
21 may be dissolved only if the dissolution is approved by a majority
22 of the registered voters of the district voting in an election
23 called and held for that purpose.

24 (b) The board may order an election on the question of
25 dissolving the district and disposing of the district's assets and
26 obligations. The board shall order an election if the board
27 receives a petition requesting an election that is signed by a

1 number of registered voters of the district equal to at least 15
2 percent of the registered voters in the district.

3 Sec. 8A.02. ELECTION DATE. An election ordered under
4 Section 8A.01 of this article shall be held not later than the 60th
5 day after the date the election is ordered. Section 41.001(a),
6 Election Code, does not apply to an election ordered under this
7 section.

8 Sec. 8A.03. ELECTION ORDER. The order calling an election
9 under this article shall state:

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

12 (2) the date of the election;

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

14 (4) the location of the polling places.

15 Sec. 8A.04. NOTICE OF ELECTION. The board shall give notice
16 of an election ordered under this article by publishing a
17 substantial copy of the election order in a newspaper with general
18 circulation in the district once a week for two consecutive weeks.
19 The first publication must appear not less than 35 days before the
20 date set for the election.

21 Sec. 8A.05. BALLOT. The ballot for an election ordered
22 under this article shall be printed to permit voting for or against
23 the proposition: "The dissolution of the Ballinger Memorial
24 Hospital District."

25 Sec. 8A.06. RESULTS OF ELECTION. If a majority of the votes
26 in an election ordered under this article favor dissolution, the
27 board shall find that the district is dissolved. If a majority of

1 the votes in the election do not favor dissolution, the board shall
2 continue to administer the district, and another election on the
3 question of dissolution may not be held before the first
4 anniversary of the most recent election to dissolve the district.

5 Sec. 8A.07. SALE OR TRANSFER OF ASSETS AFTER DISSOLUTION.

6 (a) If a majority of the votes in the election favor dissolution,
7 the board shall:

8 (1) transfer the land, buildings, improvements,
9 equipment, and other assets that belong to the district to Runnels
10 County or another governmental entity in Runnels County;

11 (2) sell the assets and liabilities to another person;
12 or

13 (3) administer the property, assets, and debts until
14 all money has been disposed of and all district debts have been paid
15 or settled.

16 (b) If the district transfers the land, buildings,
17 improvements, equipment, and other assets to Runnels County or
18 another governmental entity, the county or entity assumes all debts
19 and obligations of the district at the time of the transfer, and the
20 district is dissolved.

21 (c) A sale or transfer of the district's assets and
22 liabilities must satisfy the debt and bond obligations of the
23 district in a manner that protects the interests of the residents of
24 the district, including the residents' collective property rights
25 in the district's assets. A grant from federal funds is an
26 obligation to be repaid in satisfaction. The district may not
27 transfer or dispose of the district's assets except for due

1 compensation unless the transfer is made to a governmental agency
2 that serves the district and the transferred assets are to be used
3 for the benefit of the residents of the district.

4 Sec. 8A.08. ADMINISTRATION OF PROPERTY, DEBTS, AND ASSETS
5 AFTER DISSOLUTION. (a) If the district does not transfer the land,
6 buildings, improvements, equipment, and other assets to a county or
7 other governmental entity, the board shall sell the assets and
8 liabilities to another person or administer the property, assets,
9 and debts of the district until all funds have been disposed of and
10 all district debts have been paid or settled, at which time the
11 district is dissolved.

12 (b) After the board finds that the district is dissolved,
13 the board shall:

14 (1) determine any remaining debt owed by the district;
15 and

16 (2) impose on the property included in the district's
17 tax rolls a tax that is in proportion of the debt to the property
18 value.

19 (c) The board may institute a suit to enforce payment of
20 taxes and to foreclose liens to secure the payment of taxes due the
21 district.

22 Sec. 8A.09. RETURN OF SURPLUS TAX MONEY. (a) When
23 remaining debts and obligations of the district are paid, the board
24 shall order the secretary to return the pro rata share of all unused
25 tax money to each district taxpayer.

26 (b) A taxpayer may request that the taxpayer's share of
27 surplus tax money be credited to the taxpayer's county taxes. If a

1 taxpayer requests the credit, the board shall direct the secretary
2 to transmit the money to the county tax assessor-collector.

3 Sec. 8A.10. REPORT; DISSOLUTION ORDER. (a) After the
4 district has paid all its debts and has disposed of all its assets
5 and money as prescribed by this article, the board shall file a
6 written report with the Commissioners Court of Runnels County
7 setting forth a summary of the board's actions in dissolving the
8 district.

9 (b) Not later than the 10th day after the date it receives
10 the report and determines that the requirements of this article
11 have been fulfilled, the Commissioners Court of Runnels County
12 shall enter an order dissolving the district and releasing the
13 board from any further duty or obligation.

14 SECTION 15. Section 7.05(c), Chapter 137, Acts of the 70th
15 Legislature, Regular Session, 1987, is repealed.

16 SECTION 16. This Act takes effect immediately if it
17 receives a vote of two-thirds of all the members elected to each
18 house, as provided by Section 39, Article III, Texas Constitution.
19 If this Act does not receive the vote necessary for immediate
20 effect, this Act takes effect September 1, 2003.