## BACKGROUND AND PURPOSE

Under current law, petitions to require an election to reduce the tax rate of the Montgomery County Hospital District (district) or to dissolve the district are required to be submitted to the district's board of directors. Previously, voters tried to present petitions to the district and were ignored by the board of directors. In an effort to have a fair judge of the petitions in the future, a different official should be required to review the petitions. House Bill 192 requires these petitions to be submitted to the county clerk.

## RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

## ANALYSIS

House Bill 192 amends Chapter 258, Acts of the 65th Legislature, Regular Session, 1977, by requiring that petitions to require an election:

- to reduce the Montgomery County Hospital District's (district) tax rate to the rollback tax rate; or
- to dissolve the district and dispose of the district's assets and obligations, be submitted to the Montgomery county clerk, rather than to the board of directors of the district.

For petitions to reduce the district's tax rate, the bill requires the county clerk to determine whether the petition is valid and to certify the determination of the petition's validity to the board of directors, not later than the 20th day after the date that the petition is submitted. For petitions to dissolve the district, the bill requires the county clerk to determine validity and certify this determination to the board of directors, not later than the 30th day after the date that the petition is submitted. The bill provides that the petitions are treated as valid if the county clerk fails to act within the required time.

HB 192 requires the board of directors of the district to order an election to determine whether to reduce the tax rate or dissolve the district, as applicable, if the county clerk certifies that the appropriate petition is valid or if the county clerk fails to act within the time allowed.

The bill requires the district to reimburse the county clerk for reasonable costs incurred in performing the duties associated with these requirements.

## EFFECTIVE DATE

Upon passage, or if the bill does not does not receive a vote of two-thirds of the members elected to each house, on September 1, 2005.

