

By: Hardcastle

H.B. No. 1686

Substitute the following for H.B. No. 1686:

By: Morrison

C.S.H.B. No. 1686

A BILL TO BE ENTITLED

AN ACT

relating to the Muenster Hospital District.

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

SECTION 1. Chapter 477, Acts of the 59th Legislature, Regular Session, 1965, is amended by adding Sections 9A and 9B to read as follows:

Sec. 9A. In addition to the authority to issue general obligation bonds and revenue bonds under this Act, the Board may provide for the security and payment of District bonds from a pledge of a combination of ad valorem taxes as authorized by Section 9 of this Act and revenue and other sources authorized by Section 7 of this Act.

Sec. 9B. The District may use the proceeds of bonds issued under this Act to pay:

(1) any expense the Board determines is reasonable and necessary to issue, sell, and deliver the bonds;

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

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

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

(B) for one year after the project or facility is

1 acquired or constructed;

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

4 (5) costs related to the bond issuance;

5 (6) costs related to the acquisition of land or  
6 interests in land for a project or facility to be provided through  
7 the bonds; and

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

11 SECTION 2. Section 20a(a), Chapter 477, Acts of the 59th  
12 Legislature, Regular Session, 1965, is amended to read as follows:

13 Sec. 20a. (a) The ~~[If the Board of Directors declares that~~  
14 ~~funds are not available to meet the lawfully authorized obligations~~  
15 ~~of the District and that an emergency exists, the]~~ Board may borrow  
16 money at a rate not to exceed the maximum annual percentage rate  
17 allowed by law for District obligations at the time of the loan.

18 SECTION 3. Section 20a(d), Chapter 477, Acts of the 59th  
19 Legislature, Regular Session, 1965, is repealed.

20 SECTION 4. This Act takes effect immediately if it receives  
21 a vote of two-thirds of all the members elected to each house, as  
22 provided by Section 39, Article III, Texas Constitution. If this  
23 Act does not receive the vote necessary for immediate effect, this  
24 Act takes effect September 1, 2009.