

1-1 By: Farabee (Senate Sponsor - Estes) H.B. No. 781
1-2 (In the Senate - Received from the House May 13, 2009;
1-3 May 14, 2009, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 22, 2009, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 22, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the Electra Hospital District.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Section 1025.051, Special District Local Laws
1-11 Code, as effective April 1, 2009, is amended to conform to Section
1-12 1, Chapter 792, Acts of the 80th Legislature, Regular Session,
1-13 2007, to read as follows:

1-14 Sec. 1025.051. BOARD ELECTION; TERM. The district is
1-15 governed by a board of seven directors elected at large by place for
1-16 staggered three-year terms. A director's election shall be held
1-17 each year on the May uniform election date prescribed by Section
1-18 41.001, Election Code. [~~(a) The board consists of seven directors~~
1-19 ~~electd from the district at large.~~

1-20 [~~(b) Directors serve staggered two-year terms unless~~
1-21 ~~four-year terms are established under Section 285.081, Health and~~
1-22 ~~Safety Code.]~~

1-23 SECTION 2. Subchapter D, Chapter 1025, Special District
1-24 Local Laws Code, as effective April 1, 2009, is amended by adding
1-25 Section 1025.161 to read as follows:

1-26 Sec. 1025.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)
1-27 The board may borrow money at a rate not to exceed the maximum
1-28 annual percentage rate allowed by law for district obligations at
1-29 the time the loan is made.

1-30 (b) To secure a loan, the board may pledge:

1-31 (1) district revenue that is not pledged to pay the
1-32 district's bonded indebtedness;

1-33 (2) a district tax to be imposed by the district during
1-34 the 12-month period following the date of the pledge that is not
1-35 pledged to pay the principal of or interest on district bonds; or

1-36 (3) a district bond that has been authorized but not
1-37 sold.

1-38 (c) A loan for which taxes or bonds are pledged must mature
1-39 not later than the first anniversary of the date the loan is made. A
1-40 loan for which district revenue is pledged must mature not later
1-41 than the fifth anniversary of the date the loan is made.

1-42 SECTION 3. Subchapter E, Chapter 1025, Special District
1-43 Local Laws Code, as effective April 1, 2009, is amended by adding
1-44 Sections 1025.209 and 1025.210 to read as follows:

1-45 Sec. 1025.209. ADDITIONAL MEANS OF SECURING REPAYMENT OF
1-46 BONDS. In addition to the authority to issue general obligation
1-47 bonds and revenue bonds under this subchapter, the board may
1-48 provide for the security and payment of district bonds from a pledge
1-49 of a combination of ad valorem taxes as authorized by Section
1-50 1025.202 and revenue and other sources authorized by Section
1-51 1025.206.

1-52 Sec. 1025.210. USE OF BOND PROCEEDS. The district may use
1-53 the proceeds of bonds issued under this subchapter to pay:

1-54 (1) any expense the board determines is reasonable and
1-55 necessary to issue, sell, and deliver the bonds;

1-56 (2) interest payments on the bonds during a period of
1-57 acquisition or construction of a project or facility to be provided
1-58 through the bonds, not to exceed five years;

1-59 (3) costs related to the operation and maintenance of
1-60 a project or facility to be provided through the bonds:

1-61 (A) during an estimated period of acquisition or
1-62 construction, not to exceed five years; and

1-63 (B) for one year after the project or facility is
1-64 acquired or constructed;

- 2-1 (4) costs related to the financing of the bond funds,
- 2-2 including debt service reserve and contingency funds;
- 2-3 (5) costs related to the bond issuance;
- 2-4 (6) costs related to the acquisition of land or
- 2-5 interests in land for a project or facility to be provided through
- 2-6 the bonds; and
- 2-7 (7) costs of construction of a project or facility to
- 2-8 be provided through the bonds, including the payment of related
- 2-9 professional services and expenses.

2-10 SECTION 4. (a) The members of the board of directors of the
2-11 Electra Hospital District serving on the effective date of this Act
2-12 shall draw lots to determine in which place each director serves.
2-13 The four directors whose terms expire in 2010 shall draw lots for
2-14 Places 4, 5, 6, and 7. The three directors whose terms expire in
2-15 2011 shall draw lots for Places 1, 2, and 3.

2-16 (b) The election of the board of directors to be held in May
2-17 2010 must be held, and the directors elected for Places 4 and 5 at
2-18 that election shall serve three-year terms. The directors elected
2-19 for Places 6 and 7 at that election shall serve two-year terms.

2-20 (c) The directors elected at the election to be held in May
2-21 2011, May 2012, and May 2013 shall serve three-year terms.

2-22 SECTION 5. This Act takes effect immediately if it receives
2-23 a vote of two-thirds of all the members elected to each house, as
2-24 provided by Section 39, Article III, Texas Constitution. If this
2-25 Act does not receive the vote necessary for immediate effect, this
2-26 Act takes effect September 1, 2009.

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