

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**March 19, 2003**

**TO:** Honorable Fred Hill, Chair, House Committee on Local Government Ways and Means

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: SB200** by Shapiro (Relating to authorizing certain hospital districts to pledge hospital system revenues and tax revenues to the payment of combination tax and revenue bonds and other obligations if the pledge is approved at an election, and related matters.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 281, Health and Safety Code, to authorize hospital districts created pursuant to Section 4, Article IX, Texas Constitution and that have previously held an election at which the voters approved the levy and assessment of an ad valorem tax at a rate not greater than 75 cents per \$100 of assessed valuation of taxable property within the district to pledge hospital system revenues and tax revenues to the payment of combination tax and revenue bonds and other obligations if the pledge is approved at an election. If approved by the majority of voters, the commissioners court of the county in which the hospital district is located would be authorized to issue and execute, on behalf of and in the name of the district, combination tax and revenue bonds and other short-term and long-term obligations in the amounts and upon the terms recommended and times requested by the district's board of managers. The bill would take effect immediately if it receives a vote of two-thirds of all members of both houses; otherwise, it would take effect September 1, 2003.

**Local Government Impact**

The bill would establish an alternate method by which hospital districts could fund projects.

If the county commissioners court were to hold an election regarding pledging hospital system revenues and tax revenues to the payment of combination tax and revenue bonds and other obligations, it would incur full election costs if a special election were to be held on a uniform election date other than the county's general election date. If the issue were to appear on the ballot on the general election date, election costs would be increased, but usually not significantly. Election costs would vary by county.

**Source Agencies:**

**LBB Staff:** JK, EB, DLBa, WP, SD