

By: Fraser

S.B. No. 821

A BILL TO BE ENTITLED

AN ACT

relating to certain bonds issued by the Comanche County Consolidated Hospital District.

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

SECTION 1. Section 3.14(a), Chapter 132, Acts of the 74th Legislature, Regular Session, 1995, is amended to read as follows:

(a) In addition to the power to issue bonds payable from taxes levied by the district as provided by ~~[under]~~ Section 3.11 ~~[3.12]~~ of this Act, the board of directors may issue and refund any previously issued revenue bond to:

(1) purchase, construct, acquire, repair, equip, or renovate a building or improvement for hospital purposes;

(2) acquire a site for hospital purposes; or

(3) acquire and operate a mobile emergency service to assist the district in carrying out the district's hospital purposes.

SECTION 2. Chapter 132, Acts of the 74th Legislature, Regular Session, 1995, is amended by adding Sections 3.14A and 3.14B to read as follows:

Sec. 3.14A. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. (a) In addition to the power to issue bonds payable solely from and secured by taxes imposed by the district as authorized by Section 3.11 of this Act and the power to issue bonds payable from and secured by revenues and other sources as authorized by Section

1 3.14 of this Act, the board of directors may provide for the
2 security and payment of district bonds from a pledge of a
3 combination of:

4 (1) ad valorem taxes as authorized by Section 3.11 of
5 this Act; and

6 (2) the revenues and other sources authorized by
7 Section 3.14 of this Act.

8 (b) Bonds, other than refunding bonds, that the board
9 proposes to secure wholly or partly by an ad valorem tax must be
10 approved at an election held in the district in accordance with
11 Section 3.11 of this Act.

12 Sec. 3.14B. USE OF CERTAIN PROCEEDS; PAYMENT OF EXPENSES.

13 (a) The district may use the proceeds of bonds described by Section
14 3.11, 3.14, or 3.14A of this Act to pay:

15 (1) any expense the board of directors determines is
16 reasonable and necessary to effect the issuance, sale, and delivery
17 of the bonds;

18 (2) interest on the bonds during a period of
19 acquisition or construction of a project or facility to be provided
20 through the bonds;

21 (3) operation and maintenance costs of a project or
22 facility to be provided through the bonds during an estimated
23 period of acquisition or construction and for one year after the
24 project or facility is acquired or constructed;

25 (4) costs related to the financing of the bond funds,
26 including debt service reserve and contingency funds;

27 (5) costs related to the issuance of the bonds;

1 (6) costs related to the acquisition of land or an
2 interest in land for a project or facility to be provided through
3 the bonds; and

4 (7) construction costs of a project or facility to be
5 provided through the bonds, including the payment of related
6 professional services and expenses.

7 (b) A "period of acquisition or construction," as that term
8 is used in Subsection (a) of this section, may not exceed five
9 years.

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