

1 AN ACT

2 relating to the nonsubstantive revision of certain local laws  
3 concerning special districts, including conforming amendments.

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

5 ARTICLE 1. NONSUBSTANTIVE REVISION OF LOCAL LAWS

6 SECTION 1.01. Subtitle A, Title 3, Special District Local  
7 Laws Code, is amended by adding Chapters 1035, 1056, 1061, 1063,  
8 1064, 1067, 1072, 1073, 1077, 1078, 1079, 1080, 1081, 1082, 1083,  
9 1084, 1085, 1088, 1089, 1090, 1091, 1092, 1093, 1094, 1095, and 1097  
10 to read as follows:

11 CHAPTER 1035. DEWITT MEDICAL DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 1035.001. DEFINITIONS

14 Sec. 1035.002. AUTHORITY FOR CREATION

15 Sec. 1035.003. POLITICAL SUBDIVISION

16 Sec. 1035.004. DISTRICT TERRITORY

17 Sec. 1035.005. CORRECTION OF INVALID PROCEDURES

18 Sec. 1035.006. DISTRICT SUPPORT AND MAINTENANCE NOT

19 STATE OBLIGATION

20 [Sections 1035.007-1035.050 reserved for expansion]

21 SUBCHAPTER B. DISTRICT ADMINISTRATION

22 Sec. 1035.051. BOARD ELECTION; TERM

23 Sec. 1035.052. NOTICE OF ELECTION

24 Sec. 1035.053. QUALIFICATIONS FOR OFFICE

- 1 Sec. 1035.054. BOND; RECORD OF BOND AND OATH OR  
2 AFFIRMATION OF OFFICE  
3 Sec. 1035.055. BOARD VACANCY  
4 Sec. 1035.056. OFFICERS  
5 Sec. 1035.057. COMPENSATION; EXPENSES  
6 Sec. 1035.058. VOTING REQUIREMENT  
7 Sec. 1035.059. DISTRICT ADMINISTRATOR  
8 Sec. 1035.060. GENERAL DUTIES OF DISTRICT  
9 ADMINISTRATOR  
10 Sec. 1035.061. RECRUITMENT OF MEDICAL STAFF AND  
11 EMPLOYEES  
12 Sec. 1035.062. CONTINUING EDUCATION; RETRAINING  
13 Sec. 1035.063. DOCTORS AND OTHER EMPLOYEES  
14 [Sections 1035.064-1035.100 reserved for expansion]  
15 SUBCHAPTER C. POWERS AND DUTIES  
16 Sec. 1035.101. DISTRICT RESPONSIBILITY  
17 Sec. 1035.102. RESTRICTION ON POLITICAL SUBDIVISION  
18 TAXATION AND DEBT  
19 Sec. 1035.103. MANAGEMENT AND CONTROL  
20 Sec. 1035.104. HOSPITAL SYSTEM  
21 Sec. 1035.105. PROVISION OF CERTAIN HEALTH SERVICES  
22 Sec. 1035.106. EMINENT DOMAIN  
23 Sec. 1035.107. GIFTS AND ENDOWMENTS  
24 Sec. 1035.108. CONTRACT WITH NIXON HOSPITAL DISTRICT  
25 Sec. 1035.109. PAYMENT FOR TREATMENT; PROCEDURES  
26 Sec. 1035.110. REIMBURSEMENT FOR SERVICES  
27 Sec. 1035.111. AUTHORITY TO SUE AND BE SUED

1 [Sections 1035.112-1035.150 reserved for expansion]

2 SUBCHAPTER D. CHANGE IN BOUNDARIES

3 Sec. 1035.151. EXPANSION OF TERRITORY; BOARD ORDER

4 Sec. 1035.152. ANNEXATION OF TERRITORY; PETITION

5 Sec. 1035.153. APPROVAL OR DENIAL OF ANNEXATION

6 PETITION

7 Sec. 1035.154. ELECTION ORDER

8 Sec. 1035.155. ELECTION DATE

9 Sec. 1035.156. NOTICE OF ELECTION

10 Sec. 1035.157. BALLOT

11 Sec. 1035.158. ELECTION RESULTS

12 [Sections 1035.159-1035.200 reserved for expansion]

13 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

14 Sec. 1035.201. DEPOSITORY

15 Sec. 1035.202. AUTHORITY TO BORROW MONEY; SECURITY

16 [Sections 1035.203-1035.250 reserved for expansion]

17 SUBCHAPTER F. BONDS

18 Sec. 1035.251. GENERAL OBLIGATION BONDS

19 Sec. 1035.252. TAX TO PAY GENERAL OBLIGATION BONDS

20 Sec. 1035.253. GENERAL OBLIGATION BOND ELECTION

21 Sec. 1035.254. EXECUTION OF BONDS

22 Sec. 1035.255. INVESTMENT OF BOND PROCEEDS

23 Sec. 1035.256. REVENUE BONDS

24 [Sections 1035.257-1035.300 reserved for expansion]

25 SUBCHAPTER G. TAXES

26 Sec. 1035.301. IMPOSITION OF AD VALOREM TAX

27 Sec. 1035.302. TAX RATE

1 Sec. 1035.303. TAX ASSESSOR-COLLECTOR

2 CHAPTER 1035. DEWITT MEDICAL DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 1035.001. DEFINITIONS. In this chapter:

5 (1) "Board" means the board of directors of the  
6 district.

7 (2) "Director" means a member of the board.

8 (3) "District" means the DeWitt Medical District.

9 (New.)

10 Sec. 1035.002. AUTHORITY FOR CREATION. The DeWitt Medical  
11 District is created under the authority of Section 9, Article IX,  
12 Texas Constitution. (Acts 59th Leg., R.S., Ch. 310, Secs. 1 (part),  
13 1A(a).)

14 Sec. 1035.003. POLITICAL SUBDIVISION. The district is a  
15 political subdivision of this state. (Acts 59th Leg., R.S., Ch.  
16 310, Sec. 15 (part).)

17 Sec. 1035.004. DISTRICT TERRITORY. (a) The district is  
18 composed of the territory described by Section 1, Chapter 310, Acts  
19 of the 59th Legislature, Regular Session, 1965.

20 (b) The boundaries and field notes of the district form a  
21 closure. A mistake in copying the field notes in the legislative  
22 process does not affect:

23 (1) the district's organization, existence, or  
24 validity;

25 (2) the district's right to issue a bond;

26 (3) the district's right to impose a tax; or

27 (4) the legality or operation of the district. (New;

1 Acts 59th Leg., R.S., Ch. 310, Sec. 1 (part).)

2 Sec. 1035.005. CORRECTION OF INVALID PROCEDURES. If a  
3 court holds that any procedure under this chapter violates the  
4 constitution of this state or of the United States, the district by  
5 resolution may provide an alternative procedure that conforms with  
6 the constitution. (Acts 59th Leg., R.S., Ch. 310, Sec. 17 (part).)

7 Sec. 1035.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
8 OBLIGATION. The support and maintenance of the district's hospital  
9 system may not become a charge against or obligation of this state.  
10 (Acts 59th Leg., R.S., Ch. 310, Sec. 8 (part).)

11 [Sections 1035.007-1035.050 reserved for expansion]

12 SUBCHAPTER B. DISTRICT ADMINISTRATION

13 Sec. 1035.051. BOARD ELECTION; TERM. (a) The district is  
14 governed by a board of five directors elected from the district at  
15 large.

16 (b) Directors serve staggered three-year terms.

17 (c) An election shall be held each year on the May uniform  
18 election date under Section 41.001, Election Code, to elect the  
19 appropriate number of directors. (Acts 59th Leg., R.S., Ch. 310,  
20 Secs. 4(a), (c) (part).)

21 Sec. 1035.052. NOTICE OF ELECTION. Notice of a directors'  
22 election shall be published in a newspaper of general circulation  
23 in the district in accordance with Section 4.003, Election Code.  
24 (Acts 59th Leg., R.S., Ch. 310, Sec. 4(c) (part).)

25 Sec. 1035.053. QUALIFICATIONS FOR OFFICE. (a) To be  
26 qualified to serve as a director, a person must:

27 (1) reside in the district; and

1           (2) be at least 21 years of age.

2           (b) A person may not serve as a director if the person:

3           (1) is a district employee; or

4           (2) was a district employee at any time during the two  
5 years preceding the date of the election. (Acts 59th Leg., R.S.,  
6 Ch. 310, Sec. 4(b).)

7           Sec. 1035.054. BOND; RECORD OF BOND AND OATH OR AFFIRMATION  
8 OF OFFICE. (a) Each director shall qualify by executing a good and  
9 sufficient bond for \$5,000 that is:

10           (1) approved by the board;

11           (2) payable to the district; and

12           (3) conditioned on the faithful performance of the  
13 director's duties.

14           (b) Each director's bond and constitutional oath or  
15 affirmation of office shall be kept in the district's permanent  
16 records. (Acts 59th Leg., R.S., Ch. 310, Sec. 5 (part).)

17           Sec. 1035.055. BOARD VACANCY. (a) If a vacancy occurs in  
18 the office of director, the remaining directors shall appoint a  
19 director for the unexpired term.

20           (b) If the number of directors is reduced to fewer than  
21 three, the remaining directors shall immediately call a special  
22 election to fill the vacancies. If the remaining directors do not  
23 call the election, a district court, on application of a district  
24 voter or taxpayer, may order the directors to hold the election.  
25 (Acts 59th Leg., R.S., Ch. 310, Sec. 7(g).)

26           Sec. 1035.056. OFFICERS. (a) At the board's first regular  
27 meeting following the annual election of the directors, the board

1 shall elect a chair, vice chair, and secretary from among its  
2 members to serve for a term of one year.

3 (b) The board may create additional officer positions.  
4 (Acts 59th Leg., R.S., Ch. 310, Sec. 7(a).)

5 Sec. 1035.057. COMPENSATION; EXPENSES. A director serves  
6 without compensation but may be reimbursed for actual expenses  
7 incurred in the performance of official duties on approval of the  
8 expenses by the board. (Acts 59th Leg., R.S., Ch. 310, Sec. 7(f).)

9 Sec. 1035.058. VOTING REQUIREMENT. A concurrence of a  
10 majority of the directors is sufficient in any matter relating to  
11 district business. (Acts 59th Leg., R.S., Ch. 310, Sec. 7(b)  
12 (part).)

13 Sec. 1035.059. DISTRICT ADMINISTRATOR. (a) The board  
14 shall appoint a qualified person as district administrator.

15 (b) The district administrator serves at the will of the  
16 board and is entitled to the compensation determined by the board.

17 (c) The board shall require that before assuming the duties  
18 of district administrator the administrator must execute a bond in  
19 an amount set by the board of not less than \$5,000 that is:

20 (1) payable to the district; and

21 (2) conditioned on the performance of the  
22 administrator's duties.

23 (d) The board may pay for the bond with district money.  
24 (Acts 59th Leg., R.S., Ch. 310, Sec. 7(h) (part).)

25 Sec. 1035.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
26 Subject to the limitations prescribed by the board, the district  
27 administrator shall:

1           (1) supervise the work and activities of the district;  
2 and

3           (2) direct the affairs of the district. (Acts 59th  
4 Leg., R.S., Ch. 310, Sec. 7(h) (part).)

5           Sec. 1035.061. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES.  
6 The board may spend district money to recruit physicians, nurses,  
7 or other trained medical personnel. The board may pay the tuition or  
8 other costs or expenses of a full-time medical or nursing student  
9 who:

10           (1) is enrolled in and is in good standing at an  
11 accredited school, college, or university; and

12           (2) contractually agrees to become a district employee  
13 in return for that assistance. (Acts 59th Leg., R.S., Ch. 310,  
14 Secs. 16A(a), (b).)

15           Sec. 1035.062. CONTINUING EDUCATION; RETRAINING. The board  
16 may spend district money for continuing education and retraining of  
17 employees. (Acts 59th Leg., R.S., Ch. 310, Sec. 16A(c).)

18           Sec. 1035.063. DOCTORS AND OTHER EMPLOYEES. The board may  
19 contract with doctors or appoint doctors to the medical staff and  
20 may employ technicians, nurses, and other employees the board  
21 considers necessary for the efficient operation of the district.  
22 The board may delegate that authority to the district  
23 administrator. (Acts 59th Leg., R.S., Ch. 310, Sec. 7(i).)

24           [Sections 1035.064-1035.100 reserved for expansion]

25                           SUBCHAPTER C. POWERS AND DUTIES

26           Sec. 1035.101. DISTRICT RESPONSIBILITY. The district has  
27 full responsibility for providing medical and hospital care for the



1 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 310, Sec.  
2 2 (part).)

3           Sec. 1035.102. RESTRICTION ON POLITICAL SUBDIVISION  
4 TAXATION AND DEBT. A political subdivision in DeWitt County, other  
5 than the district, may not impose a tax or issue bonds or other  
6 obligations for hospital purposes or to provide medical care in the  
7 district. (Acts 59th Leg., R.S., Ch. 310, Sec. 2 (part).)

8           Sec. 1035.103. MANAGEMENT AND CONTROL. (a) The board has  
9 all powers necessary, convenient, or incidental to carry out the  
10 purposes for which the district was created.

11           (b) The board has complete management and control of all  
12 district business, including the power to negotiate and contract  
13 with any person to purchase or lease land, to construct and equip a  
14 hospital system, to operate and maintain a hospital or hospitals,  
15 and to negotiate and contract with other political subdivisions of  
16 this state or with private individuals, associations, or  
17 corporations for those purposes as the board determines necessary  
18 or desirable. (Acts 59th Leg., R.S., Ch. 310, Secs. 7(c), (e).)

19           Sec. 1035.104. HOSPITAL SYSTEM. The district shall provide  
20 for:

21           (1) the establishment of a hospital or hospital system  
22 in the district to furnish medical and hospital care to district  
23 residents by:

24                   (A) purchasing, constructing, acquiring,  
25 repairing, or renovating buildings and improvements for hospital  
26 purposes; and

27                   (B) equipping the buildings and improvements for

1 those purposes; and

2 (2) the administration of the hospital system for  
3 hospital purposes. (Acts 59th Leg., R.S., Ch. 310, Sec. 2 (part).)

4 Sec. 1035.105. PROVISION OF CERTAIN HEALTH SERVICES. The  
5 district may provide:

6 (1) emergency medical services;

7 (2) home health care services;

8 (3) long-term health care services;

9 (4) assisted living services; or

10 (5) any other appropriate health care services the  
11 board determines are necessary to meet the district's needs. (Acts  
12 59th Leg., R.S., Ch. 310, Sec. 7A.)

13 Sec. 1035.106. EMINENT DOMAIN. (a) The district may  
14 exercise the power of eminent domain to acquire a fee simple or  
15 other interest in any type of property, real, personal, or mixed,  
16 located in district territory, if the interest is necessary for the  
17 district to exercise a right, power, privilege, or function  
18 conferred on the district by this chapter.

19 (b) The district must exercise the power of eminent domain  
20 in the manner provided by Chapter 21, Property Code, except the  
21 district is not required to deposit in the trial court money or a  
22 bond as provided by Section 21.021(a), Property Code.

23 (c) In a condemnation proceeding brought by the district,  
24 the district is not required to:

25 (1) pay in advance or provide a bond or other security  
26 for costs in the trial court;

27 (2) provide a bond for the issuance of a temporary

1 restraining order or a temporary injunction; or

2           (3) provide a bond for costs or a supersedeas bond on  
3 an appeal or petition for review. (Acts 59th Leg., R.S., Ch. 310,  
4 Sec. 11.)

5           Sec. 1035.107. GIFTS AND ENDOWMENTS. The board may accept  
6 for the district a gift or endowment to be held in trust and  
7 administered by the board for the purposes and under the  
8 directions, limitations, or other provisions prescribed in writing  
9 by the donor that are not inconsistent with the proper management  
10 and objectives of the district. (Acts 59th Leg., R.S., Ch. 310,  
11 Sec. 16.)

12           Sec. 1035.108. CONTRACT WITH NIXON HOSPITAL DISTRICT. The  
13 district, through the board, may contract with the Nixon Hospital  
14 District of Gonzales and Wilson Counties, Texas, for the district  
15 to lease, manage, or operate a health care facility located in the  
16 Nixon Hospital District. (Acts 59th Leg., R.S., Ch. 310, Sec.  
17 7(d).)

18           Sec. 1035.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
19 Each year, the board may set criteria for determining residency,  
20 eligibility for service, and the type of services available.

21           (b) When a patient who resides in the district is admitted  
22 to a district facility, the district administrator may have an  
23 inquiry made into the financial circumstances of:

24                   (1) the patient; and

25                   (2) a relative of the patient who is legally  
26 responsible for the patient's support.

27           (c) The district without charge shall provide to a patient

1 who resides in the district the care and treatment that the patient  
2 or a relative of the patient who is legally responsible for the  
3 patient's support cannot pay.

4 (d) On determining that the patient or a relative legally  
5 responsible for the patient's support can pay for all or part of the  
6 care and treatment provided by the district, the district  
7 administrator shall report that determination to the board, and the  
8 board shall issue an order directing the patient or the relative to  
9 pay the district a specified amount each week. The amount must be  
10 based on the individual's ability to pay.

11 (e) The district administrator may collect money owed to the  
12 district from the patient's estate or from that of a relative  
13 legally responsible for the patient's support in the manner  
14 provided by law for collection of expenses of the last illness of a  
15 deceased person.

16 (f) If there is a dispute relating to an individual's  
17 ability to pay, the board shall:

- 18 (1) call witnesses;
- 19 (2) hear and resolve the question; and
- 20 (3) issue a final order.

21 (g) The final order of the board may be appealed to a  
22 district court in the county in which the district is located. The  
23 substantial evidence rule applies to the appeal. (Acts 59th Leg.,  
24 R.S., Ch. 310, Secs. 13A(a), (b) (part), (c), (d), (e), (f).)

25 Sec. 1035.110. REIMBURSEMENT FOR SERVICES. (a) The board  
26 shall require a county, municipality, or public hospital located  
27 outside the district to reimburse the district for the district's

1 care and treatment of a sick or injured person of that county,  
2 municipality, or public hospital as provided by Chapter 61, Health  
3 and Safety Code.

4 (b) The board shall require the sheriff of DeWitt County or  
5 the police chief of any municipality in the district to reimburse  
6 the district for the district's care and treatment of a person who  
7 is confined in a jail facility of DeWitt County or the municipality  
8 and is not a district resident. A prisoner in the DeWitt County  
9 jail or in a penal or police facility located in the district is not  
10 considered a district resident unless the person would meet the  
11 qualifications for residency notwithstanding the incarceration,  
12 its duration, or the facts surrounding the incarceration.

13 (c) The board may contract with the state or federal  
14 government for that government to reimburse the district for  
15 treatment of a sick or injured person. (Acts 59th Leg., R.S., Ch.  
16 310, Sec. 13B.)

17 Sec. 1035.111. AUTHORITY TO SUE AND BE SUED. As a  
18 governmental agency, the district may sue and be sued in its own  
19 name in any court of this state. (Acts 59th Leg., R.S., Ch. 310,  
20 Sec. 15 (part).)

21 [Sections 1035.112-1035.150 reserved for expansion]

22 SUBCHAPTER D. CHANGE IN BOUNDARIES

23 Sec. 1035.151. EXPANSION OF TERRITORY; BOARD ORDER. (a)  
24 The board may order an election on the question of:

25 (1) expanding the district's boundaries to include all  
26 of the territory in DeWitt County that is not included in the Yoakum  
27 Hospital District;

1           (2) the assumption by the additional territory of a  
2 proportionate share of district debts; and

3           (3) the imposition of taxes in the territory to be  
4 added to the district.

5           (b) Subsequent elections may be held on the same issue.  
6 (Acts 59th Leg., R.S., Ch. 310, Secs. 1B(a), (h) (part).)

7           Sec. 1035.152. ANNEXATION OF TERRITORY; PETITION. (a) The  
8 district may annex one or more tracts of territory in accordance  
9 with the method provided by this subchapter.

10          (b) A registered voter who resides in a defined territory  
11 may file a petition with the board requesting inclusion of the  
12 territory in the district. The territory:

13           (1) must be contiguous to the district's boundaries or  
14 to territory to be annexed under this subchapter; and

15           (2) may not be located in the boundaries of another  
16 district or a district for which the legislature has enacted  
17 enabling legislation.

18          (c) The petition must:

19           (1) describe the territory to be annexed; and

20           (2) be signed by the lesser of:

21           (A) at least 100 registered voters who reside in  
22 that territory; or

23           (B) a majority of the registered voters.

24          (d) The board may act simultaneously on several petitions  
25 for annexation. If more than one petition requests annexation of  
26 the same territory, the board must act on the first petition filed.

27          (e) The board may not amend a petition. (Acts 59th Leg.,

1 R.S., Ch. 310, Secs. 1C(a), (b), (c) (part), (d) (part).)

2 Sec. 1035.153. APPROVAL OR DENIAL OF ANNEXATION PETITION.

3 (a) If the board finds that annexation of territory into the  
4 district is in the district's best interest, the board shall, not  
5 later than the 90th day after the date the finding is made:

6 (1) approve the petition filed under Section 1035.152;  
7 and

8 (2) order an election on the question of annexing the  
9 territory.

10 (b) If the board finds that annexation is not in the  
11 district's best interest, the board shall deny the petition filed  
12 under Section 1035.152. (Acts 59th Leg., R.S., Ch. 310, Sec. 1C(d)  
13 (part).)

14 Sec. 1035.154. ELECTION ORDER. (a) The order calling an  
15 election under this subchapter must state:

16 (1) the nature of the election, including the  
17 proposition to appear on the ballot;

18 (2) the date of the election;

19 (3) the hours during which the polls will be open; and

20 (4) the location of the polling places.

21 (b) The board shall order an annexation election required by  
22 this subchapter so that the territory included in each approved  
23 annexation petition is allowed to vote separately on inclusion in  
24 the district. (Acts 59th Leg., R.S., Ch. 310, Secs. 1B(b), 1C(c)  
25 (part), (e).)

26 Sec. 1035.155. ELECTION DATE. (a) The election in the  
27 district and the election in the territory to be added or annexed

1 must be held on the same day.

2 (b) Section 41.001(a), Election Code, does not apply to an  
3 election ordered under this section. (Acts 59th Leg., R.S., Ch.  
4 310, Secs. 1B(d) (part), (g), 1C(g) (part), (j).)

5 Sec. 1035.156. NOTICE OF ELECTION. (a) The board shall  
6 give notice of an election under this subchapter by publishing once  
7 a week for two consecutive weeks a substantial copy of the election  
8 order in a newspaper with general circulation in the district and  
9 the area to be added or annexed.

10 (b) The first publication of the notice must appear at least  
11 30 days before the date set for the election. (Acts 59th Leg.,  
12 R.S., Ch. 310, Secs. 1B(c), 1C(f).)

13 Sec. 1035.157. BALLOT. (a) The ballot for an expansion  
14 election ordered under Section 1035.151 must be printed to permit  
15 voting for or against the proposition: "Expanding the DeWitt  
16 Medical District to include all of DeWitt County except that  
17 territory included in Yoakum Hospital District, the assumption by  
18 the additional territory of its proportionate share of the  
19 district's outstanding debts, and the imposition of a tax not to  
20 exceed 75 cents on each \$100 of valuation of all taxable property in  
21 the expanded area of the district."

22 (b) The ballot for an annexation election ordered under  
23 Section 1035.153 must be printed to permit voting for or against the  
24 proposition: "Adding (description of territory to be added) to the  
25 DeWitt Medical District, the assumption by the additional territory  
26 of its proportionate share of the district's outstanding debts, and  
27 the imposition of a tax not to exceed 75 cents on each \$100 of



1 valuation of all taxable property in the annexed area of the  
2 district." (Acts 59th Leg., R.S., Ch. 310, Secs. 1B(e), 1C(h).)

3 Sec. 1035.158. ELECTION RESULTS. (a) The district  
4 boundaries may be expanded or territory may be annexed to the  
5 district under this subchapter only if the expansion or annexation,  
6 the assumption of debt, and the imposition of taxes are approved by  
7 a majority of the voters voting at:

8 (1) an election held in the district; and

9 (2) a separate election held in the territory to be  
10 added.

11 (b) If the election results for an election under this  
12 subchapter are not favorable to the proposition to expand the  
13 district or to annex the territory, subsequent elections may be  
14 held on the same issue. (Acts 59th Leg., R.S., Ch. 310, Secs.  
15 1B(f), (h), 1C(i), (k).)

16 [Sections 1035.159-1035.200 reserved for expansion]

17 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

18 Sec. 1035.201. DEPOSITORY. (a) The board by resolution  
19 shall designate a bank in the county as the district's depository.  
20 A designated bank serves for two years and until a successor is  
21 designated.

22 (b) All district money shall be secured in the manner  
23 provided for securing county funds. (Acts 59th Leg., R.S., Ch. 310,  
24 Sec. 10.)

25 Sec. 1035.202. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
26 The board may borrow money at a rate not to exceed the maximum  
27 annual percentage rate allowed by law for district obligations at

1 the time of the loan.

2 (b) To secure a loan, the board may pledge:

3 (1) district revenue that is not pledged to pay the  
4 district's bonded indebtedness;

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

8 (3) district bonds that have been authorized but not  
9 sold.

10 (c) A loan for which taxes or bonds are pledged must mature  
11 not later than the anniversary of the date the loan is made. A loan  
12 for which district revenue is pledged must mature not later than the  
13 10th anniversary of the date the loan is made. (Acts 59th Leg.,  
14 R.S., Ch. 310, Sec. 12A.)

15 [Sections 1035.203-1035.250 reserved for expansion]

16 SUBCHAPTER F. BONDS

17 Sec. 1035.251. GENERAL OBLIGATION BONDS. The board may  
18 issue and sell general obligation bonds authorized by an election  
19 in the name and on the faith and credit of the district for any  
20 purpose relating to:

21 (1) the purchase, construction, acquisition, repair,  
22 or renovation of buildings or improvements; and

23 (2) equipping buildings or improvements for hospital  
24 purposes. (Acts 59th Leg., R.S., Ch. 310, Sec. 12(a) (part).)

25 Sec. 1035.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
26 the time general obligation bonds are issued under Section  
27 1035.251, an ad valorem tax shall be imposed at a rate sufficient to

1 create an interest and sinking fund to pay the principal of and  
2 interest on the bonds as the bonds mature.

3 (b) The tax required by this section together with any other  
4 ad valorem tax imposed for the district may not in any year exceed  
5 75 cents on each \$100 valuation of all taxable property in the  
6 district. (Acts 59th Leg., R.S., Ch. 310, Sec. 12(a) (part).)

7 Sec. 1035.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
8 district may issue general obligation bonds only if the bonds are  
9 authorized by a majority of the district voters voting in an  
10 election called for that purpose and ordered by the board on its own  
11 motion.

12 (b) The election shall be conducted in accordance with  
13 Chapter 1251, Government Code. (Acts 59th Leg., R.S., Ch. 310,  
14 Secs. 6 (part), 12(c).)

15 Sec. 1035.254. EXECUTION OF BONDS. (a) The board president  
16 shall execute district bonds in the district's name.

17 (b) The board secretary shall countersign the bonds. (Acts  
18 59th Leg., R.S., Ch. 310, Sec. 12(b) (part).)

19 Sec. 1035.255. INVESTMENT OF BOND PROCEEDS. Until the  
20 proceeds from the sale of district bonds are needed to carry out the  
21 bond purpose, the proceeds may be:

22 (1) invested in direct obligations of the United  
23 States; or

24 (2) placed on time deposit. (Acts 59th Leg., R.S., Ch.  
25 310, Sec. 12(b) (part).)

26 Sec. 1035.256. REVENUE BONDS. (a) The board may issue and  
27 sell revenue bonds in the name and on the faith and credit of the

1 district to purchase, construct, acquire, repair, renovate, or  
2 equip buildings or improvements for district purposes.

3 (b) The bonds must be payable from and secured by a pledge of  
4 all or part of the revenue derived from the operation of the  
5 district's hospital system.

6 (c) The bonds may be additionally secured by a mortgage or  
7 deed of trust lien on all or part of district property.

8 (d) The bonds must be issued in the manner provided by  
9 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
10 Health and Safety Code, for the issuance of revenue bonds by a  
11 county hospital authority. (Acts 59th Leg., R.S., Ch. 310, Sec.  
12 12(e).)

13 [Sections 1035.257-1035.300 reserved for expansion]

14 SUBCHAPTER G. TAXES

15 Sec. 1035.301. IMPOSITION OF AD VALOREM TAX. (a) The board  
16 shall impose a tax on all property in the district subject to  
17 district taxation.

18 (b) The board shall impose the tax to:

- 19 (1) meet the requirements of district bonds;  
20 (2) provide for the district's maintenance and  
21 operating expenses;  
22 (3) make improvements and additions to the district's  
23 hospitals or hospital system; and  
24 (4) acquire necessary sites by gift, purchase, lease,  
25 or condemnation. (Acts 59th Leg., R.S., Ch. 310, Sec. 8 (part).)

26 Sec. 1035.302. TAX RATE. The board shall impose the tax at  
27 a rate not to exceed 75 cents on each \$100 valuation of all taxable

1 property in the district. (Acts 59th Leg., R.S., Ch. 310, Sec. 8  
2 (part).)

3 Sec. 1035.303. TAX ASSESSOR-COLLECTOR. The board may:

4 (1) appoint a tax assessor-collector for the district;  
5 or

6 (2) contract for the assessment and collection of  
7 taxes as provided by the Tax Code. (Acts 59th Leg., R.S., Ch. 310,  
8 Sec. 9 (part).)

9 CHAPTER 1056. MARTIN COUNTY HOSPITAL DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 1056.001. DEFINITIONS

12 Sec. 1056.002. AUTHORITY FOR OPERATION

13 Sec. 1056.003. DISTRICT TERRITORY

14 [Sections 1056.004-1056.050 reserved for expansion]

15 SUBCHAPTER B. DISTRICT ADMINISTRATION

16 Sec. 1056.051. BOARD APPOINTMENT; TERM

17 Sec. 1056.052. BOARD VACANCY

18 Sec. 1056.053. NONATTENDANCE

19 Sec. 1056.054. OFFICERS

20 Sec. 1056.055. COMPENSATION; EXPENSES

21 Sec. 1056.056. QUORUM

22 Sec. 1056.057. RECORDS OF PROCEEDINGS

23 Sec. 1056.058. DISTRICT ADMINISTRATOR

24 Sec. 1056.059. GENERAL DUTIES OF DISTRICT

25 ADMINISTRATOR

26 Sec. 1056.060. ASSISTANT ADMINISTRATOR

27 Sec. 1056.061. LEGAL COUNSEL

- 1 Sec. 1056.062. EMPLOYEES  
2 Sec. 1056.063. RETIREMENT PROGRAM  
3 Sec. 1056.064. SEAL  
4 [Sections 1056.065-1056.100 reserved for expansion]  
5 SUBCHAPTER C. POWERS AND DUTIES  
6 Sec. 1056.101. DISTRICT RESPONSIBILITY  
7 Sec. 1056.102. RESTRICTION ON COUNTY OR MUNICIPALITY  
8 TAXATION  
9 Sec. 1056.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
10 Sec. 1056.104. RULES  
11 Sec. 1056.105. PURCHASING AND ACCOUNTING PROCEDURES  
12 Sec. 1056.106. EMINENT DOMAIN  
13 Sec. 1056.107. GIFTS AND ENDOWMENTS  
14 Sec. 1056.108. CONTRACTS WITH GOVERNMENTAL ENTITIES  
15 FOR CARE AND TREATMENT  
16 Sec. 1056.109. PAYMENT FOR TREATMENT; PROCEDURES  
17 Sec. 1056.110. AUTHORITY TO SUE AND BE SUED  
18 [Sections 1056.111-1056.150 reserved for expansion]  
19 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
20 Sec. 1056.151. BUDGET  
21 Sec. 1056.152. ANNUAL AUDIT  
22 Sec. 1056.153. FINANCIAL REPORT  
23 Sec. 1056.154. DEPOSITORY  
24 [Sections 1056.155-1056.200 reserved for expansion]  
25 SUBCHAPTER E. BONDS  
26 Sec. 1056.201. BONDS  
27 Sec. 1056.202. TAX TO PAY BONDS

1 Sec. 1056.203. BOND ELECTION

2 Sec. 1056.204. REFUNDING BONDS

3 Sec. 1056.205. EXECUTION OF BONDS

4 [Sections 1056.206-1056.250 reserved for expansion]

5 SUBCHAPTER F. TAXES

6 Sec. 1056.251. IMPOSITION OF AD VALOREM TAX

7 Sec. 1056.252. TAX RATE

8 Sec. 1056.253. TAX ASSESSOR-COLLECTOR

9 CHAPTER 1056. MARTIN COUNTY HOSPITAL DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 1056.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of hospital managers of  
13 the district.

14 (2) "District" means the Martin County Hospital  
15 District.

16 (3) "Manager" means a member of the board. (New.)

17 Sec. 1056.002. AUTHORITY FOR OPERATION. The Martin County  
18 Hospital District operates in accordance with and has the powers  
19 and responsibilities provided by Section 9, Article IX, Texas  
20 Constitution. (Acts 60th Leg., R.S., Ch. 674, Sec. 1 (part).)

21 Sec. 1056.003. DISTRICT TERRITORY. The boundaries of the  
22 district are coextensive with the boundaries of Martin County.  
23 (Acts 60th Leg., R.S., Ch. 674, Sec. 1 (part).)

24 [Sections 1056.004-1056.050 reserved for expansion]

25 SUBCHAPTER B. DISTRICT ADMINISTRATION

26 Sec. 1056.051. BOARD APPOINTMENT; TERM. (a) The board  
27 consists of six managers appointed by the Martin County

1 Commissioners Court.

2 (b) Managers serve staggered two-year terms, with three  
3 managers appointed each year. (Acts 60th Leg., R.S., Ch. 674, Sec.  
4 3 (part).)

5 Sec. 1056.052. BOARD VACANCY. If a vacancy occurs in the  
6 office of manager, the remaining managers shall appoint a manager  
7 for the unexpired term. (Acts 60th Leg., R.S., Ch. 674, Sec. 3  
8 (part).)

9 Sec. 1056.053. NONATTENDANCE. The failure of a manager to  
10 attend three consecutive regular board meetings causes a vacancy in  
11 the manager's office unless the absence is excused by formal action  
12 of the board. (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

13 Sec. 1056.054. OFFICERS. (a) The board shall select from  
14 among the managers a presiding officer, who shall preside over the  
15 board.

16 (b) A presiding officer pro tem shall preside in the absence  
17 of the presiding officer.

18 (c) The district administrator or any manager may be  
19 appointed secretary. (Acts 60th Leg., R.S., Ch. 674, Sec. 3  
20 (part).)

21 Sec. 1056.055. COMPENSATION; EXPENSES. A manager serves  
22 without compensation but may be reimbursed for actual and necessary  
23 travel and other expenses incurred in the performance of the  
24 manager's duties as determined by the board. (Acts 60th Leg., R.S.,  
25 Ch. 674, Sec. 3 (part).)

26 Sec. 1056.056. QUORUM. A majority of the board present  
27 shall constitute a quorum for the transaction of business. (Acts



1 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

2           Sec. 1056.057. RECORDS OF PROCEEDINGS. (a) The board shall  
3 require the secretary to keep suitable records of all proceedings  
4 of each board meeting.

5           (b) After each meeting:

6                 (1) the manager presiding at the meeting shall read  
7 and sign the record; and

8                 (2) the secretary shall attest the record. (Acts 60th  
9 Leg., R.S., Ch. 674, Sec. 3 (part).)

10           Sec. 1056.058. DISTRICT ADMINISTRATOR. (a) The board  
11 shall appoint a general manager qualified by training and  
12 experience as the district administrator.

13           (b) The district administrator is entitled to receive the  
14 compensation determined by the board.

15           (c) The board may remove the district administrator at any  
16 time.

17           (d) Before assuming the duties of district administrator,  
18 the administrator must execute a bond payable to the district in an  
19 amount of not less than \$10,000 that:

20                 (1) is conditioned on the administrator performing  
21 well and faithfully the administrator's required duties; and

22                 (2) contains other conditions the board may require.

23 (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

24           Sec. 1056.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
25 Subject to the limitations prescribed by the board, the district  
26 administrator shall:

27                 (1) perform the duties required by the board;

1           (2) supervise the work and activities of the district;  
2 and

3           (3) direct the affairs of the district. (Acts 60th  
4 Leg., R.S., Ch. 674, Sec. 3 (part).)

5           Sec. 1056.060. ASSISTANT ADMINISTRATOR. (a) The board may  
6 designate an assistant administrator to discharge a duty or  
7 function of the district administrator in the event of the  
8 administrator's incapacity, absence, or inability to discharge the  
9 duty or function.

10          (b) The assistant administrator shall post the bond  
11 required by board order.

12          (c) The assistant administrator is subject to the  
13 limitations prescribed by board order. (Acts 60th Leg., R.S., Ch.  
14 674, Sec. 5.)

15          Sec. 1056.061. LEGAL COUNSEL. The board may employ legal  
16 counsel to represent the district in all legal matters when the  
17 board considers the employment advisable. (Acts 60th Leg., R.S.,  
18 Ch. 674, Sec. 10.)

19          Sec. 1056.062. EMPLOYEES. The board shall authorize the  
20 district administrator to employ any employees as considered  
21 advisable for the efficient operation of the hospital or hospital  
22 system. (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

23          Sec. 1056.063. RETIREMENT PROGRAM. The board may:

24           (1) contract with this state or the federal government  
25 as necessary to establish or continue a retirement program for the  
26 benefit of district employees; or

27           (2) establish other retirement programs for the

1 benefit of district employees as it considers necessary and  
2 advisable. (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

3 Sec. 1056.064. SEAL. The board shall have a seal engraved  
4 with the district's name to authenticate the acts of the board. The  
5 secretary of the board shall keep the seal. (Acts 60th Leg., R.S.,  
6 Ch. 674, Sec. 3 (part).)

7 [Sections 1056.065-1056.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 1056.101. DISTRICT RESPONSIBILITY. (a) The district  
10 shall admit patients to the hospital who are:

- 11 (1) district inhabitants; and  
12 (2) able to pay for medical and hospital care.

13 (b) The district has full responsibility for providing  
14 medical and hospital care for:

- 15 (1) eligible needy district inhabitants who are not  
16 able to pay all or a part of the cost of the care; and  
17 (2) eligible needy and indigent district residents.

18 (Acts 60th Leg., R.S., Ch. 674, Secs. 2 (part), 11 (part).)

19 Sec. 1056.102. RESTRICTION ON COUNTY OR MUNICIPALITY  
20 TAXATION. Martin County or a municipality in the county may not  
21 impose a tax for hospital purposes. (Acts 60th Leg., R.S., Ch. 674,  
22 Secs. 1 (part), 11 (part).)

23 Sec. 1056.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
24 The board shall manage, control, and administer the hospital or  
25 hospital system. (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

26 Sec. 1056.104. RULES. The board may adopt rules for the  
27 operation of the hospital or hospital system, including bylaws

1 governing board proceedings. (Acts 60th Leg., R.S., Ch. 674, Sec. 3  
2 (part).)

3 Sec. 1056.105. PURCHASING AND ACCOUNTING PROCEDURES. (a)

4 The board may prescribe:

5 (1) the method and manner of making purchases and  
6 expenditures by and for the district; and

7 (2) all accounting and control procedures.

8 (b) The district shall pay the salaries and expenses  
9 necessarily incurred by the board or by an officer or agent of the  
10 board in performing a duty prescribed or required by this section or  
11 Section 1056.152.

12 (c) An officer, employee, or agent of the board shall  
13 perform any function or service prescribed by the board under this  
14 section or Section 1056.152. (Acts 60th Leg., R.S., Ch. 674, Sec. 4  
15 (part).)

16 Sec. 1056.106. EMINENT DOMAIN. (a) The district may  
17 exercise the power of eminent domain to acquire a fee simple or  
18 other interest in any type of property, real, personal, or mixed,  
19 located in district territory if the interest is necessary or  
20 convenient for the district to exercise a right, power, privilege,  
21 or function conferred on the district by this chapter.

22 (b) The district must exercise the power of eminent domain  
23 in the manner provided by Chapter 21, Property Code, except the  
24 district is not required to deposit in the trial court money or a  
25 bond as provided by Section 21.021(a), Property Code.

26 (c) In a condemnation proceeding brought by the district,  
27 the district is not required to:

1           (1) pay in advance or provide a bond for the issuance  
2 of a temporary restraining order or a temporary injunction; or

3           (2) provide a bond for costs or a supersedeas bond on  
4 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 674,  
5 Sec. 7.)

6           Sec. 1056.107. GIFTS AND ENDOWMENTS. The board may accept  
7 for the district a gift or endowment to be held in trust and  
8 administered by the board for the purposes and under the  
9 directions, limitations, or other provisions prescribed in writing  
10 by the donor that are not inconsistent with the proper management  
11 and objectives of the district. (Acts 60th Leg., R.S., Ch. 674,  
12 Sec. 16.)

13           Sec. 1056.108. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
14 CARE AND TREATMENT. The board may contract with:

15           (1) any county for the care and treatment of a sick or  
16 injured person of that county; and

17           (2) this state or a federal agency for the care and  
18 treatment of a sick or injured person for whom the state or agency  
19 is responsible. (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

20           Sec. 1056.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
21 When a patient from Martin County is admitted to a district  
22 facility, the district administrator shall have an inquiry made  
23 into the circumstances of:

24           (1) the patient; and

25           (2) the patient's relatives who are legally liable for  
26 the patient's support.

27           (b) If the district administrator determines that the

1 patient or those relatives cannot pay all or part of the costs of  
2 the care and treatment in the hospital, the amount of the costs that  
3 cannot be paid becomes a charge against the district.

4 (c) If the district administrator determines that the  
5 patient or those relatives are liable for all or part of the costs  
6 of the patient's care and treatment, the patient or those relatives  
7 shall be ordered to pay to the district a specified amount each week  
8 for the patient's care. The amount ordered must be proportionate to  
9 the person's financial ability and may not exceed the usual and  
10 customary charges for services rendered.

11 (d) The district administrator may collect the amount from  
12 the estate of the patient, or the patient's relatives who are  
13 legally liable for the patient's support, in the manner provided by  
14 law for the collection of expenses of the last illness of a deceased  
15 person.

16 (e) If there is a dispute as to the ability to pay, or doubt  
17 in the mind of the district administrator, the county court shall  
18 hold a hearing and, after calling witnesses, shall:

19 (1) resolve the dispute or doubt; and

20 (2) issue an appropriate order.

21 (f) Either party to the dispute may appeal the order to the  
22 district court. (Acts 60th Leg., R.S., Ch. 674, Sec. 12.)

23 Sec. 1056.110. AUTHORITY TO SUE AND BE SUED. The board may  
24 sue and be sued. (Acts 60th Leg., R.S., Ch. 674, Sec. 3 (part).)

25 [Sections 1056.111-1056.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 1056.151. BUDGET. (a) The district administrator,

1 under the direction of the board, shall prepare an annual budget.

2 (b) The budget must be approved by the board. (Acts 60th  
3 Leg., R.S., Ch. 674, Sec. 6 (part).)

4 Sec. 1056.152. ANNUAL AUDIT. As soon as practicable after  
5 the close of each fiscal year, the board shall have an audit made of  
6 the district's books and records for the fiscal year by an  
7 independent public accountant. (Acts 60th Leg., R.S., Ch. 674,  
8 Sec. 4 (part).)

9 Sec. 1056.153. FINANCIAL REPORT. (a) As soon as  
10 practicable after the close of each fiscal year, the district  
11 administrator shall prepare a report that includes:

12 (1) a complete sworn statement of:

13 (A) all money and choses in action received by  
14 the administrator; and

15 (B) how the money and choses in action were  
16 disbursed or otherwise disposed; and

17 (2) the details of district operation during the  
18 preceding fiscal year.

19 (b) The district administrator shall make the report to:

20 (1) the board; and

21 (2) the Martin County Commissioners Court. (Acts 60th  
22 Leg., R.S., Ch. 674, Sec. 6 (part).)

23 Sec. 1056.154. DEPOSITORY. (a) Every two years, the board  
24 shall select one or more depositories for the district in the manner  
25 provided for securing county funds.

26 (b) All income received by the district shall be deposited  
27 with a district depository. (Acts 60th Leg., R.S., Ch. 674, Secs.

1 8, 13 (part).)

2 [Sections 1056.155-1056.200 reserved for expansion]

3 SUBCHAPTER E. BONDS

4 Sec. 1056.201. BONDS. The board may issue and sell bonds as  
5 district obligations for any purpose relating to:

6 (1) the purchase, construction, acquisition, repair,  
7 or renovation of buildings or improvements; and

8 (2) equipping buildings and improvements for hospital  
9 purposes. (Acts 60th Leg., R.S., Ch. 674, Sec. 14 (part).)

10 Sec. 1056.202. TAX TO PAY BONDS. (a) An ad valorem tax  
11 shall be imposed at a rate sufficient to create an interest and  
12 sinking fund to pay the principal of and interest on bonds issued  
13 under Section 1056.201 as the bonds mature.

14 (b) The tax required by this section together with any other  
15 ad valorem tax imposed for the district may not in any year exceed  
16 75 cents on each \$100 valuation of taxable property in the district.  
17 (Acts 60th Leg., R.S., Ch. 674, Sec. 14 (part).)

18 Sec. 1056.203. BOND ELECTION. (a) The district may issue  
19 bonds only if the bonds are authorized by a majority of the district  
20 voters voting at an election held in accordance with the provisions  
21 of Chapter 1251, Government Code, relating to county bonds.

22 (b) The board shall call the election. (Acts 60th Leg.,  
23 R.S., Ch. 674, Sec. 14 (part).)

24 Sec. 1056.204. REFUNDING BONDS. (a) Refunding bonds may be  
25 issued without an election and in the manner provided by this  
26 subchapter to refund outstanding bonds issued or assumed by the  
27 district.



1 (b) A refunding bond may be:

2 (1) sold, with the proceeds of the refunding bond  
3 applied to the payment of the outstanding bonds; or

4 (2) exchanged wholly or partly for not less than a  
5 similar amount of outstanding bonds and the matured but unpaid  
6 interest on the bonds. (Acts 60th Leg., R.S., Ch. 674, Sec. 14  
7 (part).)

8 Sec. 1056.205. EXECUTION OF BONDS. (a) The board's  
9 presiding officer shall execute district bonds in the district's  
10 name.

11 (b) The board secretary shall countersign the bonds. (Acts  
12 60th Leg., R.S., Ch. 674, Sec. 14 (part).)

13 [Sections 1056.206-1056.250 reserved for expansion]

14 SUBCHAPTER F. TAXES

15 Sec. 1056.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
16 shall impose a tax on all property in the district subject to  
17 district taxation.

18 (b) The board shall impose the tax to:

19 (1) pay the interest on and create a sinking fund for  
20 bonds assumed or issued by the district for hospital purposes as  
21 provided by this chapter;

22 (2) provide for the operation and maintenance of the  
23 hospital or hospital system; and

24 (3) make improvements and additions to the hospital  
25 system and acquire necessary sites for improvements and additions  
26 by purchase, lease, or condemnation. (Acts 60th Leg., R.S., Ch.  
27 674, Sec. 13 (part).)

1           Sec. 1056.252. TAX RATE. The board shall impose the tax at  
2 a rate not to exceed 75 cents on each \$100 valuation of taxable  
3 property in the district. (Acts 60th Leg., R.S., Ch. 674, Sec. 13  
4 (part).)

5           Sec. 1056.253. TAX ASSESSOR-COLLECTOR. (a) Except as  
6 provided by Subsection (b), the Martin County tax  
7 assessor-collector shall collect the taxes imposed on all property  
8 subject to district taxation.

9           (b) The district may appoint its own tax  
10 assessor-collector. (Acts 60th Leg., R.S., Ch. 674, Sec. 13  
11 (part).)

12           CHAPTER 1061. MIDLAND COUNTY HOSPITAL DISTRICT OF

13                               MIDLAND COUNTY, TEXAS

14                               SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1061.001. DEFINITIONS

16 Sec. 1061.002. AUTHORITY FOR CREATION

17 Sec. 1061.003. ESSENTIAL PUBLIC FUNCTION

18 Sec. 1061.004. DISTRICT TERRITORY

19 Sec. 1061.005. CORRECTION OF INVALID PROCEDURES

20 Sec. 1061.006. DISTRICT SUPPORT AND MAINTENANCE NOT

21                               STATE OBLIGATION

22 Sec. 1061.007. RESTRICTION ON STATE FINANCIAL

23                               ASSISTANCE

24           [Sections 1061.008-1061.050 reserved for expansion]

25                               SUBCHAPTER B. DISTRICT ADMINISTRATION

26 Sec. 1061.051. BOARD ELECTION; TERM

27 Sec. 1061.052. ALTERNATIVE DIRECTOR ELECTION

- 1 Sec. 1061.053. NOTICE OF ELECTION
- 2 Sec. 1061.054. QUALIFICATIONS FOR OFFICE
- 3 Sec. 1061.055. BOARD VACANCY
- 4 Sec. 1061.056. OFFICERS
- 5 Sec. 1061.057. COMPENSATION; EXPENSES
- 6 Sec. 1061.058. VOTING REQUIREMENT
- 7 Sec. 1061.059. DISTRICT ADMINISTRATOR; ASSISTANT
- 8 ADMINISTRATOR
- 9 Sec. 1061.060. GENERAL DUTIES OF DISTRICT
- 10 ADMINISTRATOR
- 11 Sec. 1061.061. APPOINTMENT AND DISMISSAL OF STAFF AND
- 12 EMPLOYEES; CONTRACTS
- 13 Sec. 1061.062. RECRUITMENT OF MEDICAL STAFF AND
- 14 EMPLOYEES
- 15 Sec. 1061.063. SENIORITY; RETIREMENT BENEFITS
- 16 [Sections 1061.064-1061.100 reserved for expansion]
- 17 SUBCHAPTER C. POWERS AND DUTIES
- 18 Sec. 1061.101. DISTRICT RESPONSIBILITY
- 19 Sec. 1061.102. RESTRICTION ON POLITICAL SUBDIVISION
- 20 TAXATION AND DEBT
- 21 Sec. 1061.103. MANAGEMENT, CONTROL, AND
- 22 ADMINISTRATION; GENERAL BOARD POWER
- 23 Sec. 1061.104. HOSPITAL SYSTEM
- 24 Sec. 1061.105. RULES
- 25 Sec. 1061.106. PURCHASING AND ACCOUNTING PROCEDURES
- 26 Sec. 1061.107. AMBULANCE OR MOBILE EMERGENCY SERVICE

- 1 Sec. 1061.108. DISTRICT PROPERTY, FACILITIES, AND  
2 EQUIPMENT
- 3 Sec. 1061.109. EMINENT DOMAIN
- 4 Sec. 1061.110. COST OF RELOCATING OR ALTERING PROPERTY
- 5 Sec. 1061.111. GIFTS AND ENDOWMENTS
- 6 Sec. 1061.112. CONSTRUCTION OR PURCHASE CONTRACTS
- 7 Sec. 1061.113. MANAGEMENT AGREEMENT; LIABILITY
- 8 Sec. 1061.114. CONTRACTS FOR HOSPITALIZATION,  
9 TREATMENT, AND TRAINING
- 10 Sec. 1061.115. CONTRACT FOR INVESTIGATORY OR OTHER  
11 SERVICES
- 12 Sec. 1061.116. CONTRACT FOR FACILITIES TO SUPPORT  
13 SURGICAL RESIDENCY PROGRAM
- 14 Sec. 1061.117. PROVISION OF SERVICES OUTSIDE DISTRICT
- 15 Sec. 1061.118. PAYMENT FOR TREATMENT; PROCEDURES
- 16 Sec. 1061.119. REIMBURSEMENT FOR SERVICES TO  
17 NONRESIDENTS
- 18 Sec. 1061.120. AUTHORITY TO SUE AND BE SUED
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2 ASSESSOR-COLLECTOR OF ANOTHER  
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4 CHAPTER 1061. MIDLAND COUNTY HOSPITAL DISTRICT OF  
5 MIDLAND COUNTY, TEXAS

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 1061.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "Director" means a member of the board.

11 (3) "District" means the Midland County Hospital  
12 District of Midland County, Texas. (New.)

13 Sec. 1061.002. AUTHORITY FOR CREATION. The Midland County  
14 Hospital District of Midland County, Texas, is created under the  
15 authority of Section 9, Article IX, Texas Constitution. (Acts 65th  
16 Leg., R.S., Ch. 112, Sec. 1.)

17 Sec. 1061.003. ESSENTIAL PUBLIC FUNCTION. The district  
18 performs an essential public function in carrying out the purposes  
19 of this chapter. (Acts 65th Leg., R.S., Ch. 112, Sec. 23 (part).)

20 Sec. 1061.004. DISTRICT TERRITORY. The boundaries of the  
21 district are coextensive with the boundaries of Midland County,  
22 Texas, as the boundaries existed on May 4, 1977. (Acts 65th Leg.,  
23 R.S., Ch. 112, Sec. 2.)

24 Sec. 1061.005. CORRECTION OF INVALID PROCEDURES. If a court  
25 holds that any procedure under this chapter violates the  
26 constitution of this state or of the United States, the district by  
27 resolution may provide an alternative procedure that conforms with

1 the constitution. (Acts 65th Leg., R.S., Ch. 112, Sec. 24 (part).)

2       Sec. 1061.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
3 OBLIGATION. The support and maintenance of the district may not  
4 become a charge against or obligation of this state. (Acts 65th  
5 Leg., R.S., Ch. 112, Sec. 22 (part).)

6       Sec. 1061.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
7 The legislature may not make a direct appropriation for the  
8 construction, maintenance, or improvement of a district facility.  
9 (Acts 65th Leg., R.S., Ch. 112, Sec. 22 (part).)

10       [Sections 1061.008-1061.050 reserved for expansion]

11               SUBCHAPTER B. DISTRICT ADMINISTRATION

12       Sec. 1061.051. BOARD ELECTION; TERM. (a) The board is  
13 governed by a board of seven directors elected from single-member  
14 districts.

15               (b) Directors serve staggered four-year terms.

16               (c) An election of directors shall be held in each  
17 even-numbered year on the November uniform election date under  
18 Section 41.001, Election Code. (Acts 65th Leg., R.S., Ch. 112,  
19 Secs. 5(a) (part), (g) as added Acts 72nd Leg., 3rd C.S., Ch. 4.)

20       Sec. 1061.052. ALTERNATIVE DIRECTOR ELECTION. (a) The  
21 board on its own motion may order that not fewer than 50 percent of  
22 the directors be elected from single-member districts with the  
23 remaining directors elected from the district at large.

24               (b) Before entering an order under Subsection (a), the board  
25 must:

26                       (1) hold a public hearing at which registered district  
27 voters may comment on whether they favor electing directors in the

1 manner proposed by the board; and

2 (2) publish notice of the hearing in a newspaper with  
3 general circulation in the district not later than the seventh day  
4 before the date of the hearing.

5 (c) An order adopted under Subsection (a) must be entered  
6 not later than the 120th day before the date of the first election  
7 at which directors are elected in the manner provided by the order.  
8 Not later than the 90th day before the date of the first election at  
9 which directors are elected in the manner provided by the order, the  
10 board shall:

11 (1) divide the district into the appropriate number of  
12 single-member districts, based on the number of directors to be  
13 elected from the single-member districts and number each  
14 single-member district; and

15 (2) determine by lot the order in which the positions  
16 will be filled.

17 (d) The single-member districts must be:

18 (1) compact and contiguous; and

19 (2) as nearly as practicable of equal population  
20 according to the most recent federal census.

21 (e) If the data from the most recent federal census  
22 indicates that the population of the most populous single-member  
23 district exceeds the population of the least populous single-member  
24 district by more than 10 percent, the board shall redivide the  
25 hospital district into the appropriate number of single-member  
26 districts not later than the 90th day before the date of the first  
27 regular election at which directors may officially recognize and



1 act on the census. Redivision of the district must be in the manner  
2 provided for division of the district under this section.

3 (f) If the district adopts a redistricting plan under this  
4 section, the board may provide in the plan for the directors in  
5 office to serve at large for the remainder of their terms. The  
6 single-member district and at-large positions provided by the  
7 district's plan shall be filled as the staggered terms of incumbent  
8 directors expire. (Acts 65th Leg., R.S., Ch. 112, Secs. 5(a)  
9 (part), (b) (part).)

10 Sec. 1061.053. NOTICE OF ELECTION. At least 10 days before  
11 the date of an election of directors, notice of the election shall  
12 be published one time in a newspaper of general circulation in  
13 Midland County. (Acts 65th Leg., R.S., Ch. 112, Sec. 5(f) (part).)

14 Sec. 1061.054. QUALIFICATIONS FOR OFFICE. (a) A person may  
15 not be elected or appointed as a director unless the person is:

- 16 (1) a resident of the district; and  
17 (2) more than 18 years of age when elected or  
18 appointed.

19 (b) A person who is elected from a single-member district or  
20 is appointed to fill a vacancy for a single-member district must  
21 reside in that single-member district. (Acts 65th Leg., R.S., Ch.  
22 112, Secs. 5(b) (part), (d).)

23 Sec. 1061.055. BOARD VACANCY. (a) If a vacancy occurs in  
24 the office of director, the remaining directors shall appoint a  
25 director for the unexpired term.

26 (b) If the number of directors is reduced to fewer than  
27 four, the remaining directors shall immediately call a special

1 election to fill the vacancies. If the remaining directors do not  
2 call the election, a district court, on application of a district  
3 voter or taxpayer, shall order the election. (Acts 65th Leg., R.S.,  
4 Ch. 112, Sec. 5(e) (part).)

5 Sec. 1061.056. OFFICERS. (a) The board shall elect:

6 (1) a president and a vice president from among its  
7 members; and

8 (2) a secretary, who need not be a director.

9 (b) Each officer of the board serves for a term of one year.

10 (c) The board by vote shall fill a vacancy in a board office  
11 for the unexpired term. (Acts 65th Leg., R.S., Ch. 112, Sec. 5(e)  
12 (part).)

13 Sec. 1061.057. COMPENSATION; EXPENSES. A director or  
14 officer serves without compensation but may be reimbursed for  
15 actual expenses incurred in the performance of official duties.  
16 The expenses must be:

17 (1) reported in the district's records; and

18 (2) approved by the board. (Acts 65th Leg., R.S., Ch.  
19 112, Sec. 5(g).)

20 Sec. 1061.058. VOTING REQUIREMENT. A concurrence of four  
21 directors is sufficient in any matter relating to district  
22 business. (Acts 65th Leg., R.S., Ch. 112, Sec. 5(e) (part).)

23 Sec. 1061.059. DISTRICT ADMINISTRATOR; ASSISTANT  
24 ADMINISTRATOR. (a) The board may appoint a qualified person as  
25 district administrator.

26 (b) The board may appoint assistant administrators.

27 (c) The district administrator and any assistant

1 administrator serve at the will of the board and are entitled to the  
2 compensation determined by the board.

3 (d) On assuming the duties of district administrator, the  
4 administrator shall execute a bond payable to the district in an  
5 amount set by the board of not less than \$10,000 that:

6 (1) is conditioned on the administrator performing the  
7 administrator's duties; and

8 (2) contains other conditions the board may require.

9 (Acts 65th Leg., R.S., Ch. 112, Sec. 6 (part).)

10 Sec. 1061.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

11 Subject to the limitations prescribed by the board, the district  
12 administrator shall:

13 (1) supervise the work and activities of the district;

14 and

15 (2) direct the affairs of the district. (Acts 65th

16 Leg., R.S., Ch. 112, Sec. 6 (part).)

17 Sec. 1061.061. APPOINTMENT AND DISMISSAL OF STAFF AND

18 EMPLOYEES; CONTRACTS. (a) The board may appoint to or dismiss from

19 the staff any doctors the board considers necessary for the

20 efficient operation of the district and may make temporary

21 appointments as necessary.

22 (b) The district may employ fiscal agents, accountants,

23 architects, and attorneys the board considers proper.

24 (c) The board may delegate to the district administrator the

25 authority to hire or contract with technicians, nurses, and other

26 persons or district employees as the administrator considers

27 advisable. (Acts 65th Leg., R.S., Ch. 112, Secs. 6 (part), 18.)

1           Sec. 1061.062. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES.

2 The board may spend district money, enter into agreements, and take  
3 other necessary action to recruit or otherwise obtain physicians  
4 and other personnel for the district's medical staff or for  
5 employment with the hospital or hospital system, including medical  
6 facilities or other health facilities owned or operated by the  
7 district. The actions may include:

- 8           (1) advertising and marketing;  
9           (2) paying recruitment expenses;  
10          (3) paying travel and relocation expenses; and  
11          (4) providing a subsidy or scholarship. (Acts 65th

12 Leg., R.S., Ch. 112, Sec. 6 (part).)

13           Sec. 1061.063. SENIORITY; RETIREMENT BENEFITS. (a) The  
14 board may:

- 15          (1) adopt rules relating to the seniority of district  
16 employees; and  
17          (2) establish or administer a retirement program or  
18 elect to participate in any statewide retirement program in which  
19 the district is eligible to participate.

20          (b) The district may give effect to previous years of  
21 service for district employees continuously employed in the  
22 operation or management of the hospital facilities acquired from  
23 Midland Memorial Foundation when the district was created. (Acts  
24 65th Leg., R.S., Ch. 112, Sec. 6 (part).)

25           [Sections 1061.064-1061.100 reserved for expansion]

26                           SUBCHAPTER C. POWERS AND DUTIES

27           Sec. 1061.101. DISTRICT RESPONSIBILITY. (a) The district

1 has full responsibility for providing hospital care for the  
2 district's indigent residents.

3 (b) The district shall provide all necessary hospital and  
4 medical care for the district's needy inhabitants. (Acts 65th  
5 Leg., R.S., Ch. 112, Secs. 3(a) (part), 21 (part).)

6 Sec. 1061.102. RESTRICTION ON POLITICAL SUBDIVISION  
7 TAXATION AND DEBT. A political subdivision of this state, other  
8 than the district, may not impose a tax or issue bonds or other  
9 obligations for hospital purposes or to provide medical care in the  
10 district. (Acts 65th Leg., R.S., Ch. 112, Secs. 3(a) (part), 21  
11 (part).)

12 Sec. 1061.103. MANAGEMENT, CONTROL, AND ADMINISTRATION;  
13 GENERAL BOARD POWER. (a) The board shall manage, control, and  
14 administer the district's hospital or hospital system and the  
15 district's money and resources.

16 (b) The board may exercise any power provided by this  
17 chapter unless the board enters into a management contract under  
18 Section 1061.113 that provides the power is exercised in accordance  
19 with the contract. (Acts 65th Leg., R.S., Ch. 112, Sec. 6 (part).)

20 Sec. 1061.104. HOSPITAL SYSTEM. (a) The district has the  
21 responsibility to establish a hospital or hospital system,  
22 including medical facilities and other health facilities, within  
23 its boundaries to provide hospital and medical care to the  
24 district's residents.

25 (b) The district shall provide for:

26 (1) the establishment of a hospital system by:

27 (A) purchasing, constructing, acquiring,

1 repairing, or renovating buildings and equipment; and

2 (B) equipping the buildings; and

3 (2) the administration of buildings and equipment for  
4 hospital and medical care purposes.

5 (c) The hospital system may include:

6 (1) facilities for domiciliary care of the sick,  
7 injured, or geriatric;

8 (2) outpatient clinics;

9 (3) dispensaries;

10 (4) convalescent home facilities;

11 (5) necessary nurses' domiciliaries;

12 (6) training centers;

13 (7) training facilities for doctors and nurses and for  
14 other health care disciplines;

15 (8) blood banks;

16 (9) community mental health centers;

17 (10) research centers or laboratories;

18 (11) parking; and

19 (12) any other facilities the board considers  
20 necessary for a hospital or hospital system and a medical facility  
21 or other health facility included in the hospital or hospital  
22 system. (Acts 65th Leg., R.S., Ch. 112, Secs. 3(a) (part), (b)  
23 (part), 11(a) (part).)

24 Sec. 1061.105. RULES. The board may adopt rules governing  
25 the operation of the hospital, the hospital system, and the  
26 district's staff and employees. (Acts 65th Leg., R.S., Ch. 112,  
27 Sec. 6 (part).)

1           Sec. 1061.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)

2 The board may prescribe:

3           (1) the method and manner of making purchases and  
4 expenditures by and for the district; and

5           (2) all accounting and control procedures.

6           (b) The board by resolution may delegate a power described  
7 by Subsection (a) to:

8           (1) the Midland Memorial Foundation or its successors;

9 or

10           (2) a person who enters into an operating or  
11 management agreement with the district to exercise the power.

12 (Acts 65th Leg., R.S., Ch. 112, Sec. 12 (part).)

13           Sec. 1061.107. AMBULANCE OR MOBILE EMERGENCY SERVICE. The  
14 district may operate or provide for the operation of an ambulance or  
15 mobile emergency service. (Acts 65th Leg., R.S., Ch. 112, Sec. 6  
16 (part).)

17           Sec. 1061.108. DISTRICT PROPERTY, FACILITIES, AND  
18 EQUIPMENT. (a) The board shall determine the type, number, and  
19 location of buildings and property required to maintain an adequate  
20 hospital system.

21           (b) The board may lease property, including facilities and  
22 equipment, and may enter into a lease of all or part of the  
23 district's buildings or other facilities with any person on terms  
24 considered to be in the best interest of the district. The term of  
25 the lease may not exceed 40 years.

26           (c) The district may acquire equipment for use in the  
27 district's hospital system, including medical and health

1 facilities, and mortgage or pledge the property as security for the  
2 payment of the purchase price. A contract entered into under this  
3 subsection must provide that the entire obligation be retired not  
4 later than the fifth anniversary of the date of the contract.

5 (d) The board on behalf of the district may hold, construct,  
6 condemn, purchase, acquire, lease, add to, maintain, operate,  
7 regulate, sell, convey, or otherwise dispose of any type of  
8 property, including land or equipment, or a property right,  
9 hospital facility, or hospital system on terms the board finds are  
10 in the best interest of the district's inhabitants.

11 (e) The board may donate to another governmental entity or  
12 to a charitable organization any surplus personal property or  
13 equipment if the donation serves a public purpose and is  
14 accompanied by adequate consideration. (Acts 65th Leg., R.S., Ch.  
15 112, Secs. 11(a) (part), (b), 12 (part).)

16 Sec. 1061.109. EMINENT DOMAIN. (a) The district may  
17 exercise the power of eminent domain to acquire a fee simple or  
18 other interest in any type of property located in district  
19 territory if the interest is necessary or convenient for the  
20 district to exercise a power, right, or privilege conferred by this  
21 chapter.

22 (b) The district must exercise the power of eminent domain  
23 in the manner provided by Chapter 21, Property Code, except the  
24 district is not required to deposit in the trial court money or a  
25 bond as provided by Section 21.021(a), Property Code.

26 (c) In a condemnation proceeding brought by the district,  
27 the district is not required to:



1           (1) pay in advance or provide a bond or other security  
2 for costs in the trial court;

3           (2) provide a bond for the issuance of a temporary  
4 restraining order or a temporary injunction; or

5           (3) provide a bond for costs or a supersedeas bond on  
6 an appeal or petition for review. (Acts 65th Leg., R.S., Ch. 112,  
7 Sec. 16(a).)

8           Sec. 1061.110. COST OF RELOCATING OR ALTERING PROPERTY. In  
9 exercising the power of eminent domain, if the board requires  
10 relocating, raising, lowering, rerouting, changing the grade of, or  
11 altering the construction of any railroad, electric transmission,  
12 telegraph or telephone line, conduit, pole, or facility, or  
13 pipeline, the district must bear the actual cost of relocating,  
14 raising, lowering, rerouting, changing the grade, or altering the  
15 construction to provide comparable replacement, without  
16 enhancement of facilities, after deducting the net salvage value  
17 derived from the old facility. (Acts 65th Leg., R.S., Ch. 112, Sec.  
18 16(b).)

19           Sec. 1061.111. GIFTS AND ENDOWMENTS. The board may accept  
20 for the district a gift or endowment to be held in trust and  
21 administered by the board for the purposes and under the  
22 directions, limitations, or other provisions prescribed in writing  
23 by the donor that are not inconsistent with the proper management  
24 and objectives of the district. (Acts 65th Leg., R.S., Ch. 112,  
25 Sec. 20.)

26           Sec. 1061.112. CONSTRUCTION OR PURCHASE CONTRACTS. A  
27 construction or purchase contract that involves the expenditure of

1 more than \$25,000 may be made only after advertising in the manner  
2 provided by Chapter 252, Local Government Code. (Acts 65th Leg.,  
3 R.S., Ch. 112, Sec. 12 (part).)

4       Sec. 1061.113. MANAGEMENT AGREEMENT; LIABILITY. (a) The  
5 board may enter into a management agreement with any person,  
6 including the Midland Memorial Foundation or its successors, for  
7 the management and operation of any hospital or part of a hospital  
8 owned by the district, under terms satisfactory to the board and the  
9 person.

10       (b) An agreement under Subsection (a) may be for a term not  
11 to exceed 10 years, with renewal options as considered advisable.

12       (c) A nonprofit corporation that manages a hospital or  
13 provides services under a contract with the district under this  
14 chapter and any corporation employee are district employees for  
15 purposes of Chapters 101 and 102, Civil Practice and Remedies Code,  
16 while performing services under the contract for the benefit of the  
17 district. (Acts 65th Leg., R.S., Ch. 112, Sec. 7.)

18       Sec. 1061.114. CONTRACTS FOR HOSPITALIZATION, TREATMENT,  
19 AND TRAINING. (a) The board may contract with any person located  
20 inside or outside the district's boundaries for the hospitalization  
21 and treatment of a sick or injured person.

22       (b) The district may contract with any person located inside  
23 or outside the district's boundaries for services provided by the  
24 district, including:

- 25               (1) the promotion of health;  
26               (2) hospital treatment of a sick or injured person;

27 and

1           (3) the training of doctors and nurses and the  
2 provision of training in health care disciplines. (Acts 65th Leg.,  
3 R.S., Ch. 112, Sec. 6 (part).)

4           Sec. 1061.115. CONTRACT FOR INVESTIGATORY OR OTHER  
5 SERVICES. The board may contract with any person for the district to  
6 provide investigatory or other services for the medical, hospital,  
7 or welfare needs of district inhabitants. (Acts 65th Leg., R.S.,  
8 Ch. 112, Sec. 6 (part).)

9           Sec. 1061.116. CONTRACT FOR FACILITIES TO SUPPORT SURGICAL  
10 RESIDENCY PROGRAM. (a) The board may contract with a state agency or  
11 public medical school, including the Texas Tech University Health  
12 Sciences Center, for the improvement and equipping of hospital  
13 facilities as necessary to support a surgical residency program.

14           (b) Notwithstanding other law, the state agency or medical  
15 school may enter into an agreement described by Subsection (a) and  
16 spend appropriated funds for that purpose. (Acts 65th Leg., R.S.,  
17 Ch. 112, Sec. 6A.)

18           Sec. 1061.117. PROVISION OF SERVICES OUTSIDE DISTRICT. The  
19 district may provide primary care, emergency services, preventive  
20 medical services, and other health-related services outside the  
21 district, provided that the services serve the purpose of the  
22 district as established by this chapter. (Acts 65th Leg., R.S., Ch.  
23 112, Sec. 3(a) (part).)

24           Sec. 1061.118. PAYMENT FOR TREATMENT; PROCEDURES. (a) When  
25 a patient who resides in the district is admitted to a district  
26 facility, the district administrator may have an inquiry made into  
27 the financial circumstances of:

- 1           (1) the patient; and  
2           (2) the patient's relatives who are legally liable for  
3 the patient's support.

4           (b) If the district administrator determines that the  
5 patient or those relatives cannot pay all or part of the costs of  
6 the care and treatment in the hospital, the amount of the costs that  
7 cannot be paid becomes a charge against the district.

8           (c) If the district administrator determines that the  
9 patient or those relatives can pay for all or part of the patient's  
10 care and treatment, the patient or those relatives shall be ordered  
11 to pay the district a specified amount each week for the patient's  
12 care and support. The amount ordered must be proportionate to the  
13 person's financial ability.

14           (d) The district administrator may collect the amount from  
15 the patient's estate, or from any relative who is legally liable for  
16 the patient's support, in the manner provided by law for the  
17 collection of expenses of the last illness of a deceased person.

18           (e) If there is a dispute as to the ability to pay, or doubt  
19 in the mind of the district administrator, the board shall hear and  
20 determine the issue, after calling witnesses.

21           (f) The final order of the board may be appealed to the  
22 district court. The substantial evidence rule applies to the  
23 appeal. (Acts 65th Leg., R.S., Ch. 112, Sec. 19 (part).)

24           Sec. 1061.119. REIMBURSEMENT FOR SERVICES TO NONRESIDENTS.  
25 If a welfare patient, who is not a district resident, is admitted to  
26 a district facility, the district may:

- 27           (1) seek reimbursement from the patient's county of

1 residence; and

2 (2) sue for reimbursement. (Acts 65th Leg., R.S., Ch.  
3 112, Sec. 19 (part).)

4 Sec. 1061.120. AUTHORITY TO SUE AND BE SUED. The district,  
5 through the board, may sue and be sued. (Acts 65th Leg., R.S., Ch.  
6 112, Sec. 6 (part).)

7 [Sections 1061.121-1061.150 reserved for expansion]

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 1061.151. BUDGET. (a) Unless otherwise provided in a  
10 management agreement, the district administrator shall prepare an  
11 annual budget for approval by the board.

12 (b) The proposed budget must contain a complete financial  
13 statement of:

14 (1) the outstanding obligations of the district;

15 (2) the cash on hand in each district fund;

16 (3) the money received by the district from all  
17 sources during the previous year;

18 (4) the money available to the district from all  
19 sources during the ensuing year;

20 (5) the balances expected at the end of the year in  
21 which the budget is being prepared;

22 (6) the estimated revenue and balances available to  
23 cover the proposed budget;

24 (7) the estimated tax rate required; and

25 (8) the proposed expenditures and disbursements and  
26 the estimated receipts and collections for the following fiscal  
27 year.

1 (c) The board shall provide in each annual budget for the  
2 payment of all operation and maintenance expenses of the district.

3 (d) In preparing the budget, the board may consider the  
4 estimated excess revenue and income from hospital facilities  
5 available for paying the operation and maintenance expenses after  
6 providing for the payment of revenue bonds issued by the district.  
7 (Acts 65th Leg., R.S., Ch. 112, Secs. 8 (part), 10 (part).)

8 Sec. 1061.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
9 The board shall hold a public hearing on the proposed annual budget.

10 (b) At least 10 days before the date of the hearing, notice  
11 of the hearing shall be published one time in a newspaper or  
12 newspapers that individually or collectively have general  
13 circulation in the district.

14 (c) Any property taxpayer of the district is entitled to be  
15 present and participate at the hearing.

16 (d) At the conclusion of the hearing, the board shall adopt  
17 a budget by acting on the budget proposed by the district  
18 administrator. The board may make any changes in the proposed  
19 budget that the board judges to be in the interest of the taxpayers  
20 and that the law warrants. (Acts 65th Leg., R.S., Ch. 112, Sec. 8  
21 (part).)

22 Sec. 1061.153. AMENDMENTS TO BUDGET. The budget may be  
23 amended as required by circumstances. The board must approve all  
24 amendments. (Acts 65th Leg., R.S., Ch. 112, Sec. 8 (part).)

25 Sec. 1061.154. RESTRICTION ON EXPENDITURES. Money may be  
26 spent only for an expense included in the budget or an amendment to  
27 the budget. (Acts 65th Leg., R.S., Ch. 112, Sec. 8 (part).)

1           Sec. 1061.155. FISCAL YEAR.       The district operates  
2 according to a fiscal year that begins on October 1 and ends on  
3 September 30. The board may change the fiscal year. (Acts 65th  
4 Leg., R.S., Ch. 112, Sec. 8 (part).)

5           Sec. 1061.156. AUDIT. The board shall have an independent  
6 audit made of the district's financial condition for each fiscal  
7 year. (Acts 65th Leg., R.S., Ch. 112, Sec. 8 (part).)

8           Sec. 1061.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
9 The audit and other district records shall be open to inspection at  
10 the district's principal office. (Acts 65th Leg., R.S., Ch. 112,  
11 Sec. 8 (part).)

12          Sec. 1061.158. FINANCIAL REPORT. As soon as practicable  
13 after the close of each fiscal year, the district administrator or  
14 the managing entity of the hospital shall prepare for the board:

15               (1) a complete sworn statement of all district money;  
16 and

17               (2) a complete account of the disbursements of that  
18 money. (Acts 65th Leg., R.S., Ch. 112, Sec. 8 (part).)

19          Sec. 1061.159. DEPOSITORY. (a) The board shall select one  
20 or more banks in the district to serve as a depository for district  
21 money. A selected bank serves for four years. Bids shall be  
22 received for a depository contract after notice is published one  
23 time in a newspaper of general circulation in the district 20 days  
24 before the date to open the bids. The district shall award the  
25 depository contract to the bank or banks offering the most  
26 favorable terms for handling the district's money.

27               (b) District money, other than money invested as provided by

1 Section 1061.160(b) and money transmitted to a bank for payment of  
2 bonds or obligations issued by the district, shall be deposited as  
3 received with the depository bank and shall remain on deposit.

4 (c) This chapter, including Subsection (b), does not limit  
5 the power of the board to place a part of district money on time  
6 deposit or to purchase certificates of deposit.

7 (d) The district may not deposit money with a bank in an  
8 amount that exceeds the maximum amount secured by the Federal  
9 Deposit Insurance Corporation unless the bank first executes a bond  
10 or other security or pledges security as required for county  
11 depositories in an amount sufficient to secure from loss the  
12 district money that exceeds the amount secured by the Federal  
13 Deposit Insurance Corporation. (Acts 65th Leg., R.S., Ch. 112,  
14 Sec. 13.)

15 Sec. 1061.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
16 Except as otherwise provided by Section 1061.108(c) and by  
17 Subchapter E, the district may not incur an obligation payable from  
18 district revenue other than the revenue on hand or to be on hand in  
19 the current and following district fiscal years.

20 (b) The board may invest operating, depreciation, or  
21 building reserves only in funds or securities specified by Chapter  
22 2256, Government Code. (Acts 65th Leg., R.S., Ch. 112, Secs. 6  
23 (part), 12 (part).)

24 [Sections 1061.161-1061.200 reserved for expansion]

25 SUBCHAPTER E. BONDS

26 Sec. 1061.201. GENERAL OBLIGATION BONDS. The board may  
27 issue and sell general obligation bonds in the name and on the full



1 faith and credit of the district for:

2 (1) the purchase, construction, acquisition, repair,  
3 or renovation of buildings or improvements; and

4 (2) equipping buildings or improvements for hospital  
5 purposes. (Acts 65th Leg., R.S., Ch. 112, Sec. 9(a) (part).)

6 Sec. 1061.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
7 the time general obligation bonds are issued by the district under  
8 Section 1061.201, the board shall impose an ad valorem tax at a rate  
9 sufficient to create an interest and sinking fund to pay the  
10 principal of and interest on the bonds as the bonds mature.

11 (b) The tax required by this section together with any other  
12 ad valorem tax the district imposes may not in any year exceed the  
13 tax rate approved by the voters at the election authorizing the  
14 imposition of the tax. (Acts 65th Leg., R.S., Ch. 112, Sec. 9(a)  
15 (part).)

16 Sec. 1061.203. BOND ELECTION. (a) The district may issue  
17 tax bonds only if the bonds are authorized by a majority of the  
18 district voters voting at an election held for that purpose.

19 (b) The order calling the election shall provide for clerks  
20 as in county elections and must specify:

21 (1) the date of the election;

22 (2) the location of the polling places;

23 (3) the presiding and alternate presiding judges for  
24 each polling place;

25 (4) the amount of the bonds to be authorized; and

26 (5) the maximum maturity date of the bonds.

27 (c) Notice of a bond election shall be given as provided by

1 Section 1251.003, Government Code. (Acts 65th Leg., R.S., Ch. 112,  
2 Sec. 9(a) (part).)

3 Sec. 1061.204. REVENUE BONDS. (a) The board may issue  
4 revenue bonds for the purchase, construction, acquisition, and  
5 repair or renovation of buildings and improvements, and equipping  
6 any hospital facilities, including facilities for parking, and the  
7 training of doctors, nurses, and health care disciplines, and to  
8 acquire any real or personal property in connection with the  
9 hospital facilities.

10 (b) A revenue bond issued under this section must mature not  
11 later than 40 years after the date of issuance.

12 (c) The board may provide for the subsequent issuance of  
13 additional parity bonds, subordinate lien bonds, or other types of  
14 bonds under terms prescribed in the order authorizing the issuance  
15 of revenue bonds. (Acts 65th Leg., R.S., Ch. 112, Sec. 10 (part).)

16 Sec. 1061.205. PAYMENT OF REVENUE BONDS; SECURITY. (a)  
17 Revenue bonds issued under Section 1061.204 must be payable from  
18 and secured by liens on and pledges of all or any part of the revenue  
19 and income, other than ad valorem taxes, derived by the district  
20 from the operation of district facilities, the ownership of  
21 district facilities, or both. The board may pledge to the payment  
22 of revenue bonds all or any part of a grant, donation, or income  
23 received or to be received from the United States or any other  
24 public or private source under an agreement or otherwise.

25 (b) The bonds may be additionally secured by a mortgage or  
26 deed of trust on any real property on which a district hospital  
27 facility is or will be located and any real or personal property

1 incident or appurtenant to the facility. The board may authorize  
2 the execution and delivery of a trust indenture, mortgage, deed of  
3 trust, or other form of encumbrance to evidence the security  
4 interest. (Acts 65th Leg., R.S., Ch. 112, Sec. 10 (part).)

5 Sec. 1061.206. USE OF REVENUE BOND PROCEEDS. (a) If  
6 permitted in the bond order, any required part of the proceeds from  
7 the sale of the revenue bonds may be used to:

8 (1) pay interest on the bonds during the period of the  
9 construction of a hospital facility to be provided through the  
10 issuance of the bonds;

11 (2) pay operation and maintenance expenses of the  
12 facility to the extent and for the time specified in the bond order;  
13 and

14 (3) create reserves for the payment of the principal  
15 of and interest on the bonds.

16 (b) The bond proceeds may be invested until needed to the  
17 extent and in the manner provided by the bond order. (Acts 65th  
18 Leg., R.S., Ch. 112, Sec. 10 (part).)

19 Sec. 1061.207. CHARGE FOR OCCUPANCY OR USE OF HOSPITAL  
20 FACILITY. The board may establish and collect charges for the  
21 occupancy or use of a hospital facility and for related services in  
22 the amounts and manner determined by the board. The charges shall  
23 be set and collected in amounts at least sufficient with any other  
24 pledged resources to pay:

25 (1) the principal of, interest on, and any other  
26 amounts required in relation to bonds issued by the district; and

27 (2) to the extent required by the bond order, all or

1 any part of the operation, maintenance, and other expenses of the  
2 hospital facility. (Acts 65th Leg., R.S., Ch. 112, Sec. 10 (part).)

3 Sec. 1061.208. REFUNDING BONDS. (a) The board may, without  
4 an election, issue refunding bonds to refund outstanding  
5 indebtedness issued or assumed by the district.

6 (b) Refunding bonds may be:

7 (1) sold, with the proceeds of the refunding bonds  
8 applied to the payment of the outstanding indebtedness; or

9 (2) exchanged wholly or partly for not less than a like  
10 principal amount of outstanding indebtedness. (Acts 65th Leg.,  
11 R.S., Ch. 112, Secs. 9(a) (part), (c) (part), 10 (part).)

12 Sec. 1061.209. BONDS EXEMPT FROM TAXATION. The following  
13 are exempt from taxation by this state or a political subdivision:

14 (1) bonds issued or assumed by the district;

15 (2) the transfer and issuance of the bonds; and

16 (3) profits made in the sale of the bonds. (Acts 65th  
17 Leg., R.S., Ch. 112, Sec. 23 (part).)

18 [Sections 1061.210-1061.250 reserved for expansion]

19 SUBCHAPTER F. TAXES

20 Sec. 1061.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
21 shall impose a tax on all property in the district subject to  
22 district taxation.

23 (b) The board shall impose the tax to:

24 (1) pay the indebtedness issued or assumed by the  
25 district;

26 (2) provide for the operation and maintenance of the  
27 district and hospital system;

1           (3) make improvements and additions to the hospital  
2 system; and

3           (4) acquire necessary sites for the improvements and  
4 additions by purchase, lease, or condemnation.

5           (c) The board may not impose a tax to pay the principal of or  
6 interest on revenue bonds. (Acts 65th Leg., R.S., Ch. 112, Secs.  
7 4(b) (part), 10 (part), 14(a) (part).)

8           Sec. 1061.252. TAX RATE. (a) The board may impose the tax  
9 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
10 property in the district.

11           (b) In setting the tax rate, the board shall consider the  
12 income of the district from sources other than taxation. (Acts 65th  
13 Leg., R.S., Ch. 112, Secs. 4(b) (part), 14(a) (part), (b) (part).)

14           Sec. 1061.253. USE OF AD VALOREM TAXES FOR OPERATION AND  
15 MAINTENANCE EXPENSES. (a) If the board issues revenue bonds under  
16 Section 1061.204, the board:

17           (1) shall use ad valorem taxes to pay the district's  
18 operation and maintenance expenses to the extent that the revenue  
19 and income from the district's hospital facilities are not  
20 sufficient after providing for the payment of those bonds; and

21           (2) may pledge the proceeds of the ad valorem tax for  
22 the payment of the district's operation and maintenance expenses in  
23 the order authorizing the issuance of the bonds.

24           (b) If the ad valorem tax is pledged, the board shall,  
25 during each year during which the revenue bonds are outstanding,  
26 compute a tax rate sufficient to pay the operation and maintenance  
27 expenses described by Subsection (a)(1).

1 (c) The ad valorem tax shall be imposed on all taxable  
2 property in the district for each year the revenue bonds are  
3 outstanding. The tax shall be assessed and collected each year and  
4 used for the purpose prescribed by this section to the extent  
5 required. (Acts 65th Leg., R.S., Ch. 112, Sec. 10 (part).)

6 Sec. 1061.254. ASSESSMENT AND COLLECTION BY COUNTY TAX  
7 ASSESSOR-COLLECTOR. (a) This section applies unless the board by  
8 majority vote elects to have taxes assessed and collected under  
9 Section 1061.255 or 1061.256.

10 (b) The tax assessor-collector of Midland County shall  
11 assess and collect taxes imposed by the district. (Acts 65th Leg.,  
12 R.S., Ch. 112, Secs. 17(a) (part), (b) (part).)

13 Sec. 1061.255. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
14 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes  
15 assessed and collected by a tax assessor-collector appointed by the  
16 board. An election under this subsection must be made by December 1  
17 and governs the manner in which taxes are assessed and collected,  
18 until changed by a similar resolution.

19 (b) The district tax assessor-collector must:

20 (1) reside in the district; and

21 (2) own real property subject to district taxation.

22 (c) The board shall set for the district tax  
23 assessor-collector:

24 (1) the term of employment; and

25 (2) compensation. (Acts 65th Leg., R.S., Ch. 112,  
26 Secs. 17(a) (part), (c) (part).)

27 Sec. 1061.256. ASSESSMENT AND COLLECTION BY TAX

1 ASSESSOR-COLLECTOR OF ANOTHER POLITICAL SUBDIVISION. (a) The  
2 board may elect to have all or part of the district's taxes assessed  
3 and collected by a political subdivision in which any part of the  
4 district is located. An election under this subsection must be made  
5 by December 1 and governs the manner in which taxes are assessed and  
6 collected, until changed by a similar resolution.

7 (b) The tax assessor or collector of the political  
8 subdivision shall assess or collect the appropriate district taxes  
9 in accordance with the board's election under Subsection (a) and  
10 for the compensation agreed on by the appropriate parties. (Acts  
11 65th Leg., R.S., Ch. 112, Secs. 17(a) (part), (d) (part).)

12 CHAPTER 1063. MONTGOMERY COUNTY HOSPITAL DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

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16 Sec. 1063.003. ESSENTIAL PUBLIC FUNCTION  
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22 [Sections 1063.007-1063.050 reserved for expansion]

23 SUBCHAPTER B. DISTRICT ADMINISTRATION

- 24 Sec. 1063.051. BOARD ELECTION; TERM  
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- 14 [Sections 1063.066-1063.100 reserved for expansion]
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- 24 EQUIPMENT
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- 13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
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- 22 Sec. 1063.158. FINANCIAL REPORT
- 23 Sec. 1063.159. DEPOSITORY
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- 25 [Sections 1063.161-1063.200 reserved for expansion]
- 26 SUBCHAPTER E. BONDS
- 27 Sec. 1063.201. GENERAL OBLIGATION BONDS

- 1 Sec. 1063.202. TAX TO PAY GENERAL OBLIGATION BONDS
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- 3 Sec. 1063.204. MATURITY OF GENERAL OBLIGATION BONDS
- 4 Sec. 1063.205. EXECUTION OF GENERAL OBLIGATION BONDS
- 5 Sec. 1063.206. REVENUE BONDS
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- 7 Sec. 1063.208. BONDS EXEMPT FROM TAXATION
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- 9 Sec. 1063.210. CERTIFICATES OF OBLIGATION
- 10 [Sections 1063.211-1063.250 reserved for expansion]
- 11 SUBCHAPTER F. TAXES
- 12 Sec. 1063.251. IMPOSITION OF AD VALOREM TAX
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- 17 APPOINTMENT OR CONTRACT
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- 19 REDUCE TAX RATE
- 20 [Sections 1063.256-1063.300 reserved for expansion]
- 21 SUBCHAPTER G. DISSOLUTION
- 22 Sec. 1063.301. DISSOLUTION ELECTION; PETITION
- 23 Sec. 1063.302. VALIDITY OF PETITION FOR ELECTION
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- 25 Sec. 1063.304. BALLOT
- 26 Sec. 1063.305. ELECTION RESULTS

1 Sec. 1063.306. TRANSFER, SALE, OR ADMINISTRATION OF  
2 ASSETS IF ELECTION INITIATED BY BOARD

3 Sec. 1063.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
4 TAXES

5 Sec. 1063.308. REPORT; DISSOLUTION ORDER

6 Sec. 1063.309. TRANSFER, SALE, OR ADMINISTRATION OF  
7 ASSETS IF ELECTION INITIATED BY  
8 DISTRICT PETITION

9 CHAPTER 1063. MONTGOMERY COUNTY HOSPITAL DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 1063.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "Director" means a member of the board.

15 (3) "District" means the Montgomery County Hospital  
16 District. (New.)

17 Sec. 1063.002. AUTHORITY FOR OPERATION. The Montgomery  
18 County Hospital District operates and is administered and financed  
19 in accordance with Section 9, Article IX, Texas Constitution, and  
20 has the rights, powers, and duties provided by this chapter. (Acts  
21 65th Leg., R.S., Ch. 258, Sec. 1 (part).)

22 Sec. 1063.003. ESSENTIAL PUBLIC FUNCTION. The district  
23 performs an essential public function in carrying out the purposes  
24 of this chapter. (Acts 65th Leg., R.S., Ch. 258, Sec. 22 (part).)

25 Sec. 1063.004. DISTRICT TERRITORY. The boundaries of the  
26 district are coextensive with the boundaries of Montgomery County,  
27 Texas. (Acts 65th Leg., R.S., Ch. 258, Sec. 1 (part).)

1           Sec. 1063.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
2 OBLIGATION. The support and maintenance of the district may not  
3 become a charge against or obligation of this state. (Acts 65th  
4 Leg., R.S., Ch. 258, Sec. 21 (part).)

5           Sec. 1063.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
6 The legislature may not make a direct appropriation for the  
7 construction, maintenance, or improvement of a district facility.  
8 (Acts 65th Leg., R.S., Ch. 258, Sec. 21 (part).)

9           [Sections 1063.007-1063.050 reserved for expansion]

10                           SUBCHAPTER B. DISTRICT ADMINISTRATION

11           Sec. 1063.051. BOARD ELECTION; TERM. (a) The board  
12 consists of seven directors elected as follows:

13                       (1) one director elected from each county  
14 commissioners precinct; and

15                       (2) three directors elected from the district at large  
16 by position.

17           (b) A district voter may vote on the directors to be elected  
18 at large and on the director to be elected from the precinct in  
19 which the voter resides.

20           (c) An election shall be held on the uniform election date  
21 in May of each even-numbered year to elect the appropriate number of  
22 directors.

23           (d) Directors serve staggered four-year terms that expire  
24 on the second Tuesday in June. (Acts 65th Leg., R.S., Ch. 258, Secs.  
25 4(a) (part), (c) (part); Acts 72nd Leg., R.S., Ch. 511, Sec. 6.)

26           Sec. 1063.052. QUALIFICATIONS FOR OFFICE. (a) A person may  
27 not be elected or appointed as a director unless the person:

1           (1) is more than 21 years of age at the time of the  
2 appointment or election;

3           (2) is a resident of the district; and

4           (3) is a qualified voter.

5           (b) A director who represents a county commissioners  
6 precinct must be a resident of that precinct.

7           (c) A person may not be elected or appointed as a director if  
8 the person holds another appointed or elected public office of  
9 honor, trust, or profit.

10           (d) A person who holds another public office of honor,  
11 trust, or profit and seeks to be appointed or elected as a director  
12 automatically vacates the first office. (Acts 65th Leg., R.S., Ch.  
13 258, Sec. 4(a) (part).)

14           Sec. 1063.053. BALLOT PETITION. A person who wants to have  
15 the person's name printed on the ballot as a candidate for director  
16 must file with the board secretary a petition requesting that  
17 action. The petition must be:

18           (1) signed by at least 10 registered voters; and

19           (2) filed at least 25 days before the date of the  
20 election. (Acts 65th Leg., R.S., Ch. 258, Sec. 4(c) (part).)

21           Sec. 1063.054. NOTICE OF ELECTION. At least 10 days before  
22 the date of a regular election of directors, notice of the election  
23 shall be published one time in a newspaper of general circulation in  
24 Montgomery County. (Acts 65th Leg., R.S., Ch. 258, Sec. 4(c)  
25 (part).)

26           Sec. 1063.055. RUNOFF ELECTION. (a) If no candidate for a  
27 particular director position at a regular directors' election

1 receives a majority of the votes of the voters voting in that race,  
2 the board shall order a runoff election.

3 (b) At least seven days before the date of a runoff  
4 election, the board shall publish notice of the election one time in  
5 a newspaper or newspapers that individually or collectively have  
6 general circulation in the area of the runoff election.

7 (c) Of the names printed on the ballot at a runoff election,  
8 the name of the candidate who received the higher number of votes at  
9 the general election of directors must be printed first on the  
10 ballot. (Acts 65th Leg., R.S., Ch. 258, Sec. 4(d) (part).)

11 Sec. 1063.056. BOARD VACANCY. (a) If a vacancy occurs in  
12 the office of director, the remaining directors shall appoint a  
13 director for the unexpired term.

14 (b) If the number of directors is reduced to fewer than four  
15 for any reason, the remaining directors shall immediately call a  
16 special election to fill the vacancies. If the remaining directors  
17 do not call the election, a district court, on application of a  
18 district voter or taxpayer, may order the directors to hold the  
19 election. (Acts 65th Leg., R.S., Ch. 258, Sec. 4(b) (part).)

20 Sec. 1063.057. OFFICERS. The board shall elect from among  
21 its members a presiding officer, assistant presiding officer,  
22 treasurer, and secretary. (Acts 65th Leg., R.S., Ch. 258, Sec.  
23 4(b) (part).)

24 Sec. 1063.058. COMPENSATION. A director serves without  
25 compensation. (Acts 65th Leg., R.S., Ch. 258, Sec. 4(a) (part).)

26 Sec. 1063.059. BOND; RECORD OF BOND. (a) Each director  
27 shall execute a good and sufficient bond for \$1,000 that is:

1           (1) payable to the district; and  
2           (2) conditioned on the faithful performance of the  
3 director's duties.

4           (b) Each director's bond shall be deposited with the  
5 district's depository bank for safekeeping. (Acts 65th Leg., R.S.,  
6 Ch. 258, Sec. 4(a) (part).)

7           Sec. 1063.060. VOTING REQUIREMENT. A concurrence of a  
8 majority of the directors present is sufficient in any matter  
9 relating to district business. (Acts 65th Leg., R.S., Ch. 258, Sec.  
10 4(b) (part).)

11          Sec. 1063.061. CALLING MEETINGS. The presiding officer or  
12 any four directors may call a board meeting. (Acts 65th Leg., R.S.,  
13 Ch. 258, Sec. 4(b) (part).)

14          Sec. 1063.062. CHIEF ADMINISTRATIVE OFFICER; ASSISTANT  
15 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
16 the district's chief administrative officer. That officer shall be  
17 known as the district president or by another title selected by the  
18 board.

19          (b) The board may appoint one or more assistant  
20 administrators. An assistant administrator shall be known as the  
21 district vice president or by another title selected by the board.

22          (c) The chief administrative officer and any assistant  
23 administrator serve at the will of the board and are entitled to the  
24 compensation determined by the board. (Acts 65th Leg., R.S., Ch.  
25 258, Sec. 5(a) (part).)

26          Sec. 1063.063. GENERAL DUTIES OF CHIEF ADMINISTRATIVE  
27 OFFICER. Subject to the limitations prescribed by the board, the

1 chief administrative officer shall:

2 (1) supervise the work and activities of the district;  
3 and

4 (2) direct the affairs of the district. (Acts 65th  
5 Leg., R.S., Ch. 258, Sec. 5(a) (part).)

6 Sec. 1063.064. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
7 board may appoint to the staff any doctors the board considers  
8 necessary for the efficient operation of the district and may make  
9 temporary appointments as warranted.

10 (b) The district may employ fiscal agents, accountants,  
11 architects, and attorneys the board considers proper.

12 (c) The board may delegate to the chief administrative  
13 officer the authority to hire district employees, including  
14 technicians and nurses. (Acts 65th Leg., R.S., Ch. 258, Secs. 5(a)  
15 (part), 17.)

16 Sec. 1063.065. RETIREMENT BENEFITS. The board may provide  
17 retirement benefits for district employees by:

18 (1) establishing or administering a retirement  
19 program; or

20 (2) participating in:

21 (A) the Texas County and District Retirement  
22 System; or

23 (B) another statewide retirement system in which  
24 the district is eligible to participate. (Acts 65th Leg., R.S., Ch.  
25 258, Sec. 6.)

26 [Sections 1063.066-1063.100 reserved for expansion]



1                   SUBCHAPTER C.   POWERS AND DUTIES

2           Sec. 1063.101.   DISTRICT RESPONSIBILITY.   The district has  
3 full responsibility for providing medical and hospital care for the  
4 district's needy inhabitants. (Acts 65th Leg., R.S., Ch. 258, Sec.  
5 20 (part).)

6           Sec. 1063.102.   RESTRICTION   ON   POLITICAL   SUBDIVISION  
7 TAXATION AND DEBT.   A political subdivision located wholly or  
8 partly within the district may not impose a tax or issue bonds or  
9 other obligations for hospital or health care purposes or to  
10 provide medical care for district residents. (Acts 65th Leg.,  
11 R.S., Ch. 258, Sec. 20 (part).)

12          Sec. 1063.103.   MANAGEMENT,   CONTROL,   AND   ADMINISTRATION.  
13 The board shall manage, control, and administer the health care or  
14 hospital system and the district's money and resources. (Acts 65th  
15 Leg., R.S., Ch. 258, Sec. 5(a) (part).)

16          Sec. 1063.104.   HEALTH CARE OR HOSPITAL SYSTEM.   (a)   The  
17 district shall provide for:

18               (1)   the establishment of a health care or hospital  
19 system by:

20                       (A)   purchasing,       constructing,       acquiring,  
21 repairing, or renovating buildings and equipment; and

22                       (B)   equipping the buildings; and

23               (2)   the administration of the system for health care  
24 or hospital purposes.

25          (b)   The health care or hospital system may include:

26               (1)   domiciliary care and treatment of the sick,  
27 injured, or geriatric;

- 1 (2) hospitals;
- 2 (3) outpatient clinics;
- 3 (4) dispensaries;
- 4 (5) convalescent home facilities;
- 5 (6) necessary nurses;
- 6 (7) domiciliaries and training centers;
- 7 (8) blood banks;
- 8 (9) community mental health centers;
- 9 (10) research centers or laboratories;
- 10 (11) ambulance services; and
- 11 (12) any other facilities the board considers
- 12 necessary for health or hospital care. (Acts 65th Leg., R.S., Ch.
- 13 258, Secs. 2 (part), 11(a) (part).)

14 Sec. 1063.105. RULES. The board may adopt rules governing  
15 the operation of the hospital, the health care or hospital system,  
16 and the district's staff and employees. (Acts 65th Leg., R.S., Ch.  
17 258, Sec. 5(a) (part).)

18 Sec. 1063.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
19 board may prescribe:

- 20 (1) the method and manner of making purchases and
- 21 expenditures by and for the district; and
- 22 (2) all accounting and control procedures. (Acts 65th
- 23 Leg., R.S., Ch. 258, Sec. 11(c) (part).)

24 Sec. 1063.107. DISTRICT PROPERTY, FACILITIES, AND  
25 EQUIPMENT. (a) The board shall determine the type, number, and  
26 location of buildings required to maintain an adequate health care  
27 or hospital system.

1           (b) The board may lease all or part of the district's  
2 buildings and other facilities on terms considered to be in the best  
3 interest of the district's inhabitants. Except as provided by  
4 Subsection (c), the term of a lease may not exceed 25 years from the  
5 date entered.

6           (c) District land may not be leased for a period exceeding  
7 25 years unless the board:

8                 (1) finds that the land is not necessary for health  
9 care or hospital purposes;

10                (2) complies with any indenture securing the payment  
11 of district bonds; and

12                (3) receives not less than the current market value  
13 for the lease.

14           (d) The district may acquire equipment for use in the  
15 district's health care or hospital system and mortgage or pledge  
16 the property as security for the payment of the purchase price. A  
17 contract entered into under this subsection must provide that the  
18 entire obligation be retired not later than the fifth anniversary  
19 of the date of the contract.

20           (e) The district may sell or otherwise dispose of any  
21 property, including equipment, on terms the board finds are in the  
22 best interest of the district's inhabitants. The board must comply  
23 with Section 272.001, Local Government Code, when selling district  
24 land other than land the district is authorized to sell or exchange  
25 under Subsection (f).

26           (f) The district may sell or exchange a hospital, including  
27 real property necessary or convenient for the operation of the

1 hospital and real property that the board finds may be useful in  
2 connection with future expansions of the hospital, on terms the  
3 board determines to be in the district's best interests. The  
4 district must comply with the procedures prescribed by Sections  
5 285.051 and 285.052, Health and Safety Code. (Acts 65th Leg., R.S.,  
6 Ch. 258, Secs. 11(a) (part), (b), (c) (part), 15(c), (d).)

7       Sec. 1063.108. TAKEOVER OF NONPROFIT HOSPITAL PROPERTY.  
8 The district may take over and may accept title to land, buildings,  
9 improvements, and equipment of a nonprofit hospital in the district  
10 if the governing authority of the hospital and district agree to the  
11 transfer. (Acts 65th Leg., R.S., Ch. 258, Sec. 2 (part).)

12       Sec. 1063.109. EMINENT DOMAIN. (a) The district may  
13 exercise the power of eminent domain to acquire a fee simple or  
14 other interest in any type of property located in district  
15 territory if the interest is necessary or convenient for the  
16 district to exercise a power, right, or privilege conferred by this  
17 chapter.

18       (b) The district must exercise the power of eminent domain  
19 in the manner provided by Chapter 21, Property Code, except the  
20 district is not required to deposit in the trial court money or a  
21 bond as provided by Section 21.021(a), Property Code.

22       (c) In a condemnation proceeding brought by the district,  
23 the district is not required to:

24               (1) pay in advance or provide a bond or other security  
25 for costs in the trial court;

26               (2) provide a bond for the issuance of a temporary  
27 restraining order or a temporary injunction; or

1           (3) provide a bond for costs or a supersedeas bond on  
2 an appeal or petition for review. (Acts 65th Leg., R.S., Ch. 258,  
3 Sec. 15(a).)

4           Sec. 1063.110. COST OF RELOCATING OR ALTERING PROPERTY. In  
5 exercising the power of eminent domain, if the board requires the  
6 relocation, raising, lowering, rerouting, or change in grade or  
7 alteration in the construction of any railroad, electric  
8 transmission, telegraph or telephone lines, conduits, poles, or  
9 facilities or pipelines, the board must bear the actual cost of the  
10 relocation, raising, lowering, rerouting, or change in grade or  
11 alteration of construction to provide comparable replacement  
12 without enhancement of facilities, after deducting the net salvage  
13 value derived from the old facility. (Acts 65th Leg., R.S., Ch. 258,  
14 Sec. 15(b).)

15           Sec. 1063.111. GIFTS AND ENDOWMENTS. The board may accept  
16 for the district a gift or endowment to be held in trust and  
17 administered by the board for the purposes and under the  
18 directions, limitations, or other provisions prescribed in writing  
19 by the donor that are not inconsistent with the proper management  
20 and objectives of the district. (Acts 65th Leg., R.S., Ch. 258,  
21 Sec. 19.)

22           Sec. 1063.112. CONSTRUCTION CONTRACTS. A construction  
23 contract that involves the expenditure of more than \$10,000 may be  
24 made only after advertising in the manner provided by Chapter 252  
25 and Subchapter C, Chapter 262, Local Government Code. (Acts 65th  
26 Leg., R.S., Ch. 258, Sec. 11(c) (part).)

27           Sec. 1063.113. OPERATING AND MANAGEMENT CONTRACTS. The

1 board may enter into an operating or management contract relating  
2 to a district facility. (Acts 65th Leg., R.S., Ch. 258, Sec. 11(a)  
3 (part).)

4       Sec. 1063.114. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
5 CARE AND TREATMENT. (a) The board may contract with a county or  
6 municipality located outside the district's boundaries for the care  
7 and treatment of a sick or injured person of that county or  
8 municipality.

9       (b) The board may contract with this state or a federal  
10 agency for the treatment of a sick or injured person. (Acts 65th  
11 Leg., R.S., Ch. 258, Sec. 5(a) (part).)

12       Sec. 1063.115. CONTRACTS FOR HEALTH CARE SERVICES. (a) As  
13 permitted by the Texas Constitution and Chapter 61, Health and  
14 Safety Code, the district may:

15             (1) enter into a contract relating to the provision of  
16 health care services on terms the board determines to be in the  
17 district's best interests; and

18             (2) make payments under the contract.

19       (b) The term of a contract under this section may not exceed  
20 15 years. (Acts 65th Leg., R.S., Ch. 258, Sec. 5(b).)

21       Sec. 1063.116. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
22 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
23 political subdivision or governmental agency for the district to  
24 provide investigatory or other services for the medical, health  
25 care, hospital, or welfare needs of district inhabitants. (Acts  
26 65th Leg., R.S., Ch. 258, Sec. 5(a) (part).)

27       Sec. 1063.117. PAYMENT FOR TREATMENT; PROCEDURES. (a)

1 When a patient who resides in the district is admitted to a district  
2 facility, the chief administrative officer may have an inquiry made  
3 into the circumstances of:

- 4 (1) the patient; and
- 5 (2) the patient's relatives who are legally liable for  
6 the patient's support.

7 (b) If the chief administrative officer determines that the  
8 patient or those relatives cannot pay all or part of the costs of  
9 the care and treatment in the district facility, the amount of the  
10 costs that cannot be paid becomes a charge against the district.

11 (c) If the chief administrative officer determines that the  
12 patient or those relatives can pay for all or part of the costs of  
13 the patient's care and treatment, the patient or those relatives  
14 shall be ordered to pay the district a specified amount each week  
15 for the patient's care and support. The amount ordered must be  
16 proportionate to the person's financial ability.

17 (d) The chief administrative officer may collect the amount  
18 from the estate of the patient, or from any relative who is legally  
19 liable for the patient's support, in the manner provided by law for  
20 the collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute as to the ability to pay, or doubt  
22 in the mind of the chief administrative officer, the board shall  
23 hold a hearing and, after calling witnesses, shall:

- 24 (1) resolve the dispute or doubt; and
- 25 (2) issue any appropriate orders.

26 (f) A final order of the board may be appealed to the  
27 district court. The substantial evidence rule applies to the

1 appeal. (Acts 65th Leg., R.S., Ch. 258, Sec. 18.)

2           Sec. 1063.118. NONPROFIT CORPORATION. (a) The district  
3 may create and sponsor a nonprofit corporation under the Business  
4 Organizations Code and may contribute or cause to be contributed  
5 available funds to the corporation. A corporation under this  
6 section must be a nonmember, nonstock corporation.

7           (b) The board of directors of the corporation shall be  
8 composed of seven district residents appointed by the district's  
9 board. The district's board may remove any director of the  
10 corporation at any time with or without cause.

11           (c) The corporation may use money, other than money the  
12 corporation pays to the district, only to provide or pay the costs  
13 of providing or costs related to providing indigent health care or  
14 other services the district is required or authorized to provide  
15 under the constitution or state law.

16           (d) The district's board shall establish controls to ensure  
17 that the corporation uses its money as required by Subsection (c).

18           (e) The corporation may invest the corporation's money in  
19 any manner in which the district may invest the district's money,  
20 including investing money as authorized by Chapter 2256, Government  
21 Code. (Acts 65th Leg., R.S., Ch. 258, Sec. 19A.)

22           Sec. 1063.119. AUTHORITY TO SUE AND BE SUED. The district,  
23 through the board, may sue and be sued. (Acts 65th Leg., R.S., Ch.  
24 258, Sec. 5(a) (part).)

25           [Sections 1063.120-1063.150 reserved for expansion]

26           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27           Sec. 1063.151. BUDGET. (a) The chief administrative



1 officer shall prepare an annual budget for approval by the board.

2 (b) The proposed budget must contain a complete financial  
3 statement of:

4 (1) the outstanding obligations of the district;

5 (2) the cash on hand in each district fund;

6 (3) the money received by the district from all  
7 sources during the previous year;

8 (4) the money available to the district from all  
9 sources during the ensuing year;

10 (5) the balances expected at the end of the year in  
11 which the budget is being prepared;

12 (6) the estimated revenue and balances available to  
13 cover the proposed budget; and

14 (7) the estimated tax rate required. (Acts 65th Leg.,  
15 R.S., Ch. 258, Sec. 7 (part).)

16 Sec. 1063.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
17 The board shall hold a public hearing on the proposed annual budget.

18 (b) Notice of the hearing must be published one time at  
19 least 10 days before the date of the hearing.

20 (c) Any district resident is entitled to be present and  
21 participate at the hearing.

22 (d) At the conclusion of the hearing, the board shall adopt  
23 a budget by acting on the budget proposed by the chief  
24 administrative officer. The board may make any changes in the  
25 proposed budget that the board judges to be in the interests of the  
26 taxpayers and that the law warrants. (Acts 65th Leg., R.S., Ch. 258,  
27 Sec. 7 (part).)

1           Sec. 1063.153. AMENDMENTS TO BUDGET. The budget may be  
2 amended as required by circumstances. The board must approve all  
3 amendments. (Acts 65th Leg., R.S., Ch. 258, Sec. 7 (part).)

4           Sec. 1063.154. RESTRICTION ON EXPENDITURES. Money may be  
5 spent only for an expense included in the budget or an amendment to  
6 the budget. (Acts 65th Leg., R.S., Ch. 258, Sec. 7 (part).)

7           Sec. 1063.155. FISCAL YEAR. (a) The district operates  
8 according to a fiscal year established by the board.

9           (b) The fiscal year may not be changed:

10           (1) during a period that district revenue bonds are  
11 outstanding; or

12           (2) more than once in a 24-month period. (Acts 65th  
13 Leg., R.S., Ch. 258, Sec. 7 (part).)

14           Sec. 1063.156. AUDIT. The board shall have an audit made of  
15 the district's financial condition. (Acts 65th Leg., R.S., Ch. 258,  
16 Sec. 7 (part).)

17           Sec. 1063.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
18 The audit and other district records shall be open to inspection at  
19 the district's principal office. (Acts 65th Leg., R.S., Ch. 258,  
20 Sec. 7 (part).)

21           Sec. 1063.158. FINANCIAL REPORT. As soon as practicable  
22 after the close of each fiscal year, the chief administrative  
23 officer shall prepare for the board:

24           (1) a complete sworn statement of all district money;  
25 and

26           (2) a complete account of the disbursements of  
27 district money. (Acts 65th Leg., R.S., Ch. 258, Sec. 7 (part).)

1           Sec. 1063.159. DEPOSITORY. (a) The board shall select one  
2 or more banks in the district to serve as a depository for district  
3 money.

4           (b) District money, other than money invested as provided by  
5 Section 1063.160, and money transmitted to a bank for payment of  
6 bonds or obligations issued or assumed by the district, shall be  
7 deposited as received with the depository bank and shall remain on  
8 deposit.

9           (c) This chapter, including Subsection (b), does not limit  
10 the power of the board to place a part of district money on time  
11 deposit or to purchase certificates of deposit.

12           (d) The district may not deposit money with a bank in an  
13 amount that exceeds the maximum amount secured by the Federal  
14 Deposit Insurance Corporation unless the bank first executes a bond  
15 or other security in an amount sufficient to secure from loss the  
16 amount of district money that exceeds the amount secured by the  
17 Federal Deposit Insurance Corporation. (Acts 65th Leg., R.S., Ch.  
18 258, Sec. 12.)

19           Sec. 1063.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
20 Except as otherwise provided by Section 1063.107(d) and by  
21 Subchapter E, the district may not incur an obligation payable from  
22 district revenue other than the revenue on hand or to be on hand in  
23 the current and following district fiscal years.

24           (b) The board may invest operating, depreciation, or  
25 building reserves only in funds or securities specified by Chapter  
26 2256, Government Code. (Acts 65th Leg., R.S., Ch. 258, Secs. 5(a)  
27 (part), 11(c) (part).)

1 [Sections 1063.161-1063.200 reserved for expansion]

2 SUBCHAPTER E. BONDS

3 Sec. 1063.201. GENERAL OBLIGATION BONDS. The board may  
4 issue and sell general obligation bonds in the name and on the faith  
5 and credit of the district for any purpose relating to:

6 (1) the purchase, construction, acquisition, repair,  
7 or renovation of buildings or improvements; and

8 (2) equipping buildings or improvements for health  
9 care or hospital purposes. (Acts 65th Leg., R.S., Ch. 258, Sec.  
10 8(a) (part).)

11 Sec. 1063.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
12 the time general obligation bonds are issued by the district under  
13 Section 1063.201, the board shall impose an ad valorem tax at a rate  
14 sufficient to create an interest and sinking fund to pay the  
15 principal of and interest on the bonds as the bonds mature.

16 (b) The tax required by this section together with any other  
17 ad valorem tax the district imposes may not in any year exceed 75  
18 cents on each \$100 valuation of all taxable property in the district  
19 subject to hospital district taxation. (Acts 65th Leg., R.S., Ch.  
20 258, Sec. 8(a) (part).)

21 Sec. 1063.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
22 district may issue general obligation bonds only if the bonds are  
23 authorized by a majority of the district voters.

24 (b) The election order must provide for clerks as in county  
25 elections and must specify:

26 (1) the date of the election;

27 (2) the location of the polling places;

1           (3) the presiding and alternate election judges for  
2 each polling place;

3           (4) the amount of the bonds to be authorized; and

4           (5) the maximum maturity of the bonds.

5           (c) Notice of a bond election shall be given as provided by  
6 Section 1251.003, Government Code. (Acts 65th Leg., R.S., Ch. 258,  
7 Sec. 8(a) (part).)

8           Sec. 1063.204. MATURITY OF GENERAL OBLIGATION BONDS.  
9 District general obligation bonds must mature not later than 40  
10 years after the date of issuance. (Acts 65th Leg., R.S., Ch. 258,  
11 Sec. 8(c) (part).)

12           Sec. 1063.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
13 The board president shall execute the general obligation bonds in  
14 the district's name.

15           (b) The board secretary shall countersign the bonds in the  
16 manner provided by Chapter 618, Government Code. (Acts 65th Leg.,  
17 R.S., Ch. 258, Sec. 8(c) (part).)

18           Sec. 1063.206. REVENUE BONDS. (a) The district may issue  
19 revenue bonds or certificates of obligation or may incur or assume  
20 any other debt only if authorized by a majority of the district  
21 voters voting in an election held for that purpose. This subsection  
22 does not apply to refunding bonds or other debt incurred solely to  
23 refinance an outstanding debt.

24           (b) The board may issue revenue bonds to:

25           (1) purchase, construct, acquire, repair, renovate,  
26 or equip buildings or improvements for health care or hospital  
27 purposes; or

1           (2) acquire sites to be used for health care or  
2 hospital purposes.

3           (c) The bonds must be payable from and secured by a pledge of  
4 all or part of the revenue derived from the operation of the  
5 district's hospital or health care facilities.

6           (d) The bonds may be additionally secured by a mortgage or  
7 deed of trust lien on all or part of district property.

8           (e) The bonds must be issued in the manner and in accordance  
9 with the procedures and requirements prescribed by Sections  
10 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
11 and Safety Code, for issuance of revenue bonds by a county hospital  
12 authority. (Acts 65th Leg., R.S., Ch. 258, Secs. 9A, 10 (part).)

13           Sec. 1063.207. REFUNDING BONDS. (a) The board may, without  
14 an election, issue refunding bonds to refund outstanding  
15 indebtedness issued or assumed by the district.

16           (b) A refunding bond may be:

17                 (1) sold, with the proceeds of the refunding bond  
18 applied to the payment of the outstanding indebtedness; or

19                 (2) exchanged wholly or partly for not less than a  
20 similar principal amount of outstanding indebtedness. (Acts 65th  
21 Leg., R.S., Ch. 258, Secs. 8(a) (part), (b) (part), 10 (part).)

22           Sec. 1063.208. BONDS EXEMPT FROM TAXATION. The following  
23 are exempt from taxation by this state or a political subdivision of  
24 this state:

25                 (1) bonds issued by the district;

26                 (2) the transfer and issuance of the bonds; and

27                 (3) profits made in the sale of the bonds. (Acts 65th

1 Leg., R.S., Ch. 258, Sec. 22 (part).)

2 Sec. 1063.209. TAX ANTICIPATION NOTES. (a) The board may:

3 (1) declare an emergency because money is not  
4 available to:

5 (A) pay the principal of and interest on any  
6 district bonds payable wholly or partly from taxes; or

7 (B) meet any other needs of the district; and

8 (2) issue negotiable tax anticipation notes to borrow  
9 the money the district needs.

10 (b) Tax anticipation notes may be issued for any purpose for  
11 which the district may impose taxes.

12 (c) Tax anticipation notes may bear interest at any rate or  
13 rates authorized by law.

14 (d) Tax anticipation notes must mature not later than one  
15 year after the date of issuance.

16 (e) Tax anticipation notes must be secured by the proceeds  
17 of taxes to be imposed by the district in the succeeding 12-month  
18 period.

19 (f) The board may covenant with the note purchasers that the  
20 board will impose a sufficient tax in the following fiscal year to  
21 pay the principal of and interest on the notes and pay the costs of  
22 collecting the taxes. (Acts 65th Leg., R.S., Ch. 258, Sec. 11(d).)

23 Sec. 1063.210. CERTIFICATES OF OBLIGATION. (a) The  
24 district may issue and sell certificates of obligation for a  
25 purpose permitted under this chapter.

26 (b) The certificates of obligation must be issued and sold  
27 in conformity with and in the manner specified for a municipality or

1 county by Subchapter C, Chapter 271, Local Government Code. (Acts  
2 65th Leg., R.S., Ch. 258, Sec. 8(d).)

3 [Sections 1063.211-1063.250 reserved for expansion]

4 SUBCHAPTER F. TAXES

5 Sec. 1063.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
6 shall impose an ad valorem tax on all taxable property in the  
7 district subject to district taxation.

8 (b) The board shall impose the tax to pay:

9 (1) indebtedness issued or assumed by the district;  
10 and

11 (2) the maintenance and operating expenses of the  
12 district.

13 (c) The board may not impose a tax to pay the principal of or  
14 interest on revenue bonds issued under this chapter. (Acts 65th  
15 Leg., R.S., Ch. 258, Secs. 13(a) (part), 16(a) (part).)

16 Sec. 1063.252. TAX RATE. (a) The board may impose the tax  
17 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
18 property in the district subject to district taxation.

19 (b) In setting the tax rate, the board shall consider the  
20 income of the district from sources other than taxation. (Acts 65th  
21 Leg., R.S., Ch. 258, Secs. 3(b) (part), 13(a) (part), (b) (part).)

22 Sec. 1063.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
23 ASSESSOR-COLLECTOR. (a) This section applies unless the board  
24 elects to have district taxes assessed and collected under Section  
25 1063.254.

26 (b) The tax assessor-collector of Montgomery County shall  
27 assess and collect taxes imposed by the district. (Acts 65th Leg.,



1 R.S., Ch. 258, Secs. 16(a) (part), (b) (part).)

2 Sec. 1063.254. ASSESSMENT AND COLLECTION BY APPOINTMENT OR  
3 CONTRACT. (a) The board may elect to:

4 (1) appoint a tax assessor-collector to assess and  
5 collect district taxes; or

6 (2) contract for the assessment and collection of  
7 taxes as provided by the Tax Code.

8 (b) An election under this section must be made by December  
9 1 and governs the manner in which taxes are assessed and collected,  
10 until changed by a similar resolution.

11 (c) The board shall set for the appointed tax  
12 assessor-collector:

13 (1) the term of employment; and

14 (2) compensation. (Acts 65th Leg., R.S., Ch. 258,  
15 Secs. 16(a) (part), (c) (part).)

16 Sec. 1063.255. PETITION AND ORDER FOR ELECTION TO REDUCE  
17 TAX RATE. (a) Notwithstanding Section 26.07(b)(3), Tax Code, a  
18 petition to require an election under Section 26.07, Tax Code, on  
19 reducing the district's tax rate to the rollback tax rate shall be  
20 submitted to the Montgomery County elections administrator instead  
21 of to the board.

22 (b) Notwithstanding Section 26.07(c), Tax Code, not later  
23 than the 20th day after the date a petition is submitted under  
24 Subsection (a), the elections administrator shall:

25 (1) determine whether the petition is valid under  
26 Section 26.07, Tax Code; and

27 (2) certify the determination of the petition's

1 validity to the board.

2 (c) If the elections administrator fails to act within the  
3 time allowed, the petition is treated as if it had been found valid.

4 (d) Notwithstanding Section 26.07(d), Tax Code, if the  
5 elections administrator certifies to the board that the petition is  
6 valid or fails to act within the time allowed, the board shall order  
7 that an election under Section 26.07, Tax Code, to determine  
8 whether to reduce the district's tax rate to the rollback rate be  
9 held in the district in the manner prescribed by Section 26.07(d) of  
10 that code.

11 (e) The district shall reimburse the elections  
12 administrator for reasonable costs incurred in performing the  
13 duties required by this section. (Acts 65th Leg., R.S., Ch. 258,  
14 Sec. 13A.)

15 [Sections 1063.256-1063.300 reserved for expansion]

16 SUBCHAPTER G. DISSOLUTION

17 Sec. 1063.301. DISSOLUTION ELECTION; PETITION. (a) The  
18 board may order an election on the question of dissolving the  
19 district and disposing of the district's assets and obligations.

20 (b) The board shall order an election on the question of  
21 dissolving the district and disposing of the district's assets and  
22 obligations if the board receives a petition by district residents  
23 requesting an election that:

24 (1) is certified as valid by the Montgomery County  
25 elections administrator under Section 1063.302; or

26 (2) the Montgomery County elections administrator  
27 fails to act on within the time allowed by Section 1063.302.

1 (c) A petition requesting an election must:

2 (1) state that it is intended to request an election in  
3 the district on the question of dissolving the district and  
4 disposing of the district's assets and obligations;

5 (2) be signed by a number of district residents equal  
6 to at least 15 percent of the total vote received by all candidates  
7 for governor in the most recent gubernatorial general election in  
8 the district that occurs more than 30 days before the date the  
9 petition is submitted; and

10 (3) be submitted to the Montgomery County elections  
11 administrator. (Acts 65th Leg., R.S., Ch. 258, Secs. 23A(a),  
12 23B(a), (a-3).)

13 Sec. 1063.302. VALIDITY OF PETITION FOR ELECTION. (a) Not  
14 later than the 30th day after the date a petition requesting the  
15 dissolution of the district is submitted under Section 1063.301,  
16 the Montgomery County elections administrator shall:

17 (1) determine whether the petition is valid; and

18 (2) certify the determination of the petition's  
19 validity to the board.

20 (b) If the elections administrator fails to act within the  
21 time allowed, the petition is treated as if it had been found valid.

22 (c) If a petition submitted under Section 1063.301 does not  
23 contain the necessary number of valid signatures, the district  
24 residents may not submit another petition under Section 1063.301  
25 before the third anniversary of the date the invalid petition was  
26 submitted.

27 (d) The district shall reimburse the county elections

1 administrator for reasonable costs incurred in performing the  
2 duties required by this section. (Acts 65th Leg., R.S., Ch. 258,  
3 Secs. 23B(a-1), (a-2), (a-4), (a-5).)

4 Sec. 1063.303. ELECTION DATE. An election under this  
5 subchapter shall be held on the earlier of the following dates that  
6 occurs at least 90 days after the date on which the election is  
7 ordered:

8 (1) the uniform election date in May; or

9 (2) the date of the general election for state and  
10 county officers. (Acts 65th Leg., R.S., Ch. 258, Secs. 23A(b),  
11 23B(b).)

12 Sec. 1063.304. BALLOT. The ballot for an election under  
13 this subchapter must be printed to permit voting for or against the  
14 proposition: "The dissolution of the Montgomery County Hospital  
15 District." (Acts 65th Leg., R.S., Ch. 258, Secs. 23A(c) (part),  
16 23B(c) (part).)

17 Sec. 1063.305. ELECTION RESULTS. (a) If a majority of the  
18 votes in an election under this subchapter favor dissolution, the  
19 board shall find that the district is dissolved.

20 (b) If a majority of the votes in the election do not favor  
21 dissolution, the board shall continue to administer the district  
22 and another election on the question of dissolution may not be held  
23 before:

24 (1) the fourth anniversary of the date of the most  
25 recent election to dissolve the district if the board called the  
26 election under Section 1063.301(a); or

27 (2) the third anniversary of the date of the most

1 recent election to dissolve the district if the board called the  
2 election under Section 1063.301(b). (Acts 65th Leg., R.S., Ch. 258,  
3 Secs. 23A(d), 23B(d).)

4       Sec. 1063.306. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS  
5 IF ELECTION INITIATED BY BOARD. (a) This section, Section  
6 1063.307, and Section 1063.308 apply to an election called under  
7 Section 1063.301(a).

8       (b) If a majority of the votes in the election favor  
9 dissolution, the board shall:

10           (1) transfer the ambulance service and related  
11 equipment, any vehicles, and any mobile clinics and related  
12 equipment that belong to the district to Montgomery County not  
13 later than the 45th day after the date on which the election is  
14 held; and

15           (2) transfer the land, buildings, improvements,  
16 equipment not described by Subdivision (1), and other assets that  
17 belong to the district to Montgomery County or administer the  
18 property, assets, and debts in accordance with Subsection (e) and  
19 Sections 1063.307 and 1063.308.

20       (c) The county assumes all debts and obligations of the  
21 district relating to the ambulance service and related equipment,  
22 any vehicles, and any mobile clinics and related equipment at the  
23 time of the transfer.

24       (d) If the district makes the transfer under Subsection  
25 (b)(2), the county assumes all debts and obligations of the  
26 district relating to those assets at the time of the transfer, and  
27 the district is dissolved.

1           (e) If the board finds that the district is dissolved but  
2 does not transfer the land, buildings, improvements, equipment, and  
3 other assets to Montgomery County under Subsection (b)(2), the  
4 board shall continue to control and administer that property and  
5 those assets and the related district debts until all money has been  
6 disposed of and all district debts have been paid or settled.

7           (f) The county shall use all transferred assets to:

8                 (1) pay the outstanding debts and obligations of the  
9 district relating to the assets at the time of the transfer; or

10                (2) provide medical and hospital care for needy county  
11 residents. (Acts 65th Leg., R.S., Ch. 258, Secs. 23A(e), (f), (g).)

12           Sec. 1063.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
13 TAXES. (a) After the board finds that the district is dissolved,  
14 the board shall:

15                 (1) determine the debt owed by the district; and

16                 (2) impose on the property included on the district's  
17 tax rolls a tax that is in proportion of the debt to the property  
18 value.

19           (b) On the payment of all outstanding debts and obligations  
20 of the district, the board shall order the secretary to return:

21                 (1) to each district taxpayer the taxpayer's pro rata  
22 share of all unused tax money; and

23                 (2) to Montgomery County all unused district money  
24 from any other source.

25           (c) A taxpayer may request that the taxpayer's share of  
26 surplus tax money be credited to the taxpayer's county taxes. If a  
27 taxpayer requests the credit, the board shall direct the secretary

1 to send the money to the county tax assessor-collector.

2 (d) Montgomery County shall use unused district money  
3 received under this section to provide medical and hospital care  
4 for needy county residents.

5 (e) The board may institute a suit to enforce payment of  
6 taxes under this section and to foreclose liens to secure the  
7 payment of the taxes. (Acts 65th Leg., R.S., Ch. 258, Secs. 23A(h),  
8 (i), (j).)

9 Sec. 1063.308. REPORT; DISSOLUTION ORDER. (a) After the  
10 district has paid all district debts and has disposed of all  
11 district money and other assets as prescribed by this subchapter,  
12 the board shall file a written report with the Commissioners Court  
13 of Montgomery County summarizing the board's actions in dissolving  
14 the district.

15 (b) Not later than the 10th day after the date the  
16 Commissioners Court of Montgomery County receives the report and  
17 determines that the requirements of this subchapter have been  
18 fulfilled, the commissioners court shall enter an order dissolving  
19 the district. (Acts 65th Leg., R.S., Ch. 258, Sec. 23A(k).)

20 Sec. 1063.309. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS  
21 IF ELECTION INITIATED BY DISTRICT PETITION. (a) This section  
22 applies to an election called under Section 1063.301(b).

23 (b) If a majority of the votes in the election favor  
24 dissolution, the board shall transfer the land, buildings,  
25 improvements, equipment, and other assets that belong to the  
26 district to Montgomery County not later than the 45th day after the  
27 date on which the election is held.

1 (c) The county assumes all debts and obligations of the  
2 district at the time of the transfer, and the district is dissolved.

3 (d) The county should use all transferred assets in a manner  
4 that benefits county residents residing in territory formerly  
5 constituting the district.

6 (e) The county shall use all transferred assets to:

7 (1) pay the outstanding debts and obligations of the  
8 district relating to the assets at the time of the transfer; or

9 (2) provide medical and hospital care for needy county  
10 residents. (Acts 65th Leg., R.S., Ch. 258, Sec. 23B(e).)

11 CHAPTER 1064. MOORE COUNTY HOSPITAL DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

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14 Sec. 1064.002. AUTHORITY FOR OPERATION

15 Sec. 1064.003. ESSENTIAL PUBLIC FUNCTION

16 Sec. 1064.004. DISTRICT TERRITORY

17 Sec. 1064.005. CORRECTION OF INVALID PROCEDURES

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19 STATE OBLIGATION

20 Sec. 1064.007. RESTRICTION ON STATE FINANCIAL

21 ASSISTANCE

22 [Sections 1064.008-1064.050 reserved for expansion]

23 SUBCHAPTER B. DISTRICT ADMINISTRATION

24 Sec. 1064.051. DEFINITION

25 Sec. 1064.052. BOARD; TERM

26 Sec. 1064.053. QUALIFICATIONS FOR OFFICE

27 Sec. 1064.054. BOARD VACANCY



- 1 Sec. 1064.055. OFFICERS
- 2 Sec. 1064.056. COMPENSATION; EXPENSES
- 3 Sec. 1064.057. VOTING REQUIREMENT
- 4 Sec. 1064.058. ADMINISTRATOR; ASSISTANT ADMINISTRATOR
- 5 Sec. 1064.059. GENERAL DUTIES OF DISTRICT
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- 7 Sec. 1064.060. APPOINTMENT OF STAFF; EMPLOYEES
- 8 Sec. 1064.061. SENIORITY; RETIREMENT BENEFITS
- 9 [Sections 1064.062-1064.100 reserved for expansion]
- 10 SUBCHAPTER C. POWERS AND DUTIES
- 11 Sec. 1064.101. DISTRICT RESPONSIBILITY
- 12 Sec. 1064.102. RESTRICTION ON POLITICAL SUBDIVISION
- 13 TAXATION AND DEBT
- 14 Sec. 1064.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 15 Sec. 1064.104. HOSPITAL SYSTEM; ANCILLARY HEALTH CARE
- 16 SERVICES SYSTEM
- 17 Sec. 1064.105. RULES
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- 19 Sec. 1064.107. DISTRICT PROPERTY, FACILITIES, AND
- 20 EQUIPMENT
- 21 Sec. 1064.108. EMINENT DOMAIN
- 22 Sec. 1064.109. GIFTS AND ENDOWMENTS
- 23 Sec. 1064.110. CONSTRUCTION AND PURCHASE CONTRACTS
- 24 Sec. 1064.111. OPERATING AND MANAGEMENT CONTRACTS
- 25 Sec. 1064.112. CONTRACTS FOR CERTAIN SERVICES
- 26 Sec. 1064.113. CONTRACTS FOR HEALTH CARE
- 27 Sec. 1064.114. PAYMENT FOR TREATMENT; PROCEDURES

- 1 Sec. 1064.115. REIMBURSEMENT FOR SERVICES
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- 3 Sec. 1064.117. AUTHORITY TO SUE AND BE SUED
- 4 [Sections 1064.118-1064.150 reserved for expansion]
- 5 SUBCHAPTER D. CHANGE IN BOUNDARIES
- 6 Sec. 1064.151. TERRITORY THAT MAY BE ANNEXED
- 7 Sec. 1064.152. PETITION TO ANNEX TERRITORY
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- 9 Sec. 1064.154. BALLOT
- 10 Sec. 1064.155. NOTICE OF ELECTION
- 11 Sec. 1064.156. ELECTION RESULTS
- 12 Sec. 1064.157. EFFECT OF ANNEXATION
- 13 [Sections 1064.158-1064.200 reserved for expansion]
- 14 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
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- 20 Sec. 1064.206. AUDIT
- 21 Sec. 1064.207. INSPECTION OF AUDIT AND DISTRICT
- 22 RECORDS
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- 26 [Sections 1064.211-1064.250 reserved for expansion]

SUBCHAPTER F. BONDS

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- 2 Sec. 1064.251. GENERAL OBLIGATION BONDS, CERTIFICATES
- 3 OF OBLIGATION, AND OTHER FINANCING
- 4 Sec. 1064.252. TAX TO PAY GENERAL OBLIGATION BONDS
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- 8 Sec. 1064.256. MATURITY OF BONDS
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- 11 [Sections 1064.259-1064.300 reserved for expansion]

SUBCHAPTER G. TAXES

- 12
- 13 Sec. 1064.301. IMPOSITION OF AD VALOREM TAX
- 14 Sec. 1064.302. TAX RATE
- 15 Sec. 1064.303. ASSESSMENT AND COLLECTION OF TAXES IN
- 16 SAME MANNER AS COUNTY
- 17 Sec. 1064.304. ASSESSMENT AND COLLECTION BY DISTRICT
- 18 TAX ASSESSOR-COLLECTOR

CHAPTER 1064. MOORE COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

- 21 Sec. 1064.001. DEFINITIONS. In this chapter:
- 22 (1) "Board" means the board of directors of the
- 23 district.
- 24 (2) "Director" means a member of the board.
- 25 (3) "District" means the Moore County Hospital
- 26 District. (New.)
- 27 Sec. 1064.002. AUTHORITY FOR OPERATION. The Moore County

1 Hospital District operates in accordance with Section 9, Article  
2 IX, Texas Constitution, and has the rights, powers, and duties  
3 provided by this chapter. (Acts 61st Leg., R.S., Ch. 287, Sec. 1  
4 (part).)

5 Sec. 1064.003. ESSENTIAL PUBLIC FUNCTION. The district  
6 performs an essential public function in carrying out the purposes  
7 of this chapter. (Acts 61st Leg., R.S., Ch. 287, Sec. 21 (part).)

8 Sec. 1064.004. DISTRICT TERRITORY. The boundaries of the  
9 district are coextensive with the boundaries of Moore County,  
10 Texas, unless the boundaries are expanded under Subchapter D.  
11 (Acts 61st Leg., R.S., Ch. 287, Secs. 1 (part), 1A (part).)

12 Sec. 1064.005. CORRECTION OF INVALID PROCEDURES. If a  
13 court holds that any procedure under this chapter violates the  
14 constitution of this state or of the United States, the district by  
15 resolution may provide an alternative procedure that conforms with  
16 the constitution. (Acts 61st Leg., R.S., Ch. 287, Sec. 22 (part).)

17 Sec. 1064.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
18 OBLIGATION. The support and maintenance of the district may not  
19 become a charge against or obligation of this state. (Acts 61st  
20 Leg., R.S., Ch. 287, Sec. 20 (part).)

21 Sec. 1064.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
22 The legislature may not make a direct appropriation for the  
23 construction, maintenance, or improvement of a district facility.  
24 (Acts 61st Leg., R.S., Ch. 287, Sec. 20 (part).)

25 [Sections 1064.008-1064.050 reserved for expansion]

26 SUBCHAPTER B. DISTRICT ADMINISTRATION

27 Sec. 1064.051. DEFINITION. In this subchapter, "medical

1 staff" means physicians who:

2 (1) are licensed to practice medicine in this state;  
3 and

4 (2) hold medical staff privileges granted by the  
5 district. (Acts 61st Leg., R.S., Ch. 287, Sec. 4(a).)

6 Sec. 1064.052. BOARD; TERM. (a) The board consists of  
7 seven directors, appointed as follows:

8 (1) six directors appointed by the Commissioners Court  
9 of Moore County; and

10 (2) one director appointed by the medical staff of the  
11 district's hospital in accordance with procedures prescribed by the  
12 directors appointed under Subdivision (1).

13 (b) The director appointed under Subsection (a)(2) must be a  
14 member of the medical staff of the district's hospital. If the  
15 director is no longer a member of the medical staff, the person  
16 vacates the position.

17 (c) Directors appointed under Subsection (a)(1) serve  
18 staggered three-year terms. The director appointed under  
19 Subsection (a)(2) serves a two-year term. (Acts 61st Leg., R.S.,  
20 Ch. 287, Secs. 4(b), (c), (d); Acts 76th Leg., R.S., Ch. 1091, Sec.  
21 11(c).)

22 Sec. 1064.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
23 not be appointed as a director unless the person is:

24 (1) a district resident; and

25 (2) a qualified voter.

26 (b) Except as provided by Section 1064.052(a)(2), a person  
27 is not eligible to serve as a director if the person is:

- 1           (1) a district administrator;  
2           (2) a district employee; or  
3           (3) a member of the medical staff. (Acts 61st Leg.,  
4 R.S., Ch. 287, Sec. 4(f).)

5           Sec. 1064.054. BOARD VACANCY. If a vacancy occurs in the  
6 office of a director, the entity that appointed the vacating  
7 director shall appoint a director for the unexpired term. (Acts  
8 61st Leg., R.S., Ch. 287, Sec. 4(e).)

9           Sec. 1064.055. OFFICERS. (a) The board shall elect:

10           (1) a president and a vice president from among its  
11 members; and

12           (2) a secretary, who need not be a director.

13           (b) Each officer of the board serves for a term of one year.

14           (c) The board shall fill a vacancy in a board office for the  
15 unexpired term. (Acts 61st Leg., R.S., Ch. 287, Sec. 4(g) (part).)

16           Sec. 1064.056. COMPENSATION; EXPENSES. A director or  
17 officer serves without compensation but may be reimbursed for  
18 actual expenses incurred in the performance of official duties.  
19 The expenses must be:

20           (1) reported in the district's records; and

21           (2) approved by the board. (Acts 61st Leg., R.S., Ch.  
22 287, Sec. 4(g) (part).)

23           Sec. 1064.057. VOTING REQUIREMENT. A concurrence of four  
24 directors is sufficient in any matter relating to district  
25 business. (Acts 61st Leg., R.S., Ch. 287, Sec. 4(g) (part).)

26           Sec. 1064.058. ADMINISTRATOR; ASSISTANT ADMINISTRATOR.

27 (a) The board shall appoint a qualified person as district

1 administrator.

2 (b) The board may appoint an assistant administrator.

3 (c) The administrator and any assistant administrator serve  
4 at the will of the board and are entitled to the compensation  
5 determined by the board.

6 (d) On assuming the duties of district administrator, the  
7 administrator shall execute a bond payable to the district in an  
8 amount set by the board of not less than \$500,000 that:

9 (1) is conditioned on the administrator performing the  
10 administrator's duties; and

11 (2) contains any other conditions the board requires.  
12 (Acts 61st Leg., R.S., Ch. 287, Sec. 5 (part).)

13 Sec. 1064.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
14 Subject to any limitations prescribed by the board, the district  
15 administrator shall:

16 (1) supervise the work and activities of the district;  
17 and

18 (2) direct the affairs of the district. (Acts 61st  
19 Leg., R.S., Ch. 287, Sec. 5 (part).)

20 Sec. 1064.060. APPOINTMENT OF STAFF; EMPLOYEES. (a) The  
21 board may appoint doctors to the staff as the board considers  
22 necessary for the efficient operation of the district and may make  
23 temporary appointments to the staff if warranted.

24 (b) The board may employ physicians or other health care  
25 providers as the board considers necessary for the efficient  
26 operation of the district.

27 (c) The district may employ fiscal agents, accountants,

1 architects, and attorneys as the board considers proper.

2 (d) The board may delegate to the district administrator the  
3 authority to employ technicians, nurses, and other district  
4 employees, except physicians.

5 (e) This section does not authorize the board to supervise  
6 or control the practice of medicine, as prohibited by Subtitle B,  
7 Title 3, Occupations Code. (Acts 61st Leg., R.S., Ch. 287, Secs. 5  
8 (part), 16.)

9 Sec. 1064.061. SENIORITY; RETIREMENT BENEFITS. The board  
10 may:

11 (1) adopt rules related to the seniority of district  
12 employees, including rules for a retirement plan based on  
13 seniority; and

14 (2) give effect to previous years of service for a  
15 district employee continuously employed in the operation or  
16 management of hospital facilities:

17 (A) constructed by the district; or

18 (B) acquired by the district, including  
19 facilities acquired when the district was created. (Acts 61st  
20 Leg., R.S., Ch. 287, Sec. 5 (part).)

21 [Sections 1064.062-1064.100 reserved for expansion]

22 SUBCHAPTER C. POWERS AND DUTIES

23 Sec. 1064.101. DISTRICT RESPONSIBILITY. The district has  
24 full responsibility for providing hospital care for the district's  
25 indigent residents. (Acts 61st Leg., R.S., Ch. 287, Sec. 19  
26 (part).)

27 Sec. 1064.102. RESTRICTION ON POLITICAL SUBDIVISION



1 TAXATION AND DEBT. A political subdivision located within the  
2 district may not impose a tax or issue bonds or other obligations  
3 for hospital purposes or to provide medical care. (Acts 61st Leg.,  
4 R.S., Ch. 287, Sec. 19 (part).)

5 Sec. 1064.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
6 The board shall manage, control, and administer the hospital system  
7 and the district's money and resources. (Acts 61st Leg., R.S., Ch.  
8 287, Sec. 5 (part).)

9 Sec. 1064.104. HOSPITAL SYSTEM; ANCILLARY HEALTH CARE  
10 SERVICES SYSTEM. (a) The district shall provide for the  
11 establishment of a hospital system by:

12 (1) purchasing, constructing, acquiring, repairing,  
13 or renovating buildings and equipment;

14 (2) equipping the buildings; and

15 (3) administering the buildings and equipment for  
16 hospital purposes.

17 (b) The hospital system may include:

18 (1) facilities for domiciliary care and treatment of  
19 the sick or injured;

20 (2) facilities for outpatient clinics;

21 (3) dispensaries;

22 (4) facilities for geriatric domiciliary care;

23 (5) convalescent home facilities;

24 (6) necessary nurses' domiciliaries and training  
25 centers;

26 (7) blood banks;

27 (8) community mental health centers;

1           (9) research centers or laboratories; and  
2           (10) any other facilities the board considers  
3 necessary for hospital care. (Acts 61st Leg., R.S., Ch. 287, Secs.  
4 2 (part), 9 (part).)

5           Sec. 1064.105. RULES. The board may adopt rules governing  
6 the operation of the hospital, the hospital system, and the  
7 district's staff and employees. (Acts 61st Leg., R.S., Ch. 287,  
8 Sec. 5 (part).)

9           Sec. 1064.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
10 board may prescribe:

11           (1) the method and manner of making purchases and  
12 expenditures by and for the district; and

13           (2) all accounting and control procedures. (Acts 61st  
14 Leg., R.S., Ch. 287, Sec. 10 (part).)

15           Sec. 1064.107. DISTRICT PROPERTY, FACILITIES, AND  
16 EQUIPMENT. (a) The board shall determine the type, number, and  
17 location of buildings required to maintain an adequate hospital  
18 system.

19           (b) The board may lease all or part of the district's  
20 buildings and other facilities on terms considered to be in the best  
21 interest of the district's inhabitants. The term of the lease may  
22 not exceed 25 years.

23           (c) The district may acquire equipment for use in the  
24 district's hospital system and mortgage or pledge the property as  
25 security for the payment of the purchase price.

26           (d) The district may sell or otherwise dispose of any  
27 property, including equipment, on terms the board finds are in the

1 best interest of the district's inhabitants. (Acts 61st Leg.,  
2 R.S., Ch. 287, Secs. 9 (part), 10 (part).)

3 Sec. 1064.108. EMINENT DOMAIN. (a) The district may  
4 exercise the power of eminent domain to acquire a fee simple or  
5 other interest in any type of property located in district  
6 territory if the interest is necessary for the district to exercise  
7 a power, right, or privilege conferred by this chapter.

8 (b) The district must exercise the power of eminent domain  
9 in the manner provided by Chapter 21, Property Code, except the  
10 district is not required to deposit in the trial court money or a  
11 bond as provided by Section 21.021(a), Property Code.

12 (c) In a condemnation proceeding brought by the district,  
13 the district is not required to:

14 (1) pay in advance or provide a bond or other security  
15 for costs in the trial court;

16 (2) provide a bond for the issuance of a temporary  
17 restraining order or a temporary injunction; or

18 (3) provide a bond for costs or a supersedeas bond on  
19 an appeal or petition for review. (Acts 61st Leg., R.S., Ch. 287,  
20 Sec. 14.)

21 Sec. 1064.109. GIFTS AND ENDOWMENTS. The board may accept  
22 for the district a gift or endowment to be held in trust and  
23 administered by the board for the purposes and under the  
24 directions, limitations, or other provisions prescribed in writing  
25 by the donor that are not inconsistent with the proper management  
26 and objectives of the district. (Acts 61st Leg., R.S., Ch. 287,  
27 Sec. 18 (part).)

1           Sec. 1064.110. CONSTRUCTION AND PURCHASE CONTRACTS. (a) A  
2 construction or purchase contract that involves the expenditure of  
3 more than \$15,000 may be made only after advertising in the manner  
4 provided by Subchapter B, Chapter 271, Local Government Code.

5           (b) Section 271.059, Local Government Code, relating to  
6 performance and payment bonds, applies to construction contracts  
7 let by the district. (Acts 61st Leg., R.S., Ch. 287, Sec. 10  
8 (part).)

9           Sec. 1064.111. OPERATING AND MANAGEMENT CONTRACTS. The  
10 board may enter into an operating or management contract relating  
11 to a district facility. (Acts 61st Leg., R.S., Ch. 287, Sec. 9  
12 (part).)

13           Sec. 1064.112. CONTRACTS FOR CERTAIN SERVICES. The board  
14 may contract with any state, the United States, an agency or  
15 political subdivision of those entities, or a charitable or other  
16 private entity inside or outside the district for the district to:

- 17                   (1) furnish a mobile emergency medical service; or  
18                   (2) provide for the investigatory or welfare needs of  
19 district inhabitants or of persons for whom the public or private  
20 entity has an obligation to provide care. (Acts 61st Leg., R.S.,  
21 Ch. 287, Sec. 5A(c).)

22           Sec. 1064.113. CONTRACTS FOR HEALTH CARE. The board may  
23 contract with any public or private entity, including a charitable  
24 organization or a political subdivision, to provide health care or  
25 related services inside or outside the district. (Acts 61st Leg.,  
26 R.S., Ch. 287, Sec. 5 (part).)

27           Sec. 1064.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)

1 When a patient who resides in the district is admitted to a district  
2 facility, the district administrator may have an inquiry made into  
3 the circumstances of:

4 (1) the patient; and

5 (2) the patient's relatives who are legally liable for  
6 the patient's support.

7 (b) If the district administrator determines that the  
8 patient or those relatives cannot pay all or part of the costs of  
9 the patient's care and treatment in the hospital, the amount of the  
10 costs that cannot be paid becomes a charge against the district.

11 (c) If the district administrator determines that the  
12 patient or those relatives can pay for all or part of the costs of  
13 the patient's care and treatment, the patient or those relatives  
14 shall be ordered to pay the district a specified amount each week  
15 for the patient's care and support. The amount ordered must be  
16 proportionate to the person's financial ability.

17 (d) The district administrator may collect the amount from  
18 the patient's estate, or from any relative who is legally liable for  
19 the patient's support, in the manner provided by law for the  
20 collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute as to the ability to pay, or doubt  
22 in the mind of the district administrator, the board shall hold a  
23 hearing and, after calling witnesses, shall:

24 (1) determine the patient's ability to pay; and

25 (2) issue any appropriate orders.

26 (f) The final order may be appealed to the district court.

27 The substantial evidence rule applies to the appeal. (Acts 61st

1 Leg., R.S., Ch. 287, Sec. 17(a).)

2           Sec. 1064.115. REIMBURSEMENT FOR SERVICES. (a) The board  
3 shall require a county, municipality, or public hospital located  
4 outside the district to reimburse the district for the district's  
5 care and treatment of a sick or injured person of that county,  
6 municipality, or public hospital as provided by Chapter 61, Health  
7 and Safety Code.

8           (b) The board shall require the sheriff of Moore County to  
9 reimburse the district for the district's care and treatment of a  
10 person confined in a Moore County jail facility who is not indigent  
11 and does not reside in the district.

12           (c) The board shall require the police department of a  
13 municipality located in Moore County to reimburse the district for  
14 the district's care and treatment of a person confined in a jail  
15 facility of that municipality who is not indigent and does not  
16 reside in the district.

17           (d) The board may contract with this or any other state, the  
18 United States, or an agency or political subdivision of those  
19 entities to reimburse the district for the care and treatment of a  
20 sick or injured person. (Acts 61st Leg., R.S., Ch. 287, Secs.  
21 5A(a), (b).)

22           Sec. 1064.116. SALE OR LEASE OF HOSPITAL. (a) In this  
23 section, "long-term lease" means a lease for a term that exceeds 10  
24 years.

25           (b) The board may not sell a hospital owned and operated by  
26 the district, including real property, or lease the hospital under  
27 a long-term lease that relinquishes control of the hospital to the

1 lessee unless:

2 (1) the agreement for the sale or lease of the hospital  
3 provides for indigent care in the district;

4 (2) in the event of a sale of the hospital, the board  
5 has published notice of the proposed sale twice in a newspaper with  
6 general circulation in Moore County, with the first publication  
7 occurring not later than the 61st day before the date of the  
8 proposed sale, and the second publication occurring not earlier  
9 than the 30th day or later than the eighth day before the date of the  
10 proposed sale; and

11 (3) the majority of the votes cast by district voters  
12 at an election held for that purpose approve the sale or lease, as  
13 appropriate.

14 (c) Notice required by Subsection (b)(2) must include the:

15 (1) date of the proposed sale;

16 (2) name and address of the proposed buyer; and

17 (3) proposed purchase price. (Acts 61st Leg., R.S.,  
18 Ch. 287, Sec. 25.)

19 Sec. 1064.117. AUTHORITY TO SUE AND BE SUED. (a) The  
20 district, through the board, may sue and be sued.

21 (b) The district is entitled to all causes of action and  
22 defenses to which similar authorities are entitled. (Acts 61st  
23 Leg., R.S., Ch. 287, Sec. 5 (part).)

24 [Sections 1064.118-1064.150 reserved for expansion]

25 SUBCHAPTER D. CHANGE IN BOUNDARIES

26 Sec. 1064.151. TERRITORY THAT MAY BE ANNEXED. (a) The  
27 district may annex territory that is not located in:

- 1           (1) Moore County;
- 2           (2) the boundaries of another hospital district; or
- 3           (3) the proposed boundaries of another hospital
- 4 district authorized by the legislature under Section 9, Article IX,
- 5 Texas Constitution.

6           (b) Territory may be annexed in one or more tracts. Each

7 tract must be contiguous to:

- 8           (1) the district; or
- 9           (2) territory proposed to be annexed to the district.

10 (Acts 61st Leg., R.S., Ch. 287, Sec. 1A (part).)

11           Sec. 1064.152. PETITION TO ANNEX TERRITORY. (a) A petition

12 requesting that territory be annexed to the district may be

13 presented to the board. The petition must:

- 14           (1) describe the tract or tracts of land to be annexed;
- 15 and

16           (2) be signed by 100 or a majority of the registered

17 voters who:

- 18                   (A) reside in the territory to be annexed; and
- 19                   (B) own property that will be subject to district
- 20 taxation.

21           (b) This chapter does not prohibit simultaneous action on

22 several petitions for annexation. Each ballot proposition must be

23 submitted for each different territory proposed to be annexed, and

24 an election held in each territory represented by a petition.

25           (c) If the board receives two or more petitions for

26 annexation that include all or part of the same territory to be

27 annexed to the district, the petition filed first with the board



1 shall be considered and another petition that includes any of the  
2 same territory has no effect.

3 (d) The board may consider all petitions for annexation  
4 presented to it and may approve or reject each petition. The board  
5 may not partly approve or partly reject any petition. (Acts 61st  
6 Leg., R.S., Ch. 287, Sec. 1A (part).)

7 Sec. 1064.153. ELECTION ORDER. (a) If, on receipt of a  
8 petition under Section 1064.152, the board finds that annexing the  
9 territory is in the district's best interest, the board shall  
10 within 90 days of the board's finding:

11 (1) approve the petition; and

12 (2) order an election on the question of annexing the  
13 territory to the district.

14 (b) The election order shall provide for a separate  
15 election:

16 (1) in the territory proposed to be annexed; and

17 (2) in the district.

18 (c) The election order shall provide for clerks as in county  
19 elections and must specify:

20 (1) the date of the election;

21 (2) the location of the polling places;

22 (3) the form of ballot; and

23 (4) the presiding judge and alternate judge for each  
24 polling place.

25 (d) The election order may provide that:

26 (1) the entire district is one election precinct; or

27 (2) the county election precincts be combined for the

1 election. (Acts 61st Leg., R.S., Ch. 287, Secs. 1A (part), 3(a)  
2 (part).)

3       Sec. 1064.154. BALLOT. The ballot for the election shall be  
4 printed to permit voting for or against the proposition: "The  
5 establishment of the Moore County Hospital District with extended  
6 boundaries and establishment of a hospital district tax at a rate  
7 not to exceed 75 cents on the \$100 valuation on all taxable property  
8 in the extended boundaries of the hospital district that is subject  
9 to hospital district taxation for hospital purposes." (Acts 61st  
10 Leg., R.S., Ch. 287, Sec. 1A (part).)

11       Sec. 1064.155. NOTICE OF ELECTION. (a) Notice of the  
12 election shall be given by publishing once a week for two  
13 consecutive weeks a substantial copy of the election order in a  
14 newspaper or newspapers that individually or collectively have  
15 general circulation in the county or district.

16       (b) The first publication must appear at least 30 days  
17 before the date of the election. (Acts 61st Leg., R.S., Ch. 287,  
18 Secs. 1A (part), 3(a) (part).)

19       Sec. 1064.156. ELECTION RESULTS. (a) Territory may not be  
20 annexed to the district unless:

21               (1) an election is held in accordance with this  
22 subchapter; and

23               (2) the annexation is approved by a majority of the  
24 voters voting in the election in:

25                       (A) the district; and

26                       (B) the territory proposed to be annexed.

27       (b) If the territory is annexed to the district, a certified

1 copy of the order canvassing the returns of the election shall be  
2 filed and recorded in the deed records.

3 (c) An election may not be held under this subchapter within  
4 12 months of an election previously held under this subchapter.  
5 (Acts 61st Leg., R.S., Ch. 287, Secs. 1A (part), 3(a) (part).)

6 Sec. 1064.157. EFFECT OF ANNEXATION. (a) Territory  
7 annexed to the district is part of the district for all purposes.

8 (b) The annexation of territory to the district does not  
9 change the manner in which the board or district officers are  
10 selected. (Acts 61st Leg., R.S., Ch. 287, Sec. 1A (part).)

11 [Sections 1064.158-1064.200 reserved for expansion]

12 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

13 Sec. 1064.201. BUDGET. (a) The district administrator  
14 shall prepare an annual budget for approval by the board.

15 (b) The proposed budget must contain a complete financial  
16 statement of:

- 17 (1) the outstanding obligations of the district;
- 18 (2) the cash on hand in each district fund;
- 19 (3) the money received by the district from all  
20 sources during the previous year;
- 21 (4) the money available to the district from all  
22 sources during the ensuing year;
- 23 (5) the balances expected at the end of the year in  
24 which the budget is being prepared;
- 25 (6) the estimated revenue and balances available to  
26 cover the proposed budget;
- 27 (7) the estimated tax rate required; and

1           (8) the proposed expenditures and disbursements and  
2 the estimated receipts and collections for the following fiscal  
3 year. (Acts 61st Leg., R.S., Ch. 287, Sec. 6 (part).)

4           Sec. 1064.202. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
5 The board shall hold a public hearing on the proposed annual budget.

6           (b) At least 10 days before the date of the hearing, notice  
7 of the hearing shall be published one time in a newspaper or  
8 newspapers that individually or collectively have general  
9 circulation in the district.

10          (c) Any district resident is entitled to be present and  
11 participate at the hearing.

12          (d) At the conclusion of the hearing, the board shall adopt  
13 a budget by acting on the budget proposed by the district  
14 administrator. The board may make any changes in the proposed  
15 budget that, in the board's sole judgment and discretion:

16           (1) applicable federal and state law warrants and  
17 allows; and

18           (2) the interest of district residents requires in  
19 furtherance of hospital purposes. (Acts 61st Leg., R.S., Ch. 287,  
20 Sec. 6 (part).)

21          Sec. 1064.203. AMENDMENTS TO BUDGET. The budget may be  
22 amended as required by circumstances. The board must approve all  
23 amendments. (Acts 61st Leg., R.S., Ch. 287, Sec. 6 (part).)

24          Sec. 1064.204. RESTRICTION ON EXPENDITURES. Money may be  
25 spent only for an expense included in the budget or an amendment to  
26 the budget. (Acts 61st Leg., R.S., Ch. 287, Sec. 6 (part).)

27          Sec. 1064.205. FISCAL YEAR. The district operates

1 according to a fiscal year that begins on July 1 and ends on June 30.  
2 (Acts 61st Leg., R.S., Ch. 287, Sec. 6 (part).)

3 Sec. 1064.206. AUDIT. (a) The district shall have an  
4 independent audit made of the district's financial condition for  
5 the fiscal year.

6 (b) As soon as the audit is completed, the audit shall be  
7 filed at the district's office. (Acts 61st Leg., R.S., Ch. 287,  
8 Sec. 6 (part).)

9 Sec. 1064.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
10 The audit and other district records shall be open to inspection at  
11 the district's principal office. (Acts 61st Leg., R.S., Ch. 287,  
12 Sec. 6 (part).)

13 Sec. 1064.208. FINANCIAL REPORT. As soon as practicable  
14 after the close of each fiscal year, the district administrator  
15 shall prepare for the board:

16 (1) a complete sworn statement of all district money;  
17 and

18 (2) a complete account of the disbursements of that  
19 money. (Acts 61st Leg., R.S., Ch. 287, Sec. 6 (part).)

20 Sec. 1064.209. DEPOSITORY. (a) The board shall select one  
21 or more depositories for district money.

22 (b) District money, other than money invested as provided by  
23 Section 1064.210(b), and money transmitted to a bank for payment of  
24 bonds or obligations issued or assumed by the district, shall be  
25 deposited as received with the depository and shall remain on  
26 deposit.

27 (c) This chapter, including Subsection (b), does not limit

1 the power of the board to:

2 (1) place a part of district money on time deposit or  
3 other forms of deposit; or

4 (2) purchase certificates of deposit. (Acts 61st  
5 Leg., R.S., Ch. 287, Sec. 11.)

6 Sec. 1064.210. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
7 Except as otherwise provided by Section 1064.107(c) and by  
8 Subchapter F, the district may not incur an obligation payable from  
9 district revenue other than the revenue on hand or to be on hand in  
10 the current and following district fiscal years.

11 (b) The board may invest operating, depreciation, or  
12 building fund reserves only in any funds or securities authorized  
13 by law, including Chapter 2256, Government Code. (Acts 61st Leg.,  
14 R.S., Ch. 287, Secs. 5 (part), 10 (part).)

15 [Sections 1064.211-1064.250 reserved for expansion]

16 SUBCHAPTER F. BONDS

17 Sec. 1064.251. GENERAL OBLIGATION BONDS, CERTIFICATES OF  
18 OBLIGATION, AND OTHER FINANCING. The board may issue and sell  
19 general obligation bonds, certificates of obligation, or any other  
20 type of financing authorized by the laws of this state, including  
21 that type of financing authorized by Chapter 271, Local Government  
22 Code, in the name and on the faith and credit of the district for any  
23 purpose relating to:

24 (1) the purchase, construction, acquisition, repair,  
25 or renovation of buildings or improvements; and

26 (2) equipping buildings or improvements for hospital  
27 purposes. (Acts 61st Leg., R.S., Ch. 287, Sec. 7(a) (part).)

1           Sec. 1064.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
2 the time general obligation bonds are issued under Section  
3 1064.251, the board shall impose an ad valorem tax at a rate  
4 sufficient to create an interest and sinking fund to pay the  
5 principal of and interest on the bonds as the bonds mature.

6           (b) The tax required by this section together with any other  
7 ad valorem tax the district imposes may not in any year exceed the  
8 tax rate approved by the voters at the election authorizing the  
9 imposition of the tax. (Acts 61st Leg., R.S., Ch. 287, Sec. 7(a)  
10 (part).)

11          Sec. 1064.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
12 district may issue general obligation bonds only if the bonds are  
13 authorized by a majority of the district voters voting at an  
14 election held for that purpose.

15          (b) The order calling the election shall provide for clerks  
16 as in county elections and must specify:

- 17               (1) the date of the election;  
18               (2) the location of the polling places;  
19               (3) the presiding and alternate election judges for  
20 each polling place;  
21               (4) the amount of the bonds to be authorized;  
22               (5) the maximum interest rate of the bonds; and  
23               (6) the maximum maturity of the bonds.

24          (c) Notice of a bond election shall be given as provided by  
25 Section 1251.003, Government Code. (Acts 61st Leg., R.S., Ch. 287,  
26 Sec. 7(a) (part).)

27          Sec. 1064.254. REVENUE BONDS. (a) The board may issue

1 revenue bonds to:

2 (1) purchase, construct, acquire, repair, renovate,  
3 or equip buildings or improvements for hospital purposes; or

4 (2) acquire sites to be used for hospital purposes.

5 (b) The bonds must be payable from and secured by a pledge of  
6 all or part of the revenue derived from the operation of the  
7 district's hospitals.

8 (c) The bonds may be additionally secured by a mortgage or  
9 deed of trust lien on all or part of district property.

10 (d) The bonds must be issued in the manner and in accordance  
11 with the procedures and requirements prescribed by Sections  
12 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
13 and Safety Code, for issuance of revenue bonds by a county hospital  
14 authority. (Acts 61st Leg., R.S., Ch. 287, Sec. 8 (part).)

15 Sec. 1064.255. REFUNDING BONDS. (a) The board may, without  
16 an election, issue refunding bonds to refund outstanding  
17 indebtedness issued or assumed by the district.

18 (b) A refunding bond may be:

19 (1) sold, with the proceeds of the refunding bond  
20 applied to the payment of outstanding indebtedness; or

21 (2) exchanged wholly or partly for not less than a  
22 similar principal amount of outstanding indebtedness. (Acts 61st  
23 Leg., R.S., Ch. 287, Secs. 7(a) (part), (b) (part), 8 (part).)

24 Sec. 1064.256. MATURITY OF BONDS. District bonds must  
25 mature not later than 40 years after the date of issuance. (Acts  
26 61st Leg., R.S., Ch. 287, Sec. 7(c) (part).)

27 Sec. 1064.257. EXECUTION OF BONDS. (a) The board president



1 shall execute district bonds in the district's name.

2 (b) The board secretary shall countersign the bonds in the  
3 manner provided by Chapter 618, Government Code. (Acts 61st Leg.,  
4 R.S., Ch. 287, Sec. 7(c) (part).)

5 Sec. 1064.258. BONDS EXEMPT FROM TAXATION. The following  
6 are exempt from taxation by this state or a political subdivision of  
7 this state:

8 (1) bonds issued by the district;

9 (2) the transfer and issuance of the bonds; and

10 (3) profits made in the sale of the bonds. (Acts 61st  
11 Leg., R.S., Ch. 287, Sec. 21 (part).)

12 [Sections 1064.259-1064.300 reserved for expansion]

13 SUBCHAPTER G. TAXES

14 Sec. 1064.301. IMPOSITION OF AD VALOREM TAX. (a) The board  
15 shall impose a tax on all property in the district subject to  
16 district taxation.

17 (b) The board shall impose the tax to:

18 (1) pay the interest on and create a sinking fund for  
19 bonds and other obligations issued or assumed by the district for  
20 hospital purposes;

21 (2) provide for the operation and maintenance of the  
22 district and hospital system;

23 (3) make improvements and additions to the hospital  
24 system; and

25 (4) acquire necessary sites for the hospital system by  
26 purchase, lease, or condemnation. (Acts 61st Leg., R.S., Ch. 287,  
27 Secs. 12 (part), 15 (part).)

1           Sec. 1064.302. TAX RATE. (a) The board may impose the tax  
2 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
3 property in the district.

4           (b) In setting the tax rate, the board shall consider the  
5 income of the district from sources other than taxation. (Acts 61st  
6 Leg., R.S., Ch. 287, Secs. 3(b) (part), 12 (part).)

7           Sec. 1064.303. ASSESSMENT AND COLLECTION OF TAXES IN SAME  
8 MANNER AS COUNTY. (a) This section applies unless the board elects  
9 to have taxes assessed and collected under Section 1064.304.

10           (b) District taxes shall be assessed and collected in the  
11 same manner as provided by law for the assessment and collection of  
12 county taxes.

13           (c) The tax assessor-collector shall assess and collect  
14 taxes imposed by the district.

15           (d) The tax assessor-collector shall charge and deduct from  
16 payments to the district an amount as fees for assessing and  
17 collecting the taxes at a rate determined by the board. (Acts 61st  
18 Leg., R.S., Ch. 287, Sec. 15 (part).)

19           Sec. 1064.304. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
20 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes  
21 assessed and collected by a tax assessor-collector appointed by the  
22 board. An election under this subsection must be made before  
23 December 1 and governs the manner in which taxes are assessed and  
24 collected, until changed by a similar resolution.

25           (b) The board shall set for the district tax  
26 assessor-collector:

27                 (1) the terms of employment;

1           (2) compensation; and  
2           (3) the requirement for bond to assure the faithful  
3 performance of the tax assessor-collector's duties.

4           (c) A bond required under Subsection (b)(3) must be set in  
5 an amount of not less than \$100,000. (Acts 61st Leg., R.S., Ch.  
6 287, Sec. 15 (part).)

7           CHAPTER 1067. MUENSTER HOSPITAL DISTRICT

8                   SUBCHAPTER A. GENERAL PROVISIONS

9   Sec. 1067.001. DEFINITIONS

10   Sec. 1067.002. AUTHORITY FOR CREATION

11   Sec. 1067.003. ESSENTIAL PUBLIC FUNCTION

12   Sec. 1067.004. DISTRICT TERRITORY

13   Sec. 1067.005. DISTRICT SUPPORT AND MAINTENANCE NOT

14                   STATE OBLIGATION

15   Sec. 1067.006. RESTRICTION ON STATE FINANCIAL

16                   ASSISTANCE

17           [Sections 1067.007-1067.050 reserved for expansion]

18                   SUBCHAPTER B. DISTRICT ADMINISTRATION

19   Sec. 1067.051. BOARD ELECTION; TERM

20   Sec. 1067.052. NOTICE OF ELECTION

21   Sec. 1067.053. QUALIFICATIONS FOR OFFICE

22   Sec. 1067.054. BOARD VACANCY

23   Sec. 1067.055. OFFICERS

24   Sec. 1067.056. COMPENSATION; EXPENSES

25   Sec. 1067.057. DISTRICT ADMINISTRATOR; ASSISTANT

26                   ADMINISTRATOR

- 1 Sec. 1067.058. GENERAL DUTIES OF DISTRICT  
2 ADMINISTRATOR
- 3 Sec. 1067.059. APPOINTMENT AND RECRUITMENT OF STAFF  
4 AND EMPLOYEES
- 5 Sec. 1067.060. PERSONNEL CONTRACTS
- 6 Sec. 1067.061. RETIREMENT BENEFITS
- 7 [Sections 1067.062-1067.100 reserved for expansion]
- 8 SUBCHAPTER C. POWERS AND DUTIES
- 9 Sec. 1067.101. DISTRICT RESPONSIBILITY
- 10 Sec. 1067.102. RESTRICTION ON POLITICAL SUBDIVISION  
11 TAXATION AND DEBT
- 12 Sec. 1067.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 13 Sec. 1067.104. HOSPITAL OR HOSPITAL SYSTEM
- 14 Sec. 1067.105. RULES
- 15 Sec. 1067.106. PURCHASING AND ACCOUNTING PROCEDURES
- 16 Sec. 1067.107. DISTRICT PROPERTY, FACILITIES, AND  
17 EQUIPMENT
- 18 Sec. 1067.108. EMINENT DOMAIN
- 19 Sec. 1067.109. GIFTS AND ENDOWMENTS
- 20 Sec. 1067.110. CONTRACTS WITH GOVERNMENTAL ENTITIES  
21 FOR CARE AND TREATMENT
- 22 Sec. 1067.111. PAYMENT FOR TREATMENT; PROCEDURES
- 23 Sec. 1067.112. AUTHORITY TO SUE AND BE SUED
- 24 [Sections 1067.113-1067.150 reserved for expansion]
- 25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 26 Sec. 1067.151. BUDGET
- 27 Sec. 1067.152. NOTICE; ADOPTION OF BUDGET

- 1 Sec. 1067.153. AMENDMENTS TO BUDGET  
2 Sec. 1067.154. FISCAL YEAR  
3 Sec. 1067.155. ANNUAL AUDIT  
4 Sec. 1067.156. DEPOSITORY  
5 Sec. 1067.157. AUTHORITY TO BORROW MONEY; SECURITY  
6 [Sections 1067.158-1067.200 reserved for expansion]  
7 SUBCHAPTER E. BONDS  
8 Sec. 1067.201. GENERAL OBLIGATION BONDS  
9 Sec. 1067.202. TAX TO PAY GENERAL OBLIGATION BONDS  
10 Sec. 1067.203. GENERAL OBLIGATION BOND ELECTION  
11 Sec. 1067.204. MATURITY OF GENERAL OBLIGATION BONDS  
12 Sec. 1067.205. EXECUTION OF GENERAL OBLIGATION BONDS  
13 Sec. 1067.206. REVENUE BONDS  
14 Sec. 1067.207. REFUNDING BONDS  
15 Sec. 1067.208. BONDS EXEMPT FROM TAXATION  
16 [Sections 1067.209-1067.250 reserved for expansion]  
17 SUBCHAPTER F. TAXES  
18 Sec. 1067.251. IMPOSITION OF AD VALOREM TAX  
19 Sec. 1067.252. TAX RATE  
20 Sec. 1067.253. TAX ASSESSOR-COLLECTOR  
21 [Sections 1067.254-1067.300 reserved for expansion]  
22 SUBCHAPTER G. DISSOLUTION  
23 Sec. 1067.301. DISSOLUTION; ELECTION  
24 Sec. 1067.302. NOTICE OF ELECTION  
25 Sec. 1067.303. BALLOT  
26 Sec. 1067.304. ELECTION RESULTS  
27 Sec. 1067.305. TRANSFER OR ADMINISTRATION OF ASSETS

1 Sec. 1067.306. SALE OR TRANSFER OF ASSETS AND

2 LIABILITIES

3 Sec. 1067.307. IMPOSITION OF TAX AND RETURN OF SURPLUS

4 TAXES

5 Sec. 1067.308. REPORT; DISSOLUTION ORDER

6 CHAPTER 1067. MUENSTER HOSPITAL DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 1067.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of directors of the  
10 district.

11 (2) "Director" means a member of the board.

12 (3) "District" means the Muenster Hospital District.

13 (New.)

14 Sec. 1067.002. AUTHORITY FOR CREATION. The Muenster  
15 Hospital District is created under the authority of Section 9,  
16 Article IX, Texas Constitution. (Acts 59th Leg., R.S., Ch. 477,  
17 Sec. 1(a).)

18 Sec. 1067.003. ESSENTIAL PUBLIC FUNCTION. The district  
19 performs an essential public function in carrying out the purposes  
20 of this chapter. (Acts 59th Leg., R.S., Ch. 477, Sec. 11 (part).)

21 Sec. 1067.004. DISTRICT TERRITORY. The district is  
22 composed of the territory described by Section 2a, Chapter 477,  
23 Acts of the 59th Legislature, Regular Session, 1965. (New.)

24 Sec. 1067.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
25 OBLIGATION. The support and maintenance of the district may not  
26 become a charge against or obligation of this state. (Acts 59th  
27 Leg., R.S., Ch. 477, Sec. 21 (part).)

1           Sec. 1067.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
2 The legislature may not make a direct appropriation for the  
3 construction, maintenance, or improvement of a district facility.  
4 (Acts 59th Leg., R.S., Ch. 477, Sec. 21 (part).)

5           [Sections 1067.007-1067.050 reserved for expansion]

6                           SUBCHAPTER B. DISTRICT ADMINISTRATION

7           Sec. 1067.051. BOARD ELECTION; TERM. (a) The district  
8 consists of nine elected directors.

9           (b) Directors serve staggered three-year terms.

10           (c) An election shall be held on the uniform election date  
11 in May of each year to elect the appropriate number of directors.

12           (d) The election order must state the time, place, and  
13 purpose of the election. (Acts 59th Leg., R.S., Ch. 477, Sec. 4(a)  
14 (part).)

15           Sec. 1067.052. NOTICE OF ELECTION. Notice of an election of  
16 directors shall be published one time in a newspaper of general  
17 circulation in the area of the district in accordance with Section  
18 4.003(a)(1), Election Code. (Acts 59th Leg., R.S., Ch. 477, Sec.  
19 4(a) (part).)

20           Sec. 1067.053. QUALIFICATIONS FOR OFFICE. (a) To be  
21 eligible to serve as a director, a person must be:

22                           (1) a resident of the district; and

23                           (2) a qualified voter.

24           (b) A district employee may not serve as a director. (Acts  
25 59th Leg., R.S., Ch. 477, Sec. 4(b) (part).)

26           Sec. 1067.054. BOARD VACANCY. If a vacancy occurs in the  
27 office of director, the remaining directors by majority vote shall

1 appoint a director for the unexpired term. (Acts 59th Leg., R.S.,  
2 Ch. 477, Sec. 4(a) (part).)

3 Sec. 1067.055. OFFICERS. (a) The board shall elect a  
4 president and a vice president from among its members.

5 (b) The board shall appoint a secretary, who need not be a  
6 director.

7 (c) Each officer serves for a term of one year.

8 (d) The president is the chief executive officer of the  
9 district and has the same right to vote as any other director.

10 (e) If the president is absent or fails and declines to act,  
11 the vice president shall perform the president's duties and  
12 exercise the president's powers under this chapter. (Acts 59th  
13 Leg., R.S., Ch. 477, Sec. 4(b) (part).)

14 Sec. 1067.056. COMPENSATION; EXPENSES. A director is not  
15 entitled to compensation but is entitled to reimbursement for  
16 actual expenses incurred in attending to district business. The  
17 expenses must be:

18 (1) reported in the district's records; and

19 (2) approved by the remainder of the board. (Acts 59th  
20 Leg., R.S., Ch. 477, Sec. 4(b) (part).)

21 Sec. 1067.057. DISTRICT ADMINISTRATOR; ASSISTANT  
22 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
23 district administrator.

24 (b) The board may appoint an assistant administrator.

25 (c) The district administrator and any assistant  
26 administrator serve at the will of the board and are entitled to the  
27 compensation determined by the board.



1 (d) The board may require the district administrator,  
2 before assuming the administrator's duties, to execute a bond  
3 payable to the district in an amount set by the board of not less  
4 than \$5,000 that:

5 (1) is conditioned on the faithful performance of the  
6 administrator's duties; and

7 (2) contains other conditions the board may require.

8 (e) The board may pay for the bond with district money.  
9 (Acts 59th Leg., R.S., Ch. 477, Sec. 5(a) (part).)

10 Sec. 1067.058. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
11 Subject to the limitations prescribed by the board, the district  
12 administrator shall:

13 (1) supervise the work and activities of the hospital;  
14 and

15 (2) direct the affairs of the district. (Acts 59th  
16 Leg., R.S., Ch. 477, Sec. 5(b) (part).)

17 Sec. 1067.059. APPOINTMENT AND RECRUITMENT OF STAFF AND  
18 EMPLOYEES. (a) The board, with the district administrator, may  
19 appoint to the staff any doctors the board considers necessary for  
20 the efficient operation of the district.

21 (b) The board may employ technicians, nurses, and other  
22 employees as considered necessary for the efficient operation of  
23 the hospital or may provide that the district administrator has the  
24 authority to admit or employ those persons.

25 (c) The board may spend district money to recruit  
26 physicians, nurses, and other trained medical personnel. The board  
27 may pay the tuition or other expenses of a full-time medical student

1 or other student in a health occupation who:

2 (1) is enrolled in and is in good standing at an  
3 accredited medical school, college, or university; and

4 (2) contractually agrees to become a district employee  
5 or independent contractor in return for that assistance. (Acts  
6 59th Leg., R.S., Ch. 477, Secs. 5(b) (part), (g).)

7 Sec. 1067.060. PERSONNEL CONTRACTS. (a) The board may  
8 contract to provide administrative and other personnel for the  
9 operation of the hospital facilities.

10 (b) The term of the contract may not exceed 25 years from the  
11 date the contract is entered. (Acts 59th Leg., R.S., Ch. 477, Sec.  
12 5(e) (part).)

13 Sec. 1067.061. RETIREMENT BENEFITS. The board may provide  
14 retirement benefits for district employees by:

15 (1) establishing or administering a retirement  
16 program; or

17 (2) participating in:

18 (A) the Texas County and District Retirement  
19 System; or

20 (B) another statewide retirement system in which  
21 the district is eligible to participate. (Acts 59th Leg., R.S., Ch.  
22 477, Sec. 5(f).)

23 [Sections 1067.062-1067.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 1067.101. DISTRICT RESPONSIBILITY. The district has  
26 full responsibility for:

27 (1) operating all hospital facilities for providing

1 medical and hospital care of the indigent persons in the district;  
2 and

3 (2) providing medical and hospital care for the  
4 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 477, Secs.  
5 2 (part), 20 (part).)

6 Sec. 1067.102. RESTRICTION ON POLITICAL SUBDIVISION  
7 TAXATION AND DEBT. A political subdivision located within the  
8 district may not impose a tax or issue bonds or other obligations  
9 for hospital purposes for medical treatment of indigent persons in  
10 the district. (Acts 59th Leg., R.S., Ch. 477, Sec. 20 (part).)

11 Sec. 1067.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
12 The board shall manage, control, and administer the hospital, the  
13 hospital system, and the district's business, money, and resources.  
14 (Acts 59th Leg., R.S., Ch. 477, Sec. 5(a) (part).)

15 Sec. 1067.104. HOSPITAL OR HOSPITAL SYSTEM. (a) The  
16 district shall provide for the establishment, administration,  
17 maintenance, operation, and financing of a hospital or hospital  
18 system in the district.

19 (b) The district may provide any services or facilities  
20 necessary for hospital or medical care, including:

- 21 (1) rural health clinics;
- 22 (2) outpatient clinics;
- 23 (3) nursing homes;
- 24 (4) home health care agencies;
- 25 (5) extended care facilities;
- 26 (6) assisted living or personal care facilities; and
- 27 (7) retirement, housing, and medical office

1 buildings. (Acts 59th Leg., R.S., Ch. 477, Sec. 2 (part).)

2       Sec. 1067.105. RULES. The board may adopt rules for the  
3 operation of the district and as required to administer this  
4 chapter. (Acts 59th Leg., R.S., Ch. 477, Secs. 5(a) (part), 12  
5 (part).)

6       Sec. 1067.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
7 board may prescribe:

8           (1) the method and manner of making purchases and  
9 expenditures by and for the district; and

10           (2) all accounting and control procedures. (Acts 59th  
11 Leg., R.S., Ch. 477, Sec. 12 (part).)

12       Sec. 1067.107. DISTRICT PROPERTY, FACILITIES, AND  
13 EQUIPMENT. (a) The board has exclusive authority to determine the  
14 type, character, and use of facilities in the hospital system.

15           (b) The board may:

16           (1) purchase or lease property, including facilities  
17 or equipment, for the district to use in the hospital system; and

18           (2) mortgage or pledge the property as security for  
19 the payment of the purchase price.

20           (c) The board may lease district hospital facilities to  
21 individuals, corporations, or other legal entities.

22           (d) The board may sell or otherwise dispose of the  
23 district's property, including facilities and equipment. (Acts  
24 59th Leg., R.S., Ch. 477, Secs. 5(d), (e) (part), 12 (part).)

25       Sec. 1067.108. EMINENT DOMAIN. (a) The district may  
26 exercise the power of eminent domain to acquire a fee simple or  
27 other interest in any type of property located in district

1 territory if the interest is necessary or convenient for the  
2 district to exercise a power, right, or privilege conferred by this  
3 chapter.

4 (b) The district must exercise the power of eminent domain  
5 in the manner provided by Chapter 21, Property Code. (Acts 59th  
6 Leg., R.S., Ch. 477, Sec. 15.)

7 Sec. 1067.109. GIFTS AND ENDOWMENTS. The board may accept  
8 for the district a gift or endowment to be held in trust and  
9 administered by the board for the purposes and under the  
10 directions, limitations, or other provisions prescribed in writing  
11 by the donor that are not inconsistent with the proper management  
12 and objectives of the district. (Acts 59th Leg., R.S., Ch. 477,  
13 Sec. 18.)

14 Sec. 1067.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
15 CARE AND TREATMENT. (a) The board may contract with a county or  
16 municipality located outside the district for the care and  
17 treatment of a sick or injured person of that county or  
18 municipality.

19 (b) The board may contract with this state or a federal  
20 agency for the treatment of a sick or injured person for whom this  
21 state or the agency is responsible. (Acts 59th Leg., R.S., Ch. 477,  
22 Sec. 5(c).)

23 Sec. 1067.111. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
24 When an indigent patient who resides in the district is admitted to  
25 a district facility or a person who does not reside in the district  
26 is admitted as an emergency patient to a district facility, the  
27 district administrator shall have an inquiry made into the

1 circumstances of:

2 (1) the patient; and

3 (2) the patient's relatives who are legally liable for  
4 the patient's support.

5 (b) If the district administrator determines that the  
6 patient or those relatives cannot pay all or part of the costs of  
7 the care and treatment in the hospital, the amount of the costs that  
8 cannot be paid becomes a charge against the district as care for  
9 indigents.

10 (c) If the district administrator determines that the  
11 patient or those relatives can pay for all or part of the costs of  
12 the patient's care and treatment, the patient or those relatives  
13 shall be ordered to pay the district a specified amount each week  
14 for the patient's support. The amount ordered must be  
15 proportionate to the person's financial ability and may not exceed  
16 the actual per capita cost of maintenance.

17 (d) The district administrator may collect the amount from  
18 the patient's estate, or from any relative who is legally liable for  
19 the patient's support, in the manner provided by law for the  
20 collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute as to the ability to pay, or doubt  
22 in the mind of the district administrator, the board shall hold a  
23 hearing and, after calling witnesses, shall:

24 (1) resolve the dispute or doubt; and

25 (2) issue any appropriate orders.

26 (f) A final order of the board may be appealed to the  
27 district court. The substantial evidence rule applies to the

1 appeal. (Acts 59th Leg., R.S., Ch. 477, Sec. 17.)

2 Sec. 1067.112. AUTHORITY TO SUE AND BE SUED. The district,  
3 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.  
4 477, Sec. 5(a) (part).)

5 [Sections 1067.113-1067.150 reserved for expansion]

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Sec. 1067.151. BUDGET. Not later than the 30th day before  
8 the first day of each fiscal year, the board shall have an annual  
9 budget prepared for that fiscal year. (Acts 59th Leg., R.S., Ch.  
10 477, Secs. 6(b) (part), 19(a) (part).)

11 Sec. 1067.152. NOTICE; ADOPTION OF BUDGET. (a) Not later  
12 than the 30th day before the first day of each fiscal year, the  
13 board shall give notice of a public hearing on the proposed budget.  
14 The notice must be published in a newspaper of general circulation  
15 in the district one time at least 10 days before the date set for the  
16 hearing.

17 (b) The board shall adopt a budget by acting on the budget  
18 proposed by the district administrator.

19 (c) The budget is effective only after adoption by the  
20 board. (Acts 59th Leg., R.S., Ch. 477, Secs. 6(b), 19(a) (part).)

21 Sec. 1067.153. AMENDMENTS TO BUDGET. After the annual  
22 budget is adopted, the budget may be amended on the board's  
23 approval. (Acts 59th Leg., R.S., Ch. 477, Sec. 19(a) (part).)

24 Sec. 1067.154. FISCAL YEAR. (a) The district operates  
25 according to a fiscal year established by the board.

26 (b) The fiscal year may not be changed:

27 (1) during a period that revenue bonds of the district

1 are outstanding; or

2 (2) more than once in a 24-month period. (Acts 59th  
3 Leg., R.S., Ch. 477, Sec. 6 (part).)

4 Sec. 1067.155. ANNUAL AUDIT. (a) The board annually shall  
5 have an audit made of the district's financial condition.

6 (b) The audit shall be open to inspection at all times at the  
7 district's principal office. (Acts 59th Leg., R.S., Ch. 477, Sec. 6  
8 (part).)

9 Sec. 1067.156. DEPOSITORY. (a) The board shall select one  
10 or more banks to serve as a depository for district money.

11 (b) District money shall be immediately deposited on  
12 receipt with a depository bank to pay the principal of and interest  
13 on the district's outstanding bonds on or before the maturity date  
14 of the principal and interest.

15 (c) To the extent that money in a depository bank is not  
16 insured by the Federal Deposit Insurance Corporation, the money  
17 must be secured in the manner provided by law for the security of  
18 county funds.

19 (d) Membership on the district's board of an officer or  
20 director of a bank does not disqualify the bank from being selected  
21 as a depository bank. (Acts 59th Leg., R.S., Ch. 477, Sec. 13.)

22 Sec. 1067.157. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
23 The board may borrow money at a rate not to exceed the maximum  
24 annual percentage rate allowed by law for district obligations at  
25 the time the loan is made if the board declares that:

26 (1) money is not available to meet authorized  
27 obligations of the district; and



1           (2) an emergency exists.

2           (b) To secure a loan, the board may pledge:

3           (1) district revenue that is not pledged to pay the  
4 district's bonded indebtedness;

5           (2) district taxes to be imposed by the district  
6 during the 12-month period following the date of the pledge that are  
7 not pledged to pay the principal of or interest on district bonds;  
8 or

9           (3) district bonds that have been authorized but not  
10 sold.

11          (c) A loan for which taxes or bonds are pledged must mature  
12 not later than the first anniversary of the date the loan is made. A  
13 loan for which district revenue is pledged must mature not later  
14 than the fifth anniversary of the date the loan is made.

15          (d) The board may not spend money obtained from a loan under  
16 this section for any purpose other than:

17           (1) the purpose for which the board declared an  
18 emergency; and

19           (2) if district taxes or bonds are pledged to pay the  
20 loan, the purpose for which the pledged taxes were imposed or the  
21 pledged bonds were authorized. (Acts 59th Leg., R.S., Ch. 477, Sec.  
22 20a.)

23           [Sections 1067.158-1067.200 reserved for expansion]

24                                   SUBCHAPTER E. BONDS

25          Sec. 1067.201. GENERAL OBLIGATION BONDS. The board may  
26 issue and sell general obligation bonds authorized by an election  
27 in the name and on the faith and credit of the district to:

1           (1) purchase, construct, acquire, repair, or renovate  
2 buildings or improvements;

3           (2) equip buildings or improvements for hospital  
4 purposes; or

5           (3) acquire and operate a mobile emergency medical or  
6 air ambulance service. (Acts 59th Leg., R.S., Ch. 477, Sec. 9(b).)

7           Sec. 1067.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)  
8 For general obligation bonds issued under Section 1067.201, the  
9 board shall impose an ad valorem tax at a rate sufficient to create  
10 an interest and sinking fund and to pay the principal of and  
11 interest on the bonds as the bonds mature.

12           (b) The tax required by this section together with any other  
13 ad valorem tax the district imposes may not in any year exceed the  
14 limit approved by the voters at the election authorizing the  
15 imposition of the tax. (Acts 59th Leg., R.S., Ch. 477, Sec. 9(a)  
16 (part).)

17           Sec. 1067.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
18 district may issue general obligation bonds only if the bonds are  
19 authorized by a majority of the district voters voting at an  
20 election held for that purpose.

21           (b) The board may order a bond election.

22           (c) The order calling the election must specify:

23                 (1) the nature and date of the election;

24                 (2) the hours during which the polls will be open;

25                 (3) the location of the polling places;

26                 (4) the amount of the bonds to be authorized; and

27                 (5) the maximum maturity of the bonds.

1 (d) Notice of a bond election shall be given as provided by  
2 Section 1251.003, Government Code.

3 (e) The board shall declare the results of the bond  
4 election.

5 (f) Except as otherwise provided by this chapter, the  
6 election is governed by the general laws relating to county  
7 elections. (Acts 59th Leg., R.S., Ch. 477, Sec. 9(a) (part).)

8 Sec. 1067.204. MATURITY OF GENERAL OBLIGATION BONDS.  
9 District general obligation bonds must mature not later than 40  
10 years after the date of issuance. (Acts 59th Leg., R.S., Ch. 477,  
11 Sec. 9(d) (part).)

12 Sec. 1067.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
13 The board president shall execute the general obligation bonds in  
14 the district's name.

15 (b) The board secretary shall attest the bonds as provided  
16 by Chapter 618, Government Code. (Acts 59th Leg., R.S., Ch. 477,  
17 Sec. 9(c) (part).)

18 Sec. 1067.206. REVENUE BONDS. (a) The district may issue  
19 revenue bonds to:

20 (1) purchase, construct, acquire, repair, or renovate  
21 buildings or improvements;

22 (2) equip buildings or improvements for hospitals and  
23 the hospital system;

24 (3) acquire sites to be used for hospital purposes; or

25 (4) operate a mobile emergency medical service to  
26 assist the district in carrying out its hospital purposes.

27 (b) The bonds must be payable from and secured by a pledge of

1 all or part of the revenue derived from the operation of the  
2 district's hospital system.

3 (c) The bonds may be additionally secured by a mortgage or  
4 deed of trust on all or part of district property.

5 (d) The bonds must be issued in the manner provided by  
6 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
7 Health and Safety Code, for issuance of revenue bonds by a county  
8 hospital authority. (Acts 59th Leg., R.S., Ch. 477, Sec. 7.)

9 Sec. 1067.207. REFUNDING BONDS. (a) The board may issue  
10 refunding bonds to refund any bond issued by the district.

11 (b) A refunding bond may be:

12 (1) sold, with the proceeds of the refunding bond  
13 applied to the payment of the outstanding bonds or other refundable  
14 indebtedness; or

15 (2) exchanged wholly or partly for not less than a  
16 similar principal amount of the outstanding bonds or other  
17 refundable indebtedness. (Acts 59th Leg., R.S., Ch. 477, Sec. 8  
18 (part).)

19 Sec. 1067.208. BONDS EXEMPT FROM TAXATION. The following  
20 are exempt from taxation by this state or a political subdivision of  
21 this state:

22 (1) bonds issued by the district;

23 (2) the transfer of the bonds; or

24 (3) bond revenue, including any profits made in the  
25 sale of the bonds. (Acts 59th Leg., R.S., Ch. 477, Sec. 11 (part).)

1 [Sections 1067.209-1067.250 reserved for expansion]

2 SUBCHAPTER F. TAXES

3 Sec. 1067.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
4 may impose a tax on all property in the district subject to district  
5 taxation.

6 (b) The tax may be used to pay:

7 (1) indebtedness issued or assumed by the district;  
8 and

9 (2) the maintenance and operating expenses of the  
10 district.

11 (c) The board may not impose a tax to pay the principal of or  
12 interest on revenue bonds. (Acts 59th Leg., R.S., Ch. 477, Secs. 16  
13 (part), 19(b) (part).)

14 Sec. 1067.252. TAX RATE. (a) The board may impose the tax  
15 at a rate not to exceed the limit approved by the voters at the  
16 election authorizing the imposition of the tax.

17 (b) The tax rate for all purposes may not exceed 75 cents on  
18 each \$100 valuation of taxable property in the district. (Acts 59th  
19 Leg., R.S., Ch. 477, Sec. 16 (part).)

20 Sec. 1067.253. TAX ASSESSOR-COLLECTOR. The board may  
21 provide for the appointment of a tax assessor-collector for the  
22 district or may contract for the assessment and collection of taxes  
23 as provided by the Tax Code. (Acts 59th Leg., R.S., Ch. 477, Sec. 16  
24 (part).)

25 [Sections 1067.254-1067.300 reserved for expansion]

26 SUBCHAPTER G. DISSOLUTION

27 Sec. 1067.301. DISSOLUTION; ELECTION. (a) The district may

1 be dissolved only on approval of a majority of the district voters  
2 voting in an election held for that purpose.

3 (b) The board may order an election on the question of  
4 dissolving the district and disposing of the district's assets and  
5 obligations.

6 (c) The board shall order an election if the board receives  
7 a petition requesting an election that is signed by a number of  
8 residents of the district equal to at least 15 percent of the  
9 registered voters in the district.

10 (d) The order calling the election must state:

11 (1) the nature of the election, including the  
12 proposition to appear on the ballot;

13 (2) the date of the election;

14 (3) the hours during which the polls will be open; and

15 (4) the location of the polling places.

16 (e) Section 41.001(a), Election Code, does not apply to an  
17 election ordered under this section. (Acts 59th Leg., R.S., Ch.  
18 477, Secs. 20b(a), (b), (c) (part).)

19 Sec. 1067.302. NOTICE OF ELECTION. (a) The board shall give  
20 notice of an election under this subchapter by publishing once a  
21 week for two consecutive weeks a substantial copy of the election  
22 order in a newspaper with general circulation in the district.

23 (b) The first publication of the notice must appear not  
24 later than the 35th day before the date set for the election. (Acts  
25 59th Leg., R.S., Ch. 477, Sec. 20b(d) (part).)

26 Sec. 1067.303. BALLOT. The ballot for an election under  
27 this subchapter must be printed to permit voting for or against the

1 proposition: "The dissolution of the Muenster Hospital District."  
2 (Acts 59th Leg., R.S., Ch. 477, Sec. 20b(d) (part).)

3 Sec. 1067.304. ELECTION RESULTS. (a) If a majority of the  
4 votes in an election under this subchapter favor dissolution, the  
5 board shall find that the district is dissolved.

6 (b) If a majority of the votes in the election do not favor  
7 dissolution, the board shall continue to administer the district  
8 and another election on the question of dissolution may not be held  
9 before the first anniversary of the date of the most recent election  
10 to dissolve the district. (Acts 59th Leg., R.S., Ch. 477, Sec.  
11 20b(e).)

12 Sec. 1067.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
13 If a majority of the votes in an election under this subchapter  
14 favor dissolution, the board shall:

15 (1) transfer the land, buildings, improvements,  
16 equipment, and other assets that belong to the district to Cooke  
17 County or another governmental entity in Cooke County; or

18 (2) administer the property, assets, and debts until  
19 all money has been disposed of and all district debts have been paid  
20 or settled.

21 (b) If the board makes the transfer under Subsection (a)(1),  
22 the county or entity assumes all debts and obligations of the  
23 district at the time of the transfer, and the district is dissolved.  
24 (Acts 59th Leg., R.S., Ch. 477, Secs. 20b(f), (g).)

25 Sec. 1067.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

26 (a) Notwithstanding any other provision of this chapter, the  
27 district may not be dissolved unless the board provides for the sale

1 or transfer of the district's assets and liabilities to another  
2 person.

3 (b) The dissolution of the district and the sale or transfer  
4 of the district's assets or liabilities may not contravene a trust  
5 indenture or bond resolution relating to the district's outstanding  
6 bonds. The dissolution and sale or transfer does not diminish or  
7 impair the rights of a holder of an outstanding bond, warrant, or  
8 other obligation of the district.

9 (c) The sale or transfer of the district's assets and  
10 liabilities must satisfy the debt and bond obligations of the  
11 district in a manner that protects the interests of district  
12 residents, including the residents' collective property rights in  
13 the district's assets.

14 (d) The district may not transfer or dispose of the  
15 district's assets except for due compensation unless:

16 (1) the transfer is made to another governmental  
17 entity that serves the district; and

18 (2) the transferred assets are to be used for the  
19 benefit of the district's residents.

20 (e) A grant from federal funds is an obligation to be repaid  
21 in satisfaction. (Acts 59th Leg., R.S., Ch. 477, Secs. 20b(m),  
22 (n).)

23 Sec. 1067.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
24 TAXES. (a) After the board finds that the district is dissolved,  
25 the board shall:

26 (1) determine the debt owed by the district; and

27 (2) impose on the property included in the district's



1 tax rolls a tax that is in proportion of the debt to the property  
2 value.

3 (b) On the payment of all outstanding debts and obligations  
4 of the district, the board shall order the secretary to return to  
5 each district taxpayer the taxpayer's pro rata share of all unused  
6 tax money.

7 (c) A taxpayer may request that the taxpayer's share of  
8 surplus tax money be credited to the taxpayer's county taxes. If a  
9 taxpayer requests the credit, the board shall direct the secretary  
10 to transmit the money to the county tax assessor-collector. (Acts  
11 59th Leg., R.S., Ch. 477, Secs. 20b(h), (i), (j).)

12 Sec. 1067.308. REPORT; DISSOLUTION ORDER. (a) After the  
13 district has paid all district debts and has disposed of all  
14 district money and other assets as prescribed by this subchapter,  
15 the board shall file a written report with the Commissioners Court  
16 of Cooke County summarizing the board's actions in dissolving the  
17 district.

18 (b) Not later than the 10th day after the date the  
19 Commissioners Court of Cooke County receives the report and  
20 determines that the requirements of this subchapter have been  
21 fulfilled, the commissioners court shall enter an order dissolving  
22 the district and releasing the board from any further duty or  
23 obligation. (Acts 59th Leg., R.S., Ch. 477, Secs. 20b(k), (l).)

24 CHAPTER 1072. MAVERICK COUNTY HOSPITAL DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

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23 STAFF AND PROFESSIONAL PERSONNEL  
24 Sec. 1072.062. OTHER DISTRICT EMPLOYEES  
25 Sec. 1072.063. RETIREMENT BENEFITS  
26 Sec. 1072.064. MAINTENANCE OF RECORDS; PUBLIC  
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1 [Sections 1072.065-1072.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

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9 Sec. 1072.106. PURCHASING AND ACCOUNTING PROCEDURES

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11 EQUIPMENT

12 Sec. 1072.108. EMINENT DOMAIN

13 Sec. 1072.109. GIFTS AND ENDOWMENTS

14 Sec. 1072.110. CONSTRUCTION CONTRACTS

15 Sec. 1072.111. OPERATING AND MANAGEMENT CONTRACTS

16 Sec. 1072.112. CONTRACTS WITH POLITICAL SUBDIVISIONS

17 OR GOVERNMENT AGENCIES FOR HOSPITAL

18 AND MEDICAL CARE

19 Sec. 1072.113. PAYMENT FOR TREATMENT; PROCEDURES

20 Sec. 1072.114. REIMBURSEMENT FOR SERVICE

21 Sec. 1072.115. CHARITABLE ORGANIZATION

22 Sec. 1072.116. NONPROFIT CORPORATION

23 [Sections 1072.117-1072.150 reserved for expansion]

24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

25 Sec. 1072.151. BUDGET

26 Sec. 1072.152. ADOPTION OF PROPOSED BUDGET: NOTICE AND

27 HEARING

1 Sec. 1072.153. FISCAL YEAR

2 Sec. 1072.154. ANNUAL AUDIT

3 Sec. 1072.155. DEPOSITORY

4 Sec. 1072.156. AUTHORITY TO BORROW MONEY; SECURITY

5 [Sections 1072.157-1072.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 1072.201. BONDS

8 Sec. 1072.202. TAX TO PAY GENERAL OBLIGATION BONDS

9 Sec. 1072.203. BOND ELECTION

10 Sec. 1072.204. REVENUE BONDS

11 Sec. 1072.205. REFUNDING BONDS

12 Sec. 1072.206. MATURITY OF BONDS

13 Sec. 1072.207. EXECUTION OF BONDS

14 Sec. 1072.208. BONDS EXEMPT FROM TAXATION

15 [Sections 1072.209-1072.250 reserved for expansion]

16 SUBCHAPTER F. TAXES

17 Sec. 1072.251. IMPOSITION OF AD VALOREM TAX

18 Sec. 1072.252. TAX RATE

19 Sec. 1072.253. TAX ASSESSOR-COLLECTOR

20 CHAPTER 1072. MAVERICK COUNTY HOSPITAL DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 1072.001. DEFINITIONS. In this chapter:

23 (1) "Board" means the board of directors of the  
24 district.

25 (2) "Director" means a member of the board.

26 (3) "District" means the Maverick County Hospital  
27 District. (New.)

1           Sec. 1072.002. AUTHORITY FOR CREATION. The Maverick County  
2 Hospital District is created under the authority of Section 9,  
3 Article IX, Texas Constitution. (Acts 59th Leg., R.S., Ch. 172,  
4 Sec. 1.)

5           Sec. 1072.003. ESSENTIAL PUBLIC FUNCTION. The district is  
6 a public entity performing an essential public function. (Acts  
7 59th Leg., R.S., Ch. 172, Sec. 10(j) (part).)

8           Sec. 1072.004. DISTRICT TERRITORY. The boundaries of the  
9 district are coextensive with the boundaries of Maverick County.  
10 (Acts 59th Leg., R.S., Ch. 172, Sec. 2.)

11           Sec. 1072.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
12 OBLIGATION. The support and maintenance of the district's hospital  
13 system and any indebtedness incurred by the district under this  
14 chapter may not become a charge against or obligation of this state.  
15 (Acts 59th Leg., R.S., Ch. 172, Sec. 17 (part).)

16           Sec. 1072.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
17 The legislature may not make a direct appropriation for the  
18 construction, maintenance, or improvement of a district facility.  
19 (Acts 59th Leg., R.S., Ch. 172, Sec. 17 (part).)

20           [Sections 1072.007-1072.050 reserved for expansion]

21                           SUBCHAPTER B. DISTRICT ADMINISTRATION

22           Sec. 1072.051. BOARD ELECTION; TERMS. (a) The board  
23 consists of five directors elected by district voters.

24           (b) Directors serve staggered four-year terms.

25           (c) An election shall be held on the first Tuesday after the  
26 first Monday in November of each year to elect the appropriate  
27 number of directors. (Acts 59th Leg., R.S., Ch. 172, Secs. 5(a)

1 (part), (d), (e) (part).)

2 Sec. 1072.052. QUALIFICATIONS FOR OFFICE. (a) To qualify  
3 for election to the board, a person must be:

4 (1) a district resident; and

5 (2) a qualified voter.

6 (b) A person may not serve on the board if the person is:

7 (1) a party to a contract with the district to perform  
8 services for the district for compensation; or

9 (2) a district employee.

10 (c) A director is eligible for reelection to the board.  
11 (Acts 59th Leg., R.S., Ch. 172, Secs. 5(b), (c), (e) (part).)

12 Sec. 1072.053. BOND; RECORD OF BOND AND OATH OR AFFIRMATION  
13 OF OFFICE. (a) Each director shall qualify for office by executing  
14 a good and sufficient commercial bond for \$1,000 that is:

15 (1) payable to the district; and

16 (2) conditioned on the faithful performance of the  
17 director's duties.

18 (b) The district shall pay for a director's bond.

19 (c) Each director's bond and constitutional oath or  
20 affirmation of office shall be deposited with the district's  
21 depository for safekeeping. (Acts 59th Leg., R.S., Ch. 172, Sec.  
22 6(a).)

23 Sec. 1072.054. BOARD VACANCY. (a) If a vacancy occurs in  
24 the office of director, the remaining directors by a unanimous vote  
25 shall appoint a director for the unexpired term.

26 (b) The appointed director must have the qualifications  
27 required by Section 1072.052. (Acts 59th Leg., R.S., Ch. 172, Sec.

1 5(f).)

2           Sec. 1072.055. OFFICERS. The board shall elect from among  
3 its members a president, a secretary, and a treasurer at the first  
4 meeting after each directors' election. (Acts 59th Leg., R.S., Ch.  
5 172, Sec. 6(b).)

6           Sec. 1072.056. COMPENSATION; EXPENSES. A director is not  
7 entitled to compensation but is entitled to reimbursement for  
8 necessary expenses incurred in the performance of official duties.  
9 (Acts 59th Leg., R.S., Ch. 172, Sec. 6(c).)

10           Sec. 1072.057. VOTING REQUIREMENT. A concurrence of a  
11 majority of the directors voting is sufficient in any matter  
12 relating to the business of the district. (Acts 59th Leg., R.S., Ch.  
13 172, Sec. 5(g) (part).)

14           Sec. 1072.058. DISTRICT ADMINISTRATOR. (a) The board may  
15 authorize the appointment, engagement, or employment of a district  
16 administrator to manage the operations of the district.

17           (b) The district administrator serves at the will of the  
18 board and is subject to rules adopted by the board.

19           (c) The board may require that a person, before assuming the  
20 duties of district administrator, execute a bond in an amount  
21 determined by the board of not less than \$10,000 that is:

22                   (1) payable to the district; and

23                   (2) conditioned on the faithful performance of the  
24 person's duties as district administrator under this chapter.

25           (d) The board may pay for the bond with district money.  
26 (Acts 59th Leg., R.S., Ch. 172, Secs. 11(e) (part), (f), (g).)

27           Sec. 1072.059. EMPLOYMENT OF MEDICAL STAFF AND OTHER HEALTH

1 CARE PROVIDERS. (a) The board may employ physicians, dentists, or  
2 other health care providers as the board considers necessary for  
3 the efficient operation of the district.

4 (b) This section does not authorize the board to supervise  
5 or control the practice of medicine or permit the unauthorized  
6 practice of medicine, as prohibited by Subtitle B, Title 3,  
7 Occupations Code. (Acts 59th Leg., R.S., Ch. 172, Sec. 11(k-1).)

8 Sec. 1072.060. APPOINTMENT AND REMOVAL OF MEDICAL STAFF.

9 (a) The board may appoint a physician to or remove a physician from  
10 the staff of any hospital or hospital system that is a component of  
11 the district's operations as the board considers necessary for the  
12 efficient operation of the district.

13 (b) The board may adopt rules relating to the method of  
14 appointing or removing medical staff members, including the method  
15 for temporary appointments. (Acts 59th Leg., R.S., Ch. 172, Sec.  
16 11(k).)

17 Sec. 1072.061. RECRUITMENT AND RETENTION OF MEDICAL STAFF  
18 AND PROFESSIONAL PERSONNEL. The board may, consistent with  
19 applicable federal and state laws, recruit and retain physicians,  
20 nurses, technicians, and other professional personnel through:

- 21 (1) scholarship programs;
  - 22 (2) agreements for future services;
  - 23 (3) shared personnel;
  - 24 (4) bonuses; and
  - 25 (5) any other method the board determines necessary.
- 26 (Acts 59th Leg., R.S., Ch. 172, Sec. 11(l).)

27 Sec. 1072.062. OTHER DISTRICT EMPLOYEES. (a) The board may



1 authorize the employment of persons necessary for the efficient  
2 operation of the district.

3 (b) An employee serves at the will of the board and is  
4 subject to rules adopted by the board. (Acts 59th Leg., R.S., Ch.  
5 172, Secs. 11(e) (part), (f).)

6 Sec. 1072.063. RETIREMENT BENEFITS. The board may provide  
7 retirement benefits for district employees by:

8 (1) establishing or administering a retirement  
9 program; or

10 (2) participating in:

11 (A) the Texas County and District Retirement  
12 System; or

13 (B) another statewide retirement system in which  
14 the district is eligible to participate. (Acts 59th Leg., R.S., Ch.  
15 172, Sec. 11(m).)

16 Sec. 1072.064. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
17 The board shall:

18 (1) maintain all district records, including books,  
19 accounts, notices, minutes, and other matters of the district and  
20 its operation, at the district office; and

21 (2) make those records available for public inspection  
22 at reasonable times. (Acts 59th Leg., R.S., Ch. 172, Sec. 11(b).)

23 [Sections 1072.065-1072.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 1072.101. DISTRICT RESPONSIBILITY. (a) The district  
26 has the responsibility of undertaking any measure, consistent with  
27 Section 9, Article IX, Texas Constitution, and this chapter, that

1 the board determines is necessary to provide hospital and medical  
2 care to the district's needy residents.

3 (b) The district shall undertake any measure, consistent  
4 with Section 9, Article IX, Texas Constitution, and this chapter,  
5 that the board determines is necessary to provide hospital and  
6 medical care for the district's needy inhabitants. (Acts 59th Leg.,  
7 R.S., Ch. 172, Sec. 3 (part), as amended Acts 79th Leg., R.S., Chs.  
8 1237, 1351.)

9 Sec. 1072.102. ANNUAL DETERMINATION OF CARE. The board,  
10 based on the estimated amount of revenue and balances available to  
11 cover the proposed annual budget for the district, may annually  
12 determine the type and extent of hospital and medical care services  
13 offered by the district. (Acts 59th Leg., R.S., Ch. 172, Sec.  
14 11(n), as amended Acts 79th Leg., R.S., Chs. 1237, 1351.)

15 Sec. 1072.103. RESTRICTION ON POLITICAL SUBDIVISION  
16 TAXATION AND DEBT. A political subdivision of this state, other  
17 than the district, may not impose a tax or issue bonds or other  
18 obligations to provide hospital service or medical care in the  
19 district. (Acts 59th Leg., R.S., Ch. 172, Sec. 3 (part), as amended  
20 Acts 79th Leg., R.S., Chs. 1237, 1351.)

21 Sec. 1072.104. MANAGEMENT AND CONTROL OF DISTRICT. The  
22 management and control of the district is vested in the board, and  
23 the board has full power to manage and control the district. (Acts  
24 59th Leg., R.S., Ch. 172, Secs. 5(a) (part), 11(a) (part).)

25 Sec. 1072.105. RULES. (a) The board shall adopt rules for  
26 the efficient operation of the district, including district  
27 facilities.

1 (b) The board shall:

2 (1) publish the rules in book form; and

3 (2) provide copies to interested persons on request at  
4 district expense. (Acts 59th Leg., R.S., Ch. 172, Sec. 11(c).)

5 Sec. 1072.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
6 board may prescribe the method of making purchases and expenditures  
7 and the manner of accounting and control used by the district.  
8 (Acts 59th Leg., R.S., Ch. 172, Sec. 11(e) (part).)

9 Sec. 1072.107. DISTRICT PROPERTY, FACILITIES, AND  
10 EQUIPMENT. (a) The board may:

11 (1) lease or acquire property, including facilities  
12 and equipment, for the use of the district; and

13 (2) mortgage or pledge the property as security for  
14 the payment of the purchase price.

15 (b) The board may sell, lease, or otherwise dispose of  
16 property, including facilities or equipment, for the district.  
17 Sale or other disposal under this subsection must be at a public  
18 sale and at a price and on the terms the board determines are most  
19 advantageous to the district.

20 (c) The board may donate to another governmental entity or  
21 to a charitable organization any surplus personal property or  
22 equipment if the donation serves a public purpose and is  
23 accompanied by adequate consideration. (Acts 59th Leg., R.S., Ch.  
24 172, Secs. 11(o), (p).)

25 Sec. 1072.108. EMINENT DOMAIN. (a) The district may  
26 exercise the power of eminent domain to acquire a fee simple or  
27 other interest in real, personal, or mixed property located in

1 district territory if the interest is necessary or convenient for  
2 the district to exercise a power or duty conferred on the district  
3 by this chapter.

4 (b) The district must exercise the power of eminent domain  
5 in the manner provided by Chapter 21, Property Code, except the  
6 district is not required to deposit in the trial court money or a  
7 bond as provided by Section 21.021(a), Property Code.

8 (c) In a condemnation proceeding, the district is not  
9 required to:

10 (1) pay in advance or provide a bond or other security  
11 for costs in the trial court; or

12 (2) provide a bond for costs or a supersedeas bond on  
13 an appeal or petition for review. (Acts 59th Leg., R.S., Ch. 172,  
14 Sec. 14.)

15 Sec. 1072.109. GIFTS AND ENDOWMENTS. The board may accept  
16 for the district a gift or endowment to be held in trust and  
17 administered by the board under the directions, limitations, or  
18 other provisions prescribed in writing by the donor that are not  
19 inconsistent with the proper management of the district. (Acts  
20 59th Leg., R.S., Ch. 172, Sec. 11(h).)

21 Sec. 1072.110. CONSTRUCTION CONTRACTS. (a) The board may  
22 enter into construction contracts for the district.

23 (b) A construction contract awarded by the district that  
24 involves the expenditure of more than the amount provided by  
25 Section 271.024, Local Government Code, must be competitively bid  
26 as provided by Subchapter B, Chapter 271, Local Government Code.  
27 (Acts 59th Leg., R.S., Ch. 172, Sec. 11(q) (part).)

1           Sec. 1072.111. OPERATING AND MANAGEMENT CONTRACTS. The  
2 board may enter into an operating or management contract relating  
3 to hospital services or medical care the district is authorized to  
4 provide. (Acts 59th Leg., R.S., Ch. 172, Sec. 11(r).)

5           Sec. 1072.112. CONTRACTS WITH POLITICAL SUBDIVISIONS OR  
6 GOVERNMENT AGENCIES FOR HOSPITAL AND MEDICAL CARE. The board may  
7 contract with a municipality or other political subdivision or a  
8 state or federal agency to provide hospital and medical care for  
9 needy persons who reside outside the district. (Acts 59th Leg.,  
10 R.S., Ch. 172, Sec. 11(i).)

11           Sec. 1072.113. PAYMENT FOR TREATMENT; PROCEDURES. (a) A  
12 person who resides in the district is entitled to receive necessary  
13 medical and hospital care regardless of whether the person has the  
14 ability to pay for the care and may apply to receive this care  
15 without cost.

16           (b) The board or the district administrator shall employ a  
17 person to investigate the ability of the patient and any relative  
18 who is liable for the patient's support to pay for the medical and  
19 hospital care received by the patient.

20           (c) If the district determines that the patient or relative  
21 legally liable for the patient's support cannot pay all or part of  
22 the costs of the patient's care, the expense of the care becomes a  
23 charge against the district.

24           (d) If the patient or a relative legally liable for the  
25 patient's support can pay for all or part of the costs of the  
26 patient's care, the board shall order the patient or relative to pay  
27 to the district each week an amount specified in the order. The

1 amount must be proportionate to the person's ability to pay.

2 (e) The district administrator may collect the amount from  
3 the patient's estate, or from any relative who is liable for the  
4 patient's support, in the manner provided by law for the collection  
5 of expenses of the last illness of a deceased person.

6 (f) If there is a dispute as to the ability to pay, the board  
7 shall hold a hearing and, after calling witnesses, shall:

8 (1) determine the question; and

9 (2) make the proper order based on the board's  
10 findings.

11 (g) A party to the hearing who is not satisfied with the  
12 result of the order may appeal to the district court. The  
13 substantial evidence rule applies to the appeal. (Acts 59th Leg.,  
14 R.S., Ch. 172, Sec. 13.)

15 Sec. 1072.114. REIMBURSEMENT FOR SERVICE. (a) The board  
16 shall require a county, municipal, or other public hospital located  
17 outside the district to reimburse the district for the district's  
18 care and treatment of a patient of that hospital as provided by  
19 Chapter 61, Health and Safety Code.

20 (b) The board shall require the sheriff of Maverick County  
21 or the police chief of a municipality in the district to reimburse  
22 the district for the district's care and treatment of a person who  
23 is confined in a jail facility of the county or municipality and is  
24 not a resident of the district. (Acts 59th Leg., R.S., Ch. 172,  
25 Sec. 11(j).)

26 Sec. 1072.115. CHARITABLE ORGANIZATION. (a) In this  
27 section, "charitable organization" means an organization that is

1 exempt from federal income tax under Section 501(a) of the Internal  
2 Revenue Code of 1986 by being listed as an exempt organization in  
3 Section 501(c)(3) or 501(c)(4) of the code.

4 (b) The board may facilitate the achievement of district  
5 purposes by creating a charitable organization to:

6 (1) provide or arrange for hospital and health care  
7 services;

8 (2) develop resources for hospital and health care  
9 services; and

10 (3) provide ancillary support services for the  
11 district.

12 (c) A charitable organization created under this section is  
13 a unit of local government for purposes of Chapter 101, Civil  
14 Practice and Remedies Code. (Acts 59th Leg., R.S., Ch. 172, Secs.  
15 11(s), (u).)

16 Sec. 1072.116. NONPROFIT CORPORATION. (a) The board, on  
17 the district's behalf, may create and sponsor a nonprofit  
18 corporation under the Business Organizations Code and may  
19 contribute money to or solicit money for the corporation.

20 (b) The corporation may use money, other than money the  
21 corporation pays to the district, only to provide health care or  
22 other services the district is authorized to provide under this  
23 chapter.

24 (c) The corporation may invest the corporation's money in  
25 any manner in which the district may invest the district's money,  
26 including investing money as authorized by Chapter 2256, Government  
27 Code.

1 (d) The board shall establish adequate controls to ensure  
2 that the corporation uses its money as required by this section.  
3 (Acts 59th Leg., R.S., Ch. 172, Sec. 11(t).)

4 [Sections 1072.117-1072.150 reserved for expansion]

5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6 Sec. 1072.151. BUDGET. The district administrator shall  
7 prepare a proposed budget that includes:

- 8 (1) proposed expenditures and disbursements;  
9 (2) estimated receipts and collections for the next  
10 fiscal year; and  
11 (3) the amount of taxes required to be imposed to meet  
12 the proposed budget. (Acts 59th Leg., R.S., Ch. 172, Sec. 12(b).)

13 Sec. 1072.152. ADOPTION OF PROPOSED BUDGET: NOTICE AND  
14 HEARING. (a) The board shall hold a public hearing on the proposed  
15 budget.

16 (b) Notice of the hearing must be published at least once in  
17 a newspaper of general circulation in the district not later than  
18 the 10th day before the date of the hearing.

19 (c) Any district resident is entitled to:  
20 (1) appear at the hearing; and  
21 (2) be heard regarding any item in the proposed  
22 budget.

23 (d) At the conclusion of the hearing, the board shall adopt  
24 a budget for the district that includes any changes to the proposed  
25 budget that the board determines are in the best interest of the  
26 district. (Acts 59th Leg., R.S., Ch. 172, Secs. 12(c), (d), (e).)

27 Sec. 1072.153. FISCAL YEAR. The district's fiscal year is



1 from September 1 through August 31. (Acts 59th Leg., R.S., Ch. 172,  
2 Sec. 12(a).)

3 Sec. 1072.154. ANNUAL AUDIT. (a) The board annually shall  
4 require an independent audit of the district's books and records.

5 (b) Not later than January 1 of each year, the board shall:

6 (1) file a copy of the audit with the district; and

7 (2) provide a copy of the audit at each public library  
8 located in the district. (Acts 59th Leg., R.S., Ch. 172, Sec.  
9 11(d).)

10 Sec. 1072.155. DEPOSITORY. (a) The board by resolution  
11 shall designate a bank in Maverick County as the district's  
12 depository. A designated bank serves for two years and until a  
13 successor is designated.

14 (b) All district money shall be deposited in the depository  
15 and secured in the manner provided for securing county funds. (Acts  
16 59th Leg., R.S., Ch. 172, Sec. 15.)

17 Sec. 1072.156. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
18 The board may borrow money at a rate of not more than 10 percent a  
19 year on district notes to pay the obligations if the board declares  
20 that money is not available to meet authorized district  
21 obligations, which creates an emergency.

22 (b) To secure a loan, the board may pledge:

23 (1) district revenue that is not pledged to pay the  
24 district's bonded indebtedness;

25 (2) a district tax to be imposed by the district in the  
26 next 12-month period that is not pledged to pay the principal of or  
27 interest on district bonds; or

1               (3) district bonds that have been authorized but not  
2 sold.

3               (c) A loan for which taxes or bonds are pledged must mature  
4 not later than the first anniversary of the date the loan is made. A  
5 loan for which district revenue is pledged must mature not later  
6 than the fifth anniversary of the date the loan is made.

7               (d) Money obtained from a loan under this section may be  
8 spent only for:

9               (1) a purpose for which the board declared an  
10 emergency; and

11              (2) if district taxes or bonds are pledged to pay the  
12 loan, the purposes for which the taxes were imposed or the bonds  
13 were authorized. (Acts 59th Leg., R.S., Ch. 172, Sec. 11A.)

14              [Sections 1072.157-1072.200 reserved for expansion]

15    SUBCHAPTER E. BONDS

16           Sec. 1072.201. BONDS. The district may issue bonds to:

17              (1) purchase, construct, acquire, repair, or renovate  
18 buildings or improvements; and

19              (2) equip buildings for hospital purposes. (Acts 59th  
20 Leg., R.S., Ch. 172, Sec. 9(a) (part).)

21           Sec. 1072.202. TAX TO PAY GENERAL OBLIGATION BONDS. The  
22 board may issue general obligation bonds only if the board imposes  
23 an ad valorem tax at a rate sufficient to create an interest and  
24 sinking fund to pay the principal of and interest on the bonds as  
25 the bonds mature. (Acts 59th Leg., R.S., Ch. 172, Sec. 10(b).)

26           Sec. 1072.203. BOND ELECTION. (a) The board may issue  
27 general obligation bonds only if the bonds are authorized by a

1 majority of district voters voting in an election held for that  
2 purpose.

3 (b) The board may order a bond election at any time.

4 (c) The order calling an election must include:

5 (1) the time of the election;

6 (2) the location of the polling places;

7 (3) the form of the ballot;

8 (4) the presiding judge for each polling place;

9 (5) the purpose of the bond issuance;

10 (6) the amount of the bonds to be authorized;

11 (7) the maximum interest rate of the bonds; and

12 (8) the maximum maturity of the bonds.

13 (d) A substantial copy of the election order shall be  
14 published in a newspaper of general circulation in the district  
15 once a week for two consecutive weeks before the date of the  
16 election. The first notice must be published at least 14 days  
17 before the date of the election.

18 (e) A copy of the election results must be filed with the  
19 county clerk and become a public record. (Acts 59th Leg., R.S., Ch.  
20 172, Secs. 4(c), (d), (e) (part), 9(a) (part), (b), (d) (part).)

21 Sec. 1072.204. REVENUE BONDS. (a) The district may issue  
22 revenue bonds to:

23 (1) acquire, construct, repair, renovate, or equip  
24 buildings or improvements for hospital purposes; or

25 (2) acquire real property for district purposes.

26 (b) The bonds must be payable from and secured by a pledge of  
27 all or part of the revenue derived from the operation of the

1 district's hospital system.

2 (c) The bonds must be issued in the manner provided by  
3 Sections 264.042, 264.043, 264.044, 264.045, 264.046, 264.047,  
4 264.048, and 264.049, Health and Safety Code, for issuance of  
5 revenue bonds by a county hospital authority. (Acts 59th Leg.,  
6 R.S., Ch. 172, Secs. 10(d), (e), (f).)

7 Sec. 1072.205. REFUNDING BONDS. (a) The board may issue  
8 refunding bonds to refund outstanding indebtedness issued or  
9 assumed by the district.

10 (b) A refunding bond may be:

11 (1) sold, with the proceeds of the bond applied to the  
12 payment of the outstanding indebtedness; or

13 (2) exchanged wholly or partly for not less than a  
14 similar principal amount of outstanding indebtedness. (Acts 59th  
15 Leg., R.S., Ch. 172, Sec. 10(g) (part).)

16 Sec. 1072.206. MATURITY OF BONDS. District bonds must  
17 mature not later than 50 years after the date of issuance. (Acts  
18 59th Leg., R.S., Ch. 172, Sec. 9(c) (part).)

19 Sec. 1072.207. EXECUTION OF BONDS. (a) The board president  
20 shall execute the district's bonds in the district's name.

21 (b) The board secretary shall countersign the bonds. (Acts  
22 59th Leg., R.S., Ch. 172, Sec. 10(a) (part).)

23 Sec. 1072.208. BONDS EXEMPT FROM TAXATION. The following  
24 are exempt from taxation by this state or a political subdivision of  
25 this state:

26 (1) bonds issued by the district;

27 (2) any transaction relating to the bonds; and

1 (3) profits made in the sale of the bonds. (Acts 59th  
2 Leg., R.S., Ch. 172, Sec. 10(j) (part).)

3 [Sections 1072.209-1072.250 reserved for expansion]

4 SUBCHAPTER F. TAXES

5 Sec. 1072.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
6 shall impose a tax on all property in the district subject to  
7 district taxation.

8 (b) The tax may be used only to:

9 (1) pay the interest on and create a sinking fund for  
10 bonds issued under this chapter;

11 (2) provide for the operation and maintenance of the  
12 district and hospital system;

13 (3) make improvements and additions to the hospital  
14 system;

15 (4) acquire sites for additions to the hospital  
16 system; and

17 (5) pay the indebtedness issued or assumed by the  
18 district. (Acts 59th Leg., R.S., Ch. 172, Secs. 8(a) (part), (c).)

19 Sec. 1072.252. TAX RATE. The board may impose the tax at a  
20 rate not to exceed 50 cents on each \$100 valuation of all taxable  
21 property in the district. (Acts 59th Leg., R.S., Ch. 172, Sec. 8(a)  
22 (part).)

23 Sec. 1072.253. TAX ASSESSOR-COLLECTOR. The tax  
24 assessor-collector for Maverick County shall collect taxes for the  
25 district. (Acts 59th Leg., R.S., Ch. 172, Sec. 8(d) (part).)

- 1           CHAPTER 1073. NORTH RUNNELS COUNTY HOSPITAL DISTRICT
- 2                           SUBCHAPTER A. GENERAL PROVISIONS
- 3   Sec. 1073.001.   DEFINITIONS
- 4   Sec. 1073.002.   AUTHORITY FOR CREATION
- 5   Sec. 1073.003.   ESSENTIAL PUBLIC FUNCTION
- 6   Sec. 1073.004.   DISTRICT TERRITORY
- 7   Sec. 1073.005.   CORRECTION OF INVALID PROCEDURES
- 8   Sec. 1073.006.   DISTRICT SUPPORT AND MAINTENANCE NOT
- 9                           STATE OBLIGATION
- 10   Sec. 1073.007.   RESTRICTION ON STATE FINANCIAL
- 11                           ASSISTANCE
- 12           [Sections 1073.008-1073.050 reserved for expansion]
- 13                           SUBCHAPTER B. DISTRICT ADMINISTRATION
- 14   Sec. 1073.051.   BOARD ELECTION; TERM
- 15   Sec. 1073.052.   NOTICE OF ELECTION
- 16   Sec. 1073.053.   QUALIFICATIONS FOR OFFICE
- 17   Sec. 1073.054.   BOND
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- 20   Sec. 1073.057.   COMPENSATION; EXPENSES
- 21   Sec. 1073.058.   DISTRICT ADMINISTRATOR; ASSISTANT
- 22                           ADMINISTRATOR
- 23   Sec. 1073.059.   GENERAL DUTIES OF DISTRICT
- 24                           ADMINISTRATOR
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- 26                           OF STAFF AND EMPLOYEES
- 27   Sec. 1073.061.   PERSONNEL CONTRACTS

- 1 Sec. 1073.062. SENIORITY  
2 Sec. 1073.063. RETIREMENT BENEFITS  
3 [Sections 1073.064-1073.100 reserved for expansion]  
4 SUBCHAPTER C. POWERS AND DUTIES  
5 Sec. 1073.101. DISTRICT RESPONSIBILITY  
6 Sec. 1073.102. RESTRICTION ON POLITICAL SUBDIVISION  
7 TAXATION AND DEBT  
8 Sec. 1073.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
9 Sec. 1073.104. HOSPITAL SYSTEM  
10 Sec. 1073.105. RULES  
11 Sec. 1073.106. PURCHASING AND ACCOUNTING PROCEDURES  
12 Sec. 1073.107. DISTRICT PROPERTY, FACILITIES, AND  
13 EQUIPMENT  
14 Sec. 1073.108. EMINENT DOMAIN  
15 Sec. 1073.109. GIFTS AND ENDOWMENTS  
16 Sec. 1073.110. OPERATING AND MANAGEMENT CONTRACTS  
17 Sec. 1073.111. CONTRACTS WITH GOVERNMENTAL ENTITIES  
18 FOR HOSPITALIZATION AND TREATMENT  
19 Sec. 1073.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
20 FOR INVESTIGATORY OR OTHER SERVICES  
21 Sec. 1073.113. BIDDING REQUIREMENTS  
22 Sec. 1073.114. PROVISION OF SERVICES OUTSIDE DISTRICT  
23 Sec. 1073.115. PAYMENT FOR TREATMENT; PROCEDURES  
24 Sec. 1073.116. AUTHORITY TO SUE AND BE SUED  
25 [Sections 1073.117-1073.150 reserved for expansion]  
26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
27 Sec. 1073.151. BUDGET

- 1 Sec. 1073.152. NOTICE; HEARING; ADOPTION OF BUDGET
- 2 Sec. 1073.153. AMENDMENTS TO BUDGET
- 3 Sec. 1073.154. RESTRICTION ON EXPENDITURES
- 4 Sec. 1073.155. FISCAL YEAR
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- 6 Sec. 1073.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
- 7 RECORDS
- 8 Sec. 1073.158. FINANCIAL REPORT
- 9 Sec. 1073.159. DEPOSITORY
- 10 Sec. 1073.160. SPENDING AND INVESTMENT RESTRICTIONS
- 11 Sec. 1073.161. AUTHORITY TO BORROW MONEY; SECURITY
- 12 [Sections 1073.162-1073.200 reserved for expansion]
- 13 SUBCHAPTER E. BONDS
- 14 Sec. 1073.201. GENERAL OBLIGATION BONDS
- 15 Sec. 1073.202. TAX TO PAY GENERAL OBLIGATION BONDS
- 16 Sec. 1073.203. GENERAL OBLIGATION BOND ELECTION
- 17 Sec. 1073.204. REVENUE BONDS
- 18 Sec. 1073.205. REFUNDING BONDS
- 19 Sec. 1073.206. MATURITY OF BONDS
- 20 Sec. 1073.207. EXECUTION OF BONDS
- 21 Sec. 1073.208. BONDS EXEMPT FROM TAXATION
- 22 [Sections 1073.209-1073.250 reserved for expansion]
- 23 SUBCHAPTER F. TAXES
- 24 Sec. 1073.251. IMPOSITION OF AD VALOREM TAX
- 25 Sec. 1073.252. TAX RATE
- 26 Sec. 1073.253. TAX ASSESSOR-COLLECTOR
- 27 [Sections 1073.254-1073.300 reserved for expansion]



SUBCHAPTER G. DISSOLUTION

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- 2 Sec. 1073.301. DISSOLUTION; ELECTION
- 3 Sec. 1073.302. NOTICE OF ELECTION
- 4 Sec. 1073.303. BALLOT
- 5 Sec. 1073.304. ELECTION RESULTS
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- 8 LIABILITIES
- 9 Sec. 1073.307. IMPOSITION OF TAX AND RETURN OF SURPLUS
- 10 TAXES
- 11 Sec. 1073.308. REPORT; DISSOLUTION ORDER

CHAPTER 1073. NORTH RUNNELS COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 1073.001. DEFINITIONS. In this chapter:

15 (1) "Board" means the board of directors of the  
16 district.

17 (2) "Director" means a member of the board.

18 (3) "District" means the North Runnels County Hospital  
19 District. (New.)

20 Sec. 1073.002. AUTHORITY FOR CREATION. The North Runnels  
21 County Hospital District is created under the authority of Section  
22 9, Article IX, Texas Constitution, and has the rights, powers, and  
23 duties provided by this chapter. (Acts 61st Leg., R.S., Ch. 206,  
24 Sec. 1 (part).)

25 Sec. 1073.003. ESSENTIAL PUBLIC FUNCTION. The district  
26 performs an essential public function in carrying out the purposes  
27 of this chapter. (Acts 61st Leg., R.S., Ch. 206, Sec. 23 (part).)

1           Sec. 1073.004. DISTRICT TERRITORY. The boundaries of the  
2 district are coextensive with the boundaries of County  
3 Commissioners Precincts 2 and 3 of Runnels County as those  
4 boundaries existed on January 1, 1969. (Acts 61st Leg., R.S., Ch.  
5 206, Sec. 1 (part).)

6           Sec. 1073.005. CORRECTION OF INVALID PROCEDURES. If a  
7 court holds that any procedure under this chapter violates the  
8 constitution of this state or of the United States, the district by  
9 resolution may provide an alternative procedure that conforms with  
10 the constitution. (Acts 61st Leg., R.S., Ch. 206, Sec. 24 (part).)

11           Sec. 1073.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
12 OBLIGATION. The support and maintenance of the district may not  
13 become a charge against or obligation of this state. (Acts 61st  
14 Leg., R.S., Ch. 206, Sec. 22 (part).)

15           Sec. 1073.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
16 The legislature may not make a direct appropriation for the  
17 construction, maintenance, or improvement of a district facility.  
18 (Acts 61st Leg., R.S., Ch. 206, Sec. 22 (part).)

19           [Sections 1073.008-1073.050 reserved for expansion]

20                           SUBCHAPTER B. DISTRICT ADMINISTRATION

21           Sec. 1073.051. BOARD ELECTION; TERM. (a) The board  
22 consists of seven directors elected from the district.

23           (b) Unless four-year terms are established under Section  
24 285.081, Health and Safety Code:

25                           (1) directors serve two-year terms; and

26                           (2) a directors' election shall be held on the uniform  
27 election date in May of each year.

1 (c) The election order must state the time, place, and  
2 purpose of the election. (Acts 61st Leg., R.S., Ch. 206, Secs.  
3 4(a), (b) (part).)

4 Sec. 1073.052. NOTICE OF ELECTION. Not earlier than the  
5 30th day or later than the 10th day before the date of an election of  
6 directors, notice of the election shall be published one time in a  
7 newspaper or newspapers that individually or collectively have  
8 general circulation in the district. (Acts 61st Leg., R.S., Ch.  
9 206, Sec. 4(b) (part).)

10 Sec. 1073.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
11 not be appointed as a director unless the person is:

- 12 (1) a resident of the district; and  
13 (2) a qualified voter.

14 (b) A person is not eligible to serve as a director if the  
15 person is:

- 16 (1) the district administrator;  
17 (2) a district employee; or  
18 (3) a member of the hospital staff. (Acts 61st Leg.,  
19 R.S., Ch. 206, Sec. 4(c).)

20 Sec. 1073.054. BOND. (a) The board may require all  
21 district officers and employees charged with handling money to  
22 furnish a good bond for not less than \$5,000 that is:

- 23 (1) payable to the district;  
24 (2) conditioned on the faithful performance of the  
25 officer's or employee's duties; and

26 (3) signed by a surety company authorized to do  
27 business in this state.

1 (b) The board may pay for the bond with district money.

2 (c) The district shall pay the premiums on the bond. (Acts  
3 61st Leg., R.S., Ch. 206, Sec. 4(b) (part).)

4 Sec. 1073.055. BOARD VACANCY. If a vacancy occurs in the  
5 office of director, the remaining directors shall appoint a  
6 director for the unexpired term. (Acts 61st Leg., R.S., Ch. 206,  
7 Sec. 4(b) (part).)

8 Sec. 1073.056. OFFICERS. (a) The board shall elect a  
9 president and a vice president from among its members.

10 (b) The board shall appoint a secretary, who need not be a  
11 director.

12 (c) Each officer of the board serves for a term of one year.

13 (d) The board shall fill a vacancy in a board office for the  
14 unexpired term. (Acts 61st Leg., R.S., Ch. 206, Sec. 4(d) (part).)

15 Sec. 1073.057. COMPENSATION; EXPENSES. A director or  
16 officer serves without compensation but may be reimbursed for  
17 actual expenses incurred in the performance of official duties.  
18 The expenses must be:

19 (1) reported in the district's records; and

20 (2) approved by the board. (Acts 61st Leg., R.S., Ch.  
21 206, Sec. 4(d) (part).)

22 Sec. 1073.058. DISTRICT ADMINISTRATOR; ASSISTANT  
23 ADMINISTRATOR. (a) The board may appoint a qualified person as  
24 district administrator.

25 (b) The board may appoint one or more assistant  
26 administrators.

27 (c) The district administrator and any assistant

1 administrator serve at the will of the board and are entitled to the  
2 compensation determined by the board.

3 (d) Before assuming the duties of district administrator,  
4 the board may require the administrator to execute a bond payable to  
5 the district in an amount set by the board of not less than \$5,000  
6 that:

7 (1) is conditioned on the faithful performance of the  
8 administrator's duties; and

9 (2) contains other conditions the board may require.

10 (e) The board may pay for the bond with district money.  
11 (Acts 61st Leg., R.S., Ch. 206, Sec. 5(b) (part).)

12 Sec. 1073.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
13 Subject to the limitations prescribed by the board, the district  
14 administrator shall:

15 (1) supervise the work and activities of the district;  
16 and

17 (2) direct the affairs of the district. (Acts 61st  
18 Leg., R.S., Ch. 206, Sec. 5(b) (part).)

19 Sec. 1073.060. APPOINTMENT, DISMISSAL, AND RECRUITMENT OF  
20 STAFF AND EMPLOYEES. (a) The board, with the district  
21 administrator, may appoint doctors to or dismiss doctors from the  
22 staff as considered necessary for the efficient operation of the  
23 district and may make temporary appointments as warranted.

24 (b) The district may employ fiscal agents, accountants,  
25 architects, and attorneys the board considers proper.

26 (c) The board may delegate to the district administrator the  
27 authority to hire district employees, including technicians and

1 nurses.

2 (d) The board may spend district money to recruit  
3 physicians, nurses, and other trained medical personnel. The board  
4 may pay the tuition or other expenses of a full-time medical student  
5 or other student in a health occupation who:

6 (1) is enrolled in and is in good standing at an  
7 accredited medical school, college, or university; and

8 (2) contractually agrees to become a district employee  
9 or independent contractor in return for that assistance. (Acts  
10 61st Leg., R.S., Ch. 206, Secs. 5(b) (part), (h), 18.)

11 Sec. 1073.061. PERSONNEL CONTRACTS. (a) The board may  
12 contract to provide administrative or other personnel for the  
13 operation of hospital facilities.

14 (b) The term of a contract may not exceed 25 years. (Acts  
15 61st Leg., R.S., Ch. 206, Sec. 5(f) (part).)

16 Sec. 1073.062. SENIORITY. The board may:

17 (1) adopt rules related to the seniority of district  
18 employees, including rules for a retirement plan based on  
19 seniority; and

20 (2) give effect to previous years of service for  
21 district employees continuously employed in the operation or  
22 management of hospital facilities acquired or constructed by the  
23 district. (Acts 61st Leg., R.S., Ch. 206, Sec. 5(a) (part).)

24 Sec. 1073.063. RETIREMENT BENEFITS. The board may provide  
25 retirement benefits for district employees by:

26 (1) establishing or administering a retirement  
27 program; or

1           (2) participating in:

2                   (A) the Texas County and District Retirement  
3 System; or

4                   (B) another statewide retirement system in which  
5 the district is eligible to participate. (Acts 61st Leg., R.S., Ch.  
6 206, Sec. 5(g).)

7           [Sections 1073.064-1073.100 reserved for expansion]

8                   SUBCHAPTER C. POWERS AND DUTIES

9           Sec. 1073.101. DISTRICT RESPONSIBILITY. The district has  
10 full responsibility for:

11                   (1) operating all hospital facilities for providing  
12 medical and hospital care for the district's needy inhabitants; and

13                   (2) providing medical and hospital care for the  
14 district's needy inhabitants. (Acts 61st Leg., R.S., Ch. 206,  
15 Secs. 2 (part), 21 (part).)

16           Sec. 1073.102. RESTRICTION ON POLITICAL SUBDIVISION  
17 TAXATION AND DEBT. A political subdivision that is located within  
18 the district or that has the same boundaries as the district may not  
19 impose a tax or issue bonds or other obligations for hospital  
20 purposes or to provide medical care. (Acts 61st Leg., R.S., Ch.  
21 206, Sec. 21 (part).)

22           Sec. 1073.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
23 The board shall manage, control, and administer:

24                   (1) the hospital and hospital system; and

25                   (2) the district's business, money, and resources.  
26 (Acts 61st Leg., R.S., Ch. 206, Sec. 5(a) (part).)

27           Sec. 1073.104. HOSPITAL SYSTEM. (a) The district shall

1 provide for the establishment, administration, maintenance,  
2 operation, and financing of a hospital system, including any  
3 component specified by Subsection (b) or a service or facility  
4 specified by Subsection (c), by:

5 (1) purchasing, constructing, acquiring, repairing,  
6 or renovating buildings and equipment;

7 (2) equipping the buildings; and

8 (3) administering the system, service, or facility for  
9 hospital purposes.

10 (b) The hospital system may include:

11 (1) a medical care system;

12 (2) rural health clinics;

13 (3) outpatient clinics and facilities for outpatient  
14 clinics;

15 (4) nursing homes;

16 (5) home health services;

17 (6) facilities for domiciliary care of the sick,  
18 injured, or geriatric;

19 (7) pharmacies;

20 (8) convalescent home facilities;

21 (9) necessary nurses domiciliaries and training  
22 centers;

23 (10) blood banks;

24 (11) community mental health centers;

25 (12) research centers or laboratories; and

26 (13) any other facilities the board considers  
27 necessary for hospital care.



1 (c) The district may provide any services or facilities  
2 necessary for:

- 3 (1) hospital agencies;  
4 (2) extended care facilities; and  
5 (3) assisted living or personal care facilities,  
6 including retirement benefits, housing, and medical office  
7 buildings. (Acts 61st Leg., R.S., Ch. 206, Secs. 2 (part), 11  
8 (part).)

9 Sec. 1073.105. RULES. The board may adopt rules governing  
10 the operation of the hospital, the hospital system, and the  
11 district's staff and employees. (Acts 61st Leg., R.S., Ch. 206,  
12 Sec. 5(a) (part).)

13 Sec. 1073.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
14 board may prescribe:

- 15 (1) the method and manner of making purchases and  
16 expenditures by and for the district; and  
17 (2) all accounting and control procedures. (Acts 61st  
18 Leg., R.S., Ch. 206, Sec. 12 (part).)

19 Sec. 1073.107. DISTRICT PROPERTY, FACILITIES, AND  
20 EQUIPMENT. (a) The board shall determine the type, number, and  
21 location of buildings required to maintain an adequate hospital  
22 system.

23 (b) The board may:

- 24 (1) purchase or lease property, including facilities  
25 and equipment, for the district to use in the hospital system; and  
26 (2) mortgage or pledge the property as security for  
27 the payment of the purchase price.

1 (c) The board may lease district hospital facilities to  
2 individuals, corporations, or other legal entities.

3 (d) The board may sell or otherwise dispose of the  
4 district's property, including facilities and equipment. (Acts  
5 61st Leg., R.S., Ch. 206, Secs. 5(e), (f) (part), 11 (part).)

6 Sec. 1073.108. EMINENT DOMAIN. (a) The district may  
7 exercise the power of eminent domain to acquire a fee simple or  
8 other interest in any type of property located in district  
9 territory if the interest is necessary for the district to exercise  
10 a power, right, or privilege conferred by this chapter.

11 (b) The district must exercise the power of eminent domain  
12 in the manner provided by Chapter 21, Property Code, except the  
13 district is not required to deposit in the trial court money or a  
14 bond as provided by Section 21.021, Property Code.

15 (c) In a condemnation proceeding brought by the district,  
16 the district is not required to:

17 (1) pay in advance or provide a bond or other security  
18 for costs in the trial court;

19 (2) provide a bond for the issuance of a temporary  
20 restraining order or a temporary injunction; or

21 (3) provide a bond for costs or a supersedeas bond on  
22 an appeal or petition for review. (Acts 61st Leg., R.S., Ch. 206,  
23 Sec. 16.)

24 Sec. 1073.109. GIFTS AND ENDOWMENTS. The board may accept  
25 for the district a gift or endowment to be held in trust and  
26 administered by the board for the purposes and under the  
27 directions, limitations, or other provisions prescribed in writing

1 by the donor that are not inconsistent with the proper management  
2 and objectives of the district. (Acts 61st Leg., R.S., Ch. 206,  
3 Sec. 20.)

4 Sec. 1073.110. OPERATING AND MANAGEMENT CONTRACTS. The  
5 board may enter into an operating or management contract relating  
6 to a district facility. (Acts 61st Leg., R.S., Ch. 206, Sec. 11  
7 (part).)

8 Sec. 1073.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
9 HOSPITALIZATION AND TREATMENT. (a) The board may contract with a  
10 county or municipality located outside the district's boundaries  
11 for the hospitalization of a sick or injured person of that county  
12 or municipality.

13 (b) The district may contract with this state or a federal  
14 agency for the hospital treatment of a sick or injured person.  
15 (Acts 61st Leg., R.S., Ch. 206, Sec. 5(c) (part).)

16 Sec. 1073.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
17 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
18 political subdivision or governmental agency for the district to  
19 provide investigatory or other services for the hospital or welfare  
20 needs of district inhabitants. (Acts 61st Leg., R.S., Ch. 206, Sec.  
21 5(c) (part).)

22 Sec. 1073.113. BIDDING REQUIREMENTS. The district shall  
23 comply with the bidding requirements prescribed by Chapter 271,  
24 Local Government Code. (Acts 61st Leg., R.S., Ch. 206, Sec. 12  
25 (part).)

26 Sec. 1073.114. PROVISION OF SERVICES OUTSIDE DISTRICT. The  
27 district may provide services outside the district's boundaries.

1 (Acts 61st Leg., R.S., Ch. 206, Sec. 5(j).)

2 Sec. 1073.115. PAYMENT FOR TREATMENT; PROCEDURES. (a)

3 When a patient who resides in the district is admitted to a district  
4 facility, the district administrator may have an inquiry made into  
5 the circumstances of:

6 (1) the patient; and

7 (2) the patient's relatives who are legally liable for  
8 the patient's support.

9 (b) If the district administrator determines that the  
10 patient or those relatives cannot pay all or part of the costs of  
11 the care and treatment in the hospital, the amount of the costs that  
12 cannot be paid becomes a charge against the district.

13 (c) If the district administrator determines that the  
14 patient or those relatives can pay for all or part of the costs of  
15 the patient's care and treatment, the patient or those relatives  
16 shall be ordered to pay the district a specified amount each week  
17 for the patient's care and support. The amount ordered must be  
18 proportionate to the person's financial ability.

19 (d) The district administrator may collect the amount from  
20 the estate of the patient, or from any relative who is legally  
21 liable for the patient's support, in the manner provided by law for  
22 the collection of expenses of the last illness of a deceased person.

23 (e) If there is a dispute as to the ability to pay, or doubt  
24 in the mind of the district administrator, the board shall hold a  
25 hearing and, after calling witnesses, shall:

26 (1) resolve the dispute or doubt; and

27 (2) issue any appropriate orders.

1 (f) A final order of the board may be appealed to the  
2 district court. The substantial evidence rule applies to the  
3 appeal. (Acts 61st Leg., R.S., Ch. 206, Sec. 19.)

4 Sec. 1073.116. AUTHORITY TO SUE AND BE SUED. (a) The  
5 district, through the board, may sue and be sued.

6 (b) The district is entitled to all causes of action and  
7 defenses to which similar authorities are entitled. (Acts 61st  
8 Leg., R.S., Ch. 206, Sec. 5(a) (part).)

9 [Sections 1073.117-1073.150 reserved for expansion]

10 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

11 Sec. 1073.151. BUDGET. (a) The district administrator  
12 shall prepare an annual budget for approval by the board.

13 (b) The proposed budget must contain a complete financial  
14 statement of:

15 (1) the outstanding obligations of the district;

16 (2) the cash on hand in each district fund;

17 (3) the money received by the district from all  
18 sources during the previous year;

19 (4) the money available to the district from all  
20 sources during the ensuing year;

21 (5) the balances expected at the end of the year in  
22 which the budget is being prepared;

23 (6) the estimated revenue and balances available to  
24 cover the proposed budget;

25 (7) the estimated tax rate required; and

26 (8) the proposed expenditures and disbursements and  
27 the estimated receipts and collections for the following fiscal

1 year. (Acts 61st Leg., R.S., Ch. 206, Sec. 6 (part).)

2 Sec. 1073.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)

3 The board shall hold a public hearing on the proposed annual budget.

4 (b) The board shall publish notice of the hearing in  
5 accordance with Chapter 551, Government Code.

6 (c) Any district resident is entitled to be present and  
7 participate at the hearing.

8 (d) At the conclusion of the hearing, the board shall adopt  
9 a budget by acting on the budget proposed by the district  
10 administrator. The board may make any changes in the proposed  
11 budget that the board judges to be in the interests of the  
12 district's residents and that the law warrants. (Acts 61st Leg.,  
13 R.S., Ch. 206, Sec. 6 (part).)

14 Sec. 1073.153. AMENDMENTS TO BUDGET. The budget may be  
15 amended as required by circumstances. The board must approve all  
16 amendments. (Acts 61st Leg., R.S., Ch. 206, Sec. 6 (part).)

17 Sec. 1073.154. RESTRICTION ON EXPENDITURES. Money may be  
18 spent only for an expense included in the budget or an amendment to  
19 the budget. (Acts 61st Leg., R.S., Ch. 206, Sec. 6 (part).)

20 Sec. 1073.155. FISCAL YEAR. (a) The district operates  
21 according to a fiscal year established by the board.

22 (b) The fiscal year may not be changed:

23 (1) when revenue bonds of the district are  
24 outstanding; or

25 (2) more than once in a 24-month period. (Acts 61st  
26 Leg., R.S., Ch. 206, Sec. 6 (part).)

27 Sec. 1073.156. ANNUAL AUDIT. The board annually shall have

1 an audit made of the district's financial condition. (Acts 61st  
2 Leg., R.S., Ch. 206, Sec. 6 (part).)

3 Sec. 1073.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
4 RECORDS. The annual audit and other district records shall be open  
5 to inspection at the district's principal office. (Acts 61st Leg.,  
6 R.S., Ch. 206, Sec. 6 (part).)

7 Sec. 1073.158. FINANCIAL REPORT. As soon as practicable  
8 after the close of each fiscal year, the district administrator  
9 shall prepare for the board:

10 (1) a complete sworn statement of all district money;  
11 and

12 (2) a complete account of the disbursements of that  
13 money. (Acts 61st Leg., R.S., Ch. 206, Sec. 6 (part).)

14 Sec. 1073.159. DEPOSITORY. (a) The board shall select one  
15 or more banks to serve as a depository for district money.

16 (b) District money, other than money invested as provided by  
17 Section 1073.160(b), and money transmitted to a bank for payment of  
18 bonds or obligations issued by the district, shall be deposited as  
19 received with the depository bank and shall remain on deposit.

20 (c) This chapter, including Subsection (b), does not limit  
21 the power of the board to place a part of district money on time  
22 deposit or to purchase certificates of deposit.

23 (d) Membership on the district's board of an officer or  
24 director of a bank does not disqualify the bank from being  
25 designated as a depository bank. (Acts 61st Leg., R.S., Ch. 206,  
26 Sec. 13.)

27 Sec. 1073.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)

1 Except as otherwise provided by this chapter, the district may not  
2 incur an obligation payable from district revenue other than the  
3 revenue on hand or to be on hand in the current and following  
4 district fiscal years.

5 (b) The board may invest operating, depreciation, or  
6 building reserves only in securities described by Subchapter A,  
7 Chapter 1505, Government Code, or in accordance with Chapter 2256,  
8 Government Code. (Acts 61st Leg., R.S., Ch. 206, Secs. 5(a) (part),  
9 12 (part).)

10 Sec. 1073.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
11 The board may borrow money at a rate not to exceed the maximum  
12 annual percentage rate allowed by law for district obligations at  
13 the time the loan is made.

14 (b) To secure a loan, the board may pledge:

15 (1) district revenue that is not pledged to pay the  
16 district's bonded indebtedness;

17 (2) a district tax to be imposed by the district in the  
18 next 12-month period following the date of the pledge that is not  
19 pledged to pay the principal of or interest on district bonds; or

20 (3) district bonds that have been authorized but not  
21 sold.

22 (c) A loan for which taxes or bonds are pledged must mature  
23 not later than the first anniversary of the date the loan is made. A  
24 loan for which district revenue is pledged must mature not later  
25 than the fifth anniversary of the date the loan is made. (Acts 61st  
26 Leg., R.S., Ch. 206, Sec. 20a.)



1 [Sections 1073.162-1073.200 reserved for expansion]

2 SUBCHAPTER E. BONDS

3 Sec. 1073.201. GENERAL OBLIGATION BONDS. The board may  
4 issue general obligation bonds in the name and on the faith and  
5 credit of the district to:

6 (1) purchase, construct, acquire, repair, or renovate  
7 buildings or improvements;

8 (2) equip buildings or improvements for hospital  
9 purposes; or

10 (3) acquire and operate a mobile emergency medical or  
11 air ambulance service. (Acts 61st Leg., R.S., Ch. 206, Sec. 9(a).)

12 Sec. 1073.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
13 the time general obligation bonds are issued by the district under  
14 Section 1073.201, the board shall impose an ad valorem tax at a rate  
15 sufficient to create an interest and sinking fund to pay the  
16 principal of and interest on the bonds as the bonds mature.

17 (b) The tax required by this section together with any other  
18 ad valorem tax the district imposes may not in any year exceed the  
19 rate approved by the voters at the election authorizing the  
20 imposition of the tax. (Acts 61st Leg., R.S., Ch. 206, Sec. 9(b)  
21 (part).)

22 Sec. 1073.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
23 district may issue general obligation bonds only if the bonds are  
24 authorized by a majority of the district voters voting at an  
25 election held for that purpose.

26 (b) The board may order a bond election. The order calling  
27 the election must specify:

- 1 (1) the nature and date of the election;
- 2 (2) the hours during which the polls will be open;
- 3 (3) the location of the polling places;
- 4 (4) the amount of the bonds to be authorized; and
- 5 (5) the maximum maturity of the bonds.

6 (c) Notice of a bond election shall be given as provided by  
7 Section 1251.003, Government Code.

8 (d) The board shall declare the results of the election.  
9 (Acts 61st Leg., R.S., Ch. 206, Sec. 9(b) (part).)

10 Sec. 1073.204. REVENUE BONDS. (a) The board may issue  
11 revenue bonds to:

- 12 (1) purchase, construct, acquire, repair, renovate,  
13 or equip buildings or improvements for hospital purposes;
- 14 (2) acquire sites to be used for hospital purposes; or
- 15 (3) acquire and operate a mobile emergency medical or  
16 air ambulance service.

17 (b) The bonds must be payable from and secured by a pledge of  
18 all or part of the revenue derived from the operation of the  
19 district's hospitals.

20 (c) The bonds may be additionally secured by a mortgage or  
21 deed of trust lien on all or part of district property.

22 (d) The bonds must be issued in the manner and in accordance  
23 with the procedures and requirements prescribed by Sections  
24 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
25 and Safety Code, for issuance of revenue bonds by a county hospital  
26 authority. (Acts 61st Leg., R.S., Ch. 206, Secs. 9(c), 10 (part).)

27 Sec. 1073.205. REFUNDING BONDS. (a) The board may issue

1 refunding bonds to refund outstanding bonds issued by the district.

2 (b) A refunding bond may be:

3 (1) sold, with the proceeds of the refunding bonds  
4 applied to the payment of the outstanding indebtedness; or

5 (2) exchanged wholly or partly for not less than a  
6 similar principal amount of outstanding indebtedness. (Acts 61st  
7 Leg., R.S., Ch. 206, Secs. 9(d) (part), 10 (part).)

8 Sec. 1073.206. MATURITY OF BONDS. District bonds must  
9 mature not later than 40 years after the date of issuance. (Acts  
10 61st Leg., R.S., Ch. 206, Sec. 9(e) (part).)

11 Sec. 1073.207. EXECUTION OF BONDS. (a) The board president  
12 shall execute district bonds in the district's name.

13 (b) The board secretary shall countersign district bonds in  
14 the manner provided by Chapter 618, Government Code. (Acts 61st  
15 Leg., R.S., Ch. 206, Sec. 9(e) (part).)

16 Sec. 1073.208. BONDS EXEMPT FROM TAXATION. The following  
17 are exempt from taxation by this state or a political subdivision of  
18 this state:

19 (1) bonds issued or assumed by the district;

20 (2) the transfer and issuance of the bonds; or

21 (3) profits made in the sale of the bonds. (Acts 61st  
22 Leg., R.S., Ch. 206, Sec. 23 (part).)

23 [Sections 1073.209-1073.250 reserved for expansion]

24 SUBCHAPTER F. TAXES

25 Sec. 1073.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
26 may impose a tax on all property in the district subject to district  
27 taxation.

1 (b) The board may impose the tax to:

2 (1) pay the interest on and create a sinking fund for  
3 bonds and other obligations issued or assumed by the district for  
4 hospital purposes;

5 (2) provide for the operation and maintenance of the  
6 district and hospital system;

7 (3) make improvements and additions to the hospital  
8 system; and

9 (4) acquire necessary sites for the hospital system by  
10 purchase, lease, or condemnation.

11 (c) The board may not impose a tax to pay the principal of or  
12 interest on revenue bonds. (Acts 61st Leg., R.S., Ch. 206, Secs. 14  
13 (part), 17(b) (part).)

14 Sec. 1073.252. TAX RATE. (a) The board may impose the tax  
15 at a rate not to exceed the limit approved by the voters at the  
16 election authorizing the imposition of the tax.

17 (b) The tax rate for all purposes may not exceed 75 cents on  
18 each \$100 valuation of all taxable property in the district.

19 (c) In setting the tax rate, the board shall consider the  
20 income of the district from sources other than taxation. (Acts 61st  
21 Leg., R.S., Ch. 206, Secs. 14 (part), 17(b) (part).)

22 Sec. 1073.253. TAX ASSESSOR-COLLECTOR. The board may  
23 provide for the appointment of a tax assessor-collector for the  
24 district or may contract for the assessment and collection of taxes  
25 as provided by the Tax Code. (Acts 61st Leg., R.S., Ch. 206, Sec.  
26 17(b) (part).)

1 [Sections 1073.254-1073.300 reserved for expansion]

2 SUBCHAPTER G. DISSOLUTION

3 Sec. 1073.301. DISSOLUTION; ELECTION. (a) The district  
4 may be dissolved only on approval of a majority of the district  
5 voters voting in an election held for that purpose.

6 (b) The board may order an election on the question of  
7 dissolving the district and disposing of the district's assets and  
8 obligations.

9 (c) The board shall order an election if the board receives  
10 a petition requesting an election that is signed by a number of  
11 district residents equal to at least 15 percent of the registered  
12 voters in the district.

13 (d) The order calling the election must state:

14 (1) the nature of the election, including the  
15 proposition to appear on the ballot;

16 (2) the date of the election;

17 (3) the hours during which the polls will be open; and

18 (4) the location of the polling places.

19 (e) Section 41.001(a), Election Code, does not apply to an  
20 election ordered under this section. (Acts 61st Leg., R.S., Ch.  
21 206, Secs. 20b(a), (b), (c) (part).)

22 Sec. 1073.302. NOTICE OF ELECTION. (a) The board shall  
23 give notice of an election under this subchapter by publishing once  
24 a week for two consecutive weeks a substantial copy of the election  
25 order in a newspaper with general circulation in the district.

26 (b) The first publication of the notice must appear not  
27 later than the 35th day before the date set for the election. (Acts

1 61st Leg., R.S., Ch. 206, Sec. 20b(d) (part).)

2       Sec. 1073.303. BALLOT. The ballot for an election under  
3 this subchapter must be printed to permit voting for or against the  
4 proposition: "The dissolution of the North Runnels County Hospital  
5 District." (Acts 61st Leg., R.S., Ch. 206, Sec. 20b(d) (part).)

6       Sec. 1073.304. ELECTION RESULTS. (a) If a majority of the  
7 votes in an election under this subchapter favor dissolution, the  
8 board shall find that the district is dissolved.

9       (b) If a majority of the votes in the election do not favor  
10 dissolution, the board shall continue to administer the district  
11 and another election on the question of dissolution may not be held  
12 before the first anniversary of the date of the most recent election  
13 to dissolve the district. (Acts 61st Leg., R.S., Ch. 206, Sec.  
14 20b(e).)

15       Sec. 1073.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
16 If a majority of the votes in the election held under this  
17 subchapter favor dissolution, the board shall:

18               (1) transfer the land, buildings, improvements,  
19 equipment, and other assets that belong to the district to Runnels  
20 County or another governmental entity in Runnels County; or

21               (2) administer the property, assets, and debts until  
22 all money has been disposed of and all district debts have been paid  
23 or settled.

24       (b) If the board makes the transfer under Subsection (a)(1),  
25 the county or entity assumes all debts and obligations of the  
26 district at the time of the transfer and the district is dissolved.  
27 (Acts 61st Leg., R.S., Ch. 206, Secs. 20b(f), (g).)

1           Sec. 1073.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

2   (a) Notwithstanding any other provision of this chapter, the  
3 district may not be dissolved unless the board provides for the sale  
4 or transfer of the district's assets and liabilities to another  
5 person.

6           (b) The dissolution of the district and the sale or transfer  
7 of the district's assets or liabilities may not contravene a trust  
8 indenture or bond resolution relating to the district's outstanding  
9 bonds. The dissolution and sale or transfer does not diminish or  
10 impair the rights of a holder of an outstanding bond, warrant, or  
11 other obligation of the district.

12           (c) The sale or transfer of the district's assets and  
13 liabilities must satisfy the debt and bond obligations of the  
14 district in a manner that protects the interests of district  
15 residents, including the residents' collective property rights in  
16 the district's assets.

17           (d) The district may not transfer or dispose of the  
18 district's assets except for due compensation unless:

19                   (1) the transfer is made to another governmental  
20 entity that serves the district; and

21                   (2) the transferred assets are to be used for the  
22 benefit of the district's residents.

23           (e) A grant from federal funds is an obligation to be repaid  
24 in satisfaction. (Acts 61st Leg., R.S., Ch. 206, Secs. 20b(m),  
25 (n).)

26           Sec. 1073.307. IMPOSITION OF TAX AND RETURN OF SURPLUS

27 TAXES. (a) After the board finds that the district is dissolved,

1 the board shall:

2 (1) determine the debt owed by the district; and

3 (2) impose on the property included in the district's  
4 tax rolls a tax that is in proportion of the debt to the property  
5 value.

6 (b) On the payment of all outstanding debts and obligations  
7 of the district, the board shall order the secretary to return to  
8 each district taxpayer the taxpayer's pro rata share of all unused  
9 tax money.

10 (c) A taxpayer may request that the taxpayer's share of  
11 surplus tax money be credited to the taxpayer's county taxes. If a  
12 taxpayer requests the credit, the board shall direct the secretary  
13 to transmit the money to the county tax assessor-collector. (Acts  
14 61st Leg., R.S., Ch. 206, Secs. 20b(h), (i), (j).)

15 Sec. 1073.308. REPORT; DISSOLUTION ORDER. (a) After the  
16 district has paid all district debts and has disposed of all  
17 district money and other assets as prescribed by this subchapter,  
18 the board shall file a written report with the Commissioners Court  
19 of Runnels County summarizing the board's actions in dissolving the  
20 district.

21 (b) Not later than the 10th day after the date the  
22 Commissioners Court of Runnels County receives the report and  
23 determines that the requirements of this subchapter have been  
24 fulfilled, the commissioners court shall enter an order dissolving  
25 the district and releasing the board from any further duty or  
26 obligation. (Acts 61st Leg., R.S., Ch. 206, Secs. 20b(k), (l).)



- 1                   CHAPTER 1077. GAINESVILLE HOSPITAL DISTRICT
- 2                               SUBCHAPTER A. GENERAL PROVISIONS
- 3   Sec. 1077.001.   DEFINITIONS
- 4   Sec. 1077.002.   AUTHORITY FOR OPERATION
- 5   Sec. 1077.003.   POLITICAL SUBDIVISION
- 6   Sec. 1077.004.   DISTRICT TERRITORY
- 7   Sec. 1077.005.   PUBLIC PURPOSE; TAX EXEMPTION
- 8   Sec. 1077.006.   DISTRICT SUPPORT AND MAINTENANCE NOT
- 9                               STATE OBLIGATION
- 10   Sec. 1077.007.   RESTRICTION ON STATE FINANCIAL
- 11                              ASSISTANCE
- 12                   [Sections 1077.008-1077.050 reserved for expansion]
- 13                              SUBCHAPTER B. DISTRICT ADMINISTRATION
- 14   Sec. 1077.051.   BOARD ELECTION; TERM
- 15   Sec. 1077.052.   NOTICE OF ELECTION
- 16   Sec. 1077.053.   QUALIFICATIONS FOR OFFICE
- 17   Sec. 1077.054.   MEETING ATTENDANCE REQUIREMENT
- 18   Sec. 1077.055.   BOARD VACANCY
- 19   Sec. 1077.056.   OFFICERS
- 20   Sec. 1077.057.   COMPENSATION; EXPENSES
- 21   Sec. 1077.058.   DISTRICT ADMINISTRATOR; ASSISTANT
- 22                              ADMINISTRATOR
- 23   Sec. 1077.059.   GENERAL DUTIES OF DISTRICT
- 24                              ADMINISTRATOR
- 25   Sec. 1077.060.   APPOINTMENT AND DISMISSAL OF STAFF AND
- 26                              EMPLOYEES
- 27   Sec. 1077.061.   PERSONNEL CONTRACTS

1 Sec. 1077.062. RETIREMENT BENEFITS  
2 [Sections 1077.063-1077.100 reserved for expansion]  
3 SUBCHAPTER C. POWERS AND DUTIES  
4 Sec. 1077.101. DISTRICT RESPONSIBILITY  
5 Sec. 1077.102. RESTRICTION ON POLITICAL SUBDIVISION  
6 TAXATION AND DEBT  
7 Sec. 1077.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
8 Sec. 1077.104. RULES  
9 Sec. 1077.105. PURCHASING AND ACCOUNTING PROCEDURES  
10 Sec. 1077.106. DISTRICT PROPERTY, FACILITIES,  
11 EQUIPMENT, AND SERVICES  
12 Sec. 1077.107. EMINENT DOMAIN  
13 Sec. 1077.108. GIFTS AND ENDOWMENTS  
14 Sec. 1077.109. CONTRACTS WITH GOVERNMENTAL ENTITIES  
15 FOR CARE AND TREATMENT  
16 Sec. 1077.110. PAYMENT FOR TREATMENT; PROCEDURES  
17 Sec. 1077.111. AUTHORITY TO SUE AND BE SUED  
18 [Sections 1077.112-1077.150 reserved for expansion]  
19 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
20 Sec. 1077.151. BUDGET  
21 Sec. 1077.152. PROPOSED BUDGET; NOTICE AND HEARING  
22 Sec. 1077.153. FISCAL YEAR  
23 Sec. 1077.154. AUDIT  
24 Sec. 1077.155. FINANCIAL REPORT  
25 Sec. 1077.156. DEPOSITORY  
26 [Sections 1077.157-1077.200 reserved for expansion]

SUBCHAPTER E. BONDS

- 1
- 2 Sec. 1077.201. BONDS
- 3 Sec. 1077.202. TAX TO PAY BONDS
- 4 Sec. 1077.203. BOND ELECTION
- 5 Sec. 1077.204. REVENUE BONDS
- 6 Sec. 1077.205. MATURITY OF TAX BONDS
- 7 Sec. 1077.206. EXECUTION OF BONDS

8 [Sections 1077.207-1077.250 reserved for expansion]

9 SUBCHAPTER F. TAXES

- 10 Sec. 1077.251. IMPOSITION OF AD VALOREM TAX
- 11 Sec. 1077.252. TAX RATE
- 12 Sec. 1077.253. TAX ASSESSOR-COLLECTOR

13 CHAPTER 1077. GAINESVILLE HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1077.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the  
17 district.

18 (2) "Director" means a member of the board.

19 (3) "District" means the Gainesville Hospital  
20 District. (New.)

21 Sec. 1077.002. AUTHORITY FOR OPERATION. The Gainesville  
22 Hospital District operates in accordance with Section 9, Article  
23 IX, Texas Constitution. (Acts 64th Leg., R.S., Ch. 211, Sec. 1  
24 (part).)

25 Sec. 1077.003. POLITICAL SUBDIVISION. The district is a  
26 political subdivision of this state. (Acts 64th Leg., R.S., Ch.  
27 211, Sec. 17 (part).)

1           Sec. 1077.004. DISTRICT TERRITORY. The boundaries of the  
2 district are coextensive with the boundaries of Cooke County,  
3 Texas, except that the district does not include territory located  
4 in the Muenster Hospital District on the date the election to  
5 approve the creation of the Gainesville Hospital District was  
6 called. (Acts 64th Leg., R.S., Ch. 211, Sec. 1 (part).)

7           Sec. 1077.005. PUBLIC PURPOSE; TAX EXEMPTION. All property  
8 owned by the district:

9                   (1) shall be held for public purposes; and

10                   (2) is exempt from taxation of every character by this  
11 state or a political subdivision of this state. (Acts 64th Leg.,  
12 R.S., Ch. 211, Sec. 17 (part).)

13           Sec. 1077.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
14 OBLIGATION. The support and maintenance of the district may not  
15 become a charge against or obligation of this state. (Acts 64th  
16 Leg., R.S., Ch. 211, Sec. 18 (part).)

17           Sec. 1077.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
18 The legislature may not make a direct appropriation for the  
19 construction, maintenance, or improvement of a district facility.  
20 (Acts 64th Leg., R.S., Ch. 211, Sec. 18 (part).)

21                   [Sections 1077.008-1077.050 reserved for expansion]

22                   SUBCHAPTER B. DISTRICT ADMINISTRATION

23           Sec. 1077.051. BOARD ELECTION; TERM. (a) The district is  
24 governed by a board of nine directors.

25                   (b) Directors serve staggered three-year terms.

26                   (c) An election shall be held on the uniform election date  
27 in May of each year to elect the appropriate number of directors.

1 (Acts 64th Leg., R.S., Ch. 211, Secs. 4(a), (b), (c) (part).)

2 Sec. 1077.052. NOTICE OF ELECTION. Notice of an election of  
3 directors shall be published in a newspaper of general circulation  
4 in the area of the district in accordance with Section 4.003,  
5 Election Code. (Acts 64th Leg., R.S., Ch. 211, Sec. 4(c) (part).)

6 Sec. 1077.053. QUALIFICATIONS FOR OFFICE. To be qualified  
7 to hold office as a director, a person must be:

8 (1) a resident of the district; and

9 (2) a registered voter. (Acts 64th Leg., R.S., Ch.  
10 211, Sec. 4(g).)

11 Sec. 1077.054. MEETING ATTENDANCE REQUIREMENT. (a) A  
12 director who fails to attend at least four regular meetings in any  
13 12-month period is considered to have resigned the director's  
14 position, effective immediately on the date of the fourth absence.  
15 Further action is not required by the director or the board to  
16 effectuate a vacancy under this subsection.

17 (b) A vacancy created by a resignation under this section  
18 shall be filled as provided by Section 1077.055. (Acts 64th Leg.,  
19 R.S., Ch. 211, Sec. 4(e).)

20 Sec. 1077.055. BOARD VACANCY. If a vacancy occurs in the  
21 office of director, the remaining directors by majority vote shall  
22 appoint a director for the unexpired term. (Acts 64th Leg., R.S.,  
23 Ch. 211, Sec. 4(d).)

24 Sec. 1077.056. OFFICERS. The board shall elect from among  
25 its members a president, vice president, secretary, and other  
26 officers as in the judgment of the board are necessary. (Acts 64th  
27 Leg., R.S., Ch. 211, Sec. 4(h).)

1           Sec. 1077.057. COMPENSATION; EXPENSES. A director is not  
2 entitled to compensation but is entitled to receive actual expenses  
3 incurred in attending to district business on approval of the  
4 expenses by the remainder of the board. (Acts 64th Leg., R.S., Ch.  
5 211, Sec. 4(f).)

6           Sec. 1077.058. DISTRICT ADMINISTRATOR; ASSISTANT  
7 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
8 district administrator.

9           (b) The board may appoint an assistant administrator.

10          (c) The district administrator and any assistant  
11 administrator serve at the will of the board and are entitled to the  
12 compensation determined by the board.

13          (d) On assuming the duties of district administrator, the  
14 administrator shall execute a bond payable to the district in an  
15 amount set by the board of not less than \$5,000 that:

16           (1) is conditioned on the administrator performing the  
17 administrator's duties; and

18           (2) contains other conditions the board may require.

19          (e) The board may pay for the bond with district money.  
20 (Acts 64th Leg., R.S., Ch. 211, Sec. 5(b) (part).)

21          Sec. 1077.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
22 Subject to the limitations prescribed by the board, the district  
23 administrator shall:

24           (1) supervise the work and activities of the district;  
25 and

26           (2) direct the affairs of the district. (Acts 64th  
27 Leg., R.S., Ch. 211, Sec. 5(b) (part).)

1           Sec. 1077.060. APPOINTMENT AND DISMISSAL OF STAFF AND  
2 EMPLOYEES. (a) The board may appoint to or dismiss from the  
3 medical staff the physicians, dentists, and podiatrists the board  
4 determines necessary for the efficient operation of the district.

5           (b) The district may employ technicians, nurses, fiscal  
6 agents, accountants, architects, additional attorneys, and other  
7 necessary employees.

8           (c) The board may delegate to the district administrator the  
9 authority to hire district employees. (Acts 64th Leg., R.S., Ch.  
10 211, Secs. 5(c), (d).)

11          Sec. 1077.061. PERSONNEL CONTRACTS. (a) The board may  
12 contract with a nonprofit corporation for the corporation to  
13 provide administrative and other personnel for the operation of the  
14 hospital facilities.

15          (b) The term of the contract may not exceed 25 years from the  
16 date the contract is executed. (Acts 64th Leg., R.S., Ch. 211, Sec.  
17 5(f).)

18          Sec. 1077.062. RETIREMENT BENEFITS. The board may enter  
19 into any contract or agreement with this state or the federal  
20 government that is required to establish or continue a retirement  
21 program for the benefit of the district's employees. (Acts 64th  
22 Leg., R.S., Ch. 211, Sec. 5(e) (part).)

23           [Sections 1077.063-1077.100 reserved for expansion]

24                           SUBCHAPTER C. POWERS AND DUTIES

25          Sec. 1077.101. DISTRICT RESPONSIBILITY. (a) The district  
26 has full responsibility for operating all hospital facilities for  
27 providing medical and hospital care of the indigent persons in the

1 district.

2 (b) The district shall provide medical and hospital care for  
3 the district's needy inhabitants. (Acts 64th Leg., R.S., Ch. 211,  
4 Secs. 2 (part), 16 (part).)

5 Sec. 1077.102. RESTRICTION ON POLITICAL SUBDIVISION  
6 TAXATION AND DEBT. A political subdivision in the district, other  
7 than the district, may not impose a tax or issue bonds or other  
8 obligations for hospital purposes for medical treatment of indigent  
9 persons in the district. (Acts 64th Leg., R.S., Ch. 211, Sec. 16  
10 (part).)

11 Sec. 1077.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
12 The board shall manage, control, and administer the hospital system  
13 and the district's money and resources. (Acts 64th Leg., R.S., Ch.  
14 211, Sec. 5(a) (part).)

15 Sec. 1077.104. RULES. The board may adopt rules governing  
16 the operation of the district and as required to administer this  
17 chapter. (Acts 64th Leg., R.S., Ch. 211, Secs. 5(a) (part), (g)  
18 (part).)

19 Sec. 1077.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
20 board may prescribe:

21 (1) the method and manner of making purchases and  
22 expenditures by and for the district; and

23 (2) all accounting and control procedures. (Acts 64th  
24 Leg., R.S., Ch. 211, Sec. 5(g) (part).)

25 Sec. 1077.106. DISTRICT PROPERTY, FACILITIES, EQUIPMENT,  
26 AND SERVICES. (a) The board has exclusive authority to determine  
27 the type, character, and use of facilities in the hospital system.



1 (b) The district may:

2 (1) purchase, construct, acquire, repair, or renovate  
3 buildings and improvements; and

4 (2) equip buildings and improvements for hospital  
5 purposes. (Acts 64th Leg., R.S., Ch. 211, Secs. 2 (part), 5(g)  
6 (part).)

7 Sec. 1077.107. EMINENT DOMAIN. (a) The district may  
8 exercise the power of eminent domain to acquire a fee simple or  
9 other interest in any type of property located in district  
10 territory if the interest is necessary or convenient for the  
11 district to exercise a power, right, or privilege conferred by this  
12 chapter.

13 (b) The district must exercise the power of eminent domain  
14 in the manner provided by Chapter 21, Property Code. (Acts 64th  
15 Leg., R.S., Ch. 211, Sec. 12.)

16 Sec. 1077.108. GIFTS AND ENDOWMENTS. The board may accept  
17 for the district a gift or endowment to be held in trust and  
18 administered by the board for the purposes and under the  
19 directions, limitations, or other provisions prescribed in writing  
20 by the donor that are not inconsistent with the proper management  
21 and objectives of the district. (Acts 64th Leg., R.S., Ch. 211,  
22 Sec. 15.)

23 Sec. 1077.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
24 CARE AND TREATMENT. (a) The board may contract with a county or  
25 municipality located outside the district for the care and  
26 treatment of a sick or injured person of that county or  
27 municipality.

1           (b) The board may contract with this state or a federal  
2 agency for the treatment of a sick or injured person for whom this  
3 state or the agency is responsible. (Acts 64th Leg., R.S., Ch. 211,  
4 Sec. 5(e) (part).)

5           Sec. 1077.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
6 When an indigent patient who resides in the district is admitted to  
7 a district facility or a person who does not reside in the district  
8 is admitted as an emergency patient to a district facility, the  
9 district administrator shall have an inquiry made into the  
10 circumstances of:

11                   (1) the patient; and

12                   (2) the patient's relatives who are legally liable for  
13 the patient's support.

14           (b) If the district administrator determines that the  
15 patient or those relatives cannot pay all or part of the costs of  
16 the care and treatment in the hospital, the amount of the costs that  
17 cannot be paid becomes a charge against the district as care for  
18 indigents.

19           (c) If the district administrator determines that the  
20 patient or those relatives can pay for all or part of the costs of  
21 the patient's care and treatment, the patient or those relatives  
22 shall be ordered to pay the district a specified amount each week  
23 for the patient's support. The amount ordered must be  
24 proportionate to the person's financial ability and may not exceed  
25 the actual per capita cost of maintenance.

26           (d) The district administrator may collect the amount from  
27 the estate of the patient, or from any relative who is legally

1 liable for the patient's support, in the manner provided by law for  
2 the collection of expenses of the last illness of a deceased person.

3 (e) If there is a dispute as to the ability to pay, or doubt  
4 in the mind of the district administrator, the board shall hold a  
5 hearing and, after calling witnesses, shall:

6 (1) resolve the dispute or doubt; and

7 (2) issue any appropriate orders.

8 (f) A final order of the board may be appealed to the  
9 district court. The substantial evidence rule applies to the  
10 appeal. (Acts 64th Leg., R.S., Ch. 211, Sec. 14.)

11 Sec. 1077.111. AUTHORITY TO SUE AND BE SUED. As a  
12 governmental entity, the district, through the board, may sue and  
13 be sued in its own name in any court of this state. (Acts 64th Leg.,  
14 R.S., Ch. 211, Secs. 5(a) (part), 17 (part).)

15 [Sections 1077.112-1077.150 reserved for expansion]

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 1077.151. BUDGET. (a) The district administrator  
18 shall prepare an annual budget for approval by the board.

19 (b) The budget must be for the next fiscal year and must  
20 include:

21 (1) proposed expenditures and disbursements;

22 (2) estimated receipts and collections; and

23 (3) the amount of taxes required to be imposed for the  
24 year. (Acts 64th Leg., R.S., Ch. 211, Sec. 6 (part).)

25 Sec. 1077.152. PROPOSED BUDGET; NOTICE AND HEARING. (a)  
26 The board shall hold a public hearing on the proposed budget.

27 (b) Notice of the hearing must be published at least once in

1 a newspaper of general circulation in Cooke County not later than  
2 the 10th day before the date of the hearing.

3 (c) Any district taxpayer is entitled to:

4 (1) appear at the time and place designated in the  
5 notice; and

6 (2) be heard regarding any item included in the  
7 proposed budget. (Acts 64th Leg., R.S., Ch. 211, Sec. 6 (part).)

8 Sec. 1077.153. FISCAL YEAR. (a) The district operates  
9 according to a fiscal year established by the board.

10 (b) The fiscal year may not be changed more than once in a  
11 36-month period. (Acts 64th Leg., R.S., Ch. 211, Sec. 6 (part).)

12 Sec. 1077.154. AUDIT. (a) The district shall have an audit  
13 made of the district's financial condition.

14 (b) The audit shall be open to inspection at all times at the  
15 district's principal office. (Acts 64th Leg., R.S., Ch. 211, Sec. 6  
16 (part).)

17 Sec. 1077.155. FINANCIAL REPORT. As soon as practical  
18 after the close of each fiscal year, the district administrator  
19 shall prepare for the board:

20 (1) a complete sworn statement of all district money; and

21 (2) a complete account of the disbursements of that money.

22 (Acts 64th Leg., R.S., Ch. 211, Sec. 6 (part).)

23 Sec. 1077.156. DEPOSITORY. (a) The board shall select one  
24 or more banks in the district to serve as a depository for district  
25 money.

26 (b) District money shall be immediately deposited on  
27 receipt with a depository bank to pay the principal of and interest

1 on the district's outstanding bonds on or before the maturity date  
2 of the principal and interest.

3 (c) To the extent that money in a depository bank is not  
4 insured by the Federal Deposit Insurance Corporation, the money  
5 must be secured in the manner provided by law for the security of  
6 county funds.

7 (d) Membership on the district's board of an officer or  
8 director of a bank does not disqualify the bank from being  
9 designated as a depository bank. (Acts 64th Leg., R.S., Ch. 211,  
10 Sec. 13.)

11 [Sections 1077.157-1077.200 reserved for expansion]

12 SUBCHAPTER E. BONDS

13 Sec. 1077.201. BONDS. The board may issue and sell bonds  
14 to:

15 (1) purchase, construct, acquire, repair, or renovate  
16 buildings and improvements; and

17 (2) equip buildings and improvements for hospital  
18 purposes. (Acts 64th Leg., R.S., Ch. 211, Sec. 9 (part).)

19 Sec. 1077.202. TAX TO PAY BONDS. (a) The board may issue  
20 bonds under Section 1077.201 payable from ad valorem taxes. If the  
21 bonds are payable from ad valorem taxes, the board shall impose an  
22 ad valorem tax to create an interest and sinking fund sufficient to  
23 pay the principal of and interest on the bonds as the bonds mature.

24 (b) The tax required by this section together with any other  
25 ad valorem tax the district imposes may not in any year exceed 75  
26 cents on each \$100 valuation of all taxable property in the  
27 district. (Acts 64th Leg., R.S., Ch. 211, Sec. 9 (part).)

1           Sec. 1077.203. BOND ELECTION. (a) The district may issue  
2 bonds under Section 1077.201 that are payable from taxes only if the  
3 bonds are authorized by a majority of the district voters voting at  
4 an election held for that purpose.

5           (b) The board may order the election on its own motion.

6           (c) The order calling the election must specify:

7                 (1) the date of the election;

8                 (2) the location of the polling places;

9                 (3) the presiding election officers;

10                (4) the purpose of the bond issuance;

11                (5) the amount of the bonds to be authorized; and

12                (6) the maximum maturity of the bonds.

13           (d) Notice of a bond election shall be given by publishing a  
14 substantial copy of the order calling the election in a newspaper of  
15 general circulation in the district once each week for two  
16 consecutive weeks before the date of the election. The first  
17 publication must occur at least 14 days before the date of the  
18 election. (Acts 64th Leg., R.S., Ch. 211, Sec. 9 (part).)

19           Sec. 1077.204. REVENUE BONDS. (a) The board may issue  
20 bonds under Section 1077.201 payable from the district's revenue.  
21 The board may issue the revenue bonds without an election.

22           (b) The bonds must be payable from all or part of the revenue  
23 derived from the operation of the district's hospitals.

24           (c) The bonds may be additionally secured by a mortgage or  
25 deed of trust lien on all or part of district property.

26           (d) The bonds must be issued in the manner and in accordance  
27 with the procedures and requirements prescribed by Sections

1 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
2 and Safety Code, for issuance of revenue bonds by a county hospital  
3 authority. (Acts 64th Leg., R.S., Ch. 211, Sec. 9 (part).)

4 Sec. 1077.205. MATURITY OF TAX BONDS. District bonds  
5 payable from taxes must mature not later than 40 years after the  
6 date of issuance. (Acts 64th Leg., R.S., Ch. 211, Sec. 9 (part).)

7 Sec. 1077.206. EXECUTION OF BONDS. (a) The board president  
8 shall execute the district bonds in the district's name.

9 (b) The board secretary shall countersign the bonds. (Acts  
10 64th Leg., R.S., Ch. 211, Sec. 9 (part).)

11 [Sections 1077.207-1077.250 reserved for expansion]

12 SUBCHAPTER F. TAXES

13 Sec. 1077.251. IMPOSITION OF AD VALOREM TAX. (a) On final  
14 approval of the annual budget, the board shall impose a tax on all  
15 property in the district subject to district taxation.

16 (b) The board shall impose the tax to:

17 (1) pay the interest on and create a sinking fund for  
18 bonds issued or assumed by the district for hospital purposes; and

19 (2) care for indigents. (Acts 64th Leg., R.S., Ch.  
20 211, Secs. 6 (part), 7 (part).)

21 Sec. 1077.252. TAX RATE. (a) The board may impose the tax  
22 at a rate not to exceed 75 cents on each \$100 valuation of all  
23 taxable property in the district.

24 (b) Not more than 65 cents of the rate authorized by  
25 Subsection (a) may be imposed in any year to pay the interest on and  
26 create a sinking fund for bonds issued or assumed by the district  
27 for hospital purposes. (Acts 64th Leg., R.S., Ch. 211, Sec. 7

1 (part).)

2           Sec. 1077.253. TAX ASSESSOR-COLLECTOR. (a) Except as  
3 provided by Subsection (b), the tax assessor-collector of Cooke  
4 County shall assess and collect taxes imposed by the district.

5           (b) The board may appoint a district tax assessor-collector  
6 under Section 285.041, Health and Safety Code. (Acts 64th Leg.,  
7 R.S., Ch. 211, Secs. 6 (part), 7 (part).)

8           CHAPTER 1078. HOUSTON COUNTY HOSPITAL DISTRICT

9                   SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 1078.001. DEFINITIONS

11 Sec. 1078.002. AUTHORITY FOR OPERATION

12 Sec. 1078.003. ESSENTIAL PUBLIC FUNCTION

13 Sec. 1078.004. DISTRICT TERRITORY

14 Sec. 1078.005. DISTRICT SUPPORT AND MAINTENANCE NOT

15                   STATE OBLIGATION

16 Sec. 1078.006. RESTRICTION ON STATE FINANCIAL

17                   ASSISTANCE

18           [Sections 1078.007-1078.050 reserved for expansion]

19                   SUBCHAPTER B. DISTRICT ADMINISTRATION

20 Sec. 1078.051. BOARD ELECTION; TERM

21 Sec. 1078.052. NOTICE OF ELECTION

22 Sec. 1078.053. BALLOT PETITION

23 Sec. 1078.054. QUALIFICATIONS FOR OFFICE

24 Sec. 1078.055. BOND; RECORD OF BOND

25 Sec. 1078.056. BOARD VACANCY

26 Sec. 1078.057. OFFICERS

27 Sec. 1078.058. COMPENSATION; EXPENSES



- 1 Sec. 1078.059. VOTING REQUIREMENT
- 2 Sec. 1078.060. DISTRICT ADMINISTRATOR
- 3 Sec. 1078.061. GENERAL DUTIES OF DISTRICT
- 4 ADMINISTRATOR
- 5 Sec. 1078.062. ASSISTANT DISTRICT ADMINISTRATOR;
- 6 ATTORNEY
- 7 Sec. 1078.063. APPOINTMENTS AND RECRUITMENT OF STAFF
- 8 AND EMPLOYEES
- 9 Sec. 1078.064. RETIREMENT BENEFITS
- 10 [Sections 1078.065-1078.100 reserved for expansion]
- 11 SUBCHAPTER C. POWERS AND DUTIES
- 12 Sec. 1078.101. DISTRICT RESPONSIBILITY
- 13 Sec. 1078.102. RESTRICTION ON HOUSTON COUNTY TAXATION
- 14 AND DEBT
- 15 Sec. 1078.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 16 Sec. 1078.104. RULES
- 17 Sec. 1078.105. PURCHASING AND ACCOUNTING PROCEDURES
- 18 Sec. 1078.106. MOBILE EMERGENCY MEDICAL SERVICE
- 19 Sec. 1078.107. DISTRICT PROPERTY, FACILITIES, AND
- 20 EQUIPMENT
- 21 Sec. 1078.108. EMINENT DOMAIN
- 22 Sec. 1078.109. COST OF RELOCATING OR ALTERING PROPERTY
- 23 Sec. 1078.110. GIFTS AND ENDOWMENTS
- 24 Sec. 1078.111. LEASE OF DISTRICT PROPERTY
- 25 Sec. 1078.112. CONSTRUCTION CONTRACTS
- 26 Sec. 1078.113. OPERATING AND MANAGEMENT CONTRACTS
- 27 Sec. 1078.114. CONTRACTS FOR CARE

- 1 Sec. 1078.115. CONTRACTS WITH GOVERNMENTAL ENTITIES  
2 FOR SERVICES  
3 Sec. 1078.116. PAYMENT FOR TREATMENT; PROCEDURES  
4 Sec. 1078.117. REIMBURSEMENT FOR SERVICE  
5 Sec. 1078.118. AUTHORITY TO SUE AND BE SUED  
6 [Sections 1078.119-1078.150 reserved for expansion]  
7 SUBCHAPTER D. GENERAL FINANCE PROVISIONS  
8 Sec. 1078.151. BUDGET  
9 Sec. 1078.152. NOTICE; HEARING; ADOPTION OF BUDGET  
10 Sec. 1078.153. AMENDMENTS TO BUDGET  
11 Sec. 1078.154. RESTRICTION ON EXPENDITURES  
12 Sec. 1078.155. FISCAL YEAR  
13 Sec. 1078.156. ANNUAL AUDIT  
14 Sec. 1078.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
15 RECORDS  
16 Sec. 1078.158. FINANCIAL REPORT  
17 Sec. 1078.159. DEPOSITORY  
18 Sec. 1078.160. SPENDING AND INVESTMENT RESTRICTIONS  
19 [Sections 1078.161-1078.200 reserved for expansion]  
20 SUBCHAPTER E. BONDS  
21 Sec. 1078.201. GENERAL OBLIGATION BONDS  
22 Sec. 1078.202. TAX TO PAY GENERAL OBLIGATION BONDS  
23 Sec. 1078.203. GENERAL OBLIGATION BOND ELECTION  
24 Sec. 1078.204. REVENUE BONDS  
25 Sec. 1078.205. REFUNDING BONDS  
26 Sec. 1078.206. MATURITY OF BONDS  
27 Sec. 1078.207. EXECUTION OF BONDS

1 Sec. 1078.208. BONDS EXEMPT FROM TAXATION

2 [Sections 1078.209-1078.250 reserved for expansion]

3 SUBCHAPTER F. AD VALOREM TAX

4 Sec. 1078.251. IMPOSITION OF AD VALOREM TAX

5 Sec. 1078.252. TAX RATE

6 Sec. 1078.253. TAX ASSESSOR-COLLECTOR

7 CHAPTER 1078. HOUSTON COUNTY HOSPITAL DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 1078.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the board of directors of the  
11 district.

12 (2) "Director" means a member of the board.

13 (3) "District" means the Houston County Hospital  
14 District. (Acts 69th Leg., R.S., Ch. 766, Sec. 1.01.)

15 Sec. 1078.002. AUTHORITY FOR OPERATION. The Houston County  
16 Hospital District operates and is financed as provided by Section  
17 9, Article IX, Texas Constitution, and by this chapter. (Acts 69th  
18 Leg., R.S., Ch. 766, Sec. 1.02.)

19 Sec. 1078.003. ESSENTIAL PUBLIC FUNCTION. The district is  
20 a public entity performing an essential public function. (Acts  
21 69th Leg., R.S., Ch. 766, Sec. 7.11 (part).)

22 Sec. 1078.004. DISTRICT TERRITORY. The boundaries of the  
23 district are coextensive with the boundaries of Houston County,  
24 Texas, except that portion of Houston County within the boundaries  
25 of the Grapeland Hospital District of Houston County, Texas, as  
26 those boundaries existed on August 26, 1985, is not included in the  
27 district. (Acts 69th Leg., R.S., Ch. 766, Sec. 1.03.)

1           Sec. 1078.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
2 OBLIGATION. The state may not become obligated for the support or  
3 maintenance of the district. (Acts 69th Leg., R.S., Ch. 766, Sec.  
4 9.01 (part).)

5           Sec. 1078.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
6 The legislature may not make a direct appropriation for the  
7 construction, maintenance, or improvement of a district facility.  
8 (Acts 69th Leg., R.S., Ch. 766, Sec. 9.01 (part).)

9           [Sections 1078.007-1078.050 reserved for expansion]

10                           SUBCHAPTER B. DISTRICT ADMINISTRATION

11           Sec. 1078.051. BOARD ELECTION; TERM. (a) The district is  
12 governed by a board of nine directors elected by place.

13           (b) Directors serve staggered two-year terms unless  
14 four-year terms are established under Section 285.081, Health and  
15 Safety Code. (Acts 69th Leg., R.S., Ch. 766, Secs. 4.01(a),  
16 4.03(a), (d).)

17           Sec. 1078.052. NOTICE OF ELECTION. At least 35 days before  
18 the date of an election of directors, notice of the election shall  
19 be published one time in a newspaper with general circulation in the  
20 district. (Acts 69th Leg., R.S., Ch. 766, Sec. 4.04.)

21           Sec. 1078.053. BALLOT PETITION. A person who wants to have  
22 the person's name printed on the ballot as a candidate for director  
23 must file with the board secretary a petition requesting that  
24 action. The petition must:

25                   (1) be signed by at least 100 registered voters of the  
26 district as determined by the most recent official list of  
27 registered voters;

1           (2) be filed not later than the 31st day before the  
2 date of the election; and

3           (3) specify the place for which the person is to be a  
4 candidate. (Acts 69th Leg., R.S., Ch. 766, Sec. 4.05.)

5           Sec. 1078.054. QUALIFICATIONS FOR OFFICE. (a) To be  
6 eligible to be a candidate for or to serve as a director, a person  
7 must be:

8           (1) a resident of the district; and

9           (2) a qualified voter.

10          (b) A district employee may not serve as a director. (Acts  
11 69th Leg., R.S., Ch. 766, Sec. 4.06.)

12          Sec. 1078.055. BOND; RECORD OF BOND. (a) Before assuming  
13 the duties of office, each director must execute a bond for \$5,000  
14 that is:

15           (1) payable to the district; and

16           (2) conditioned on the faithful performance of the  
17 director's duties.

18          (b) The board may pay for a director's bond with district  
19 money.

20          (c) The bond shall be kept in the permanent records of the  
21 district. (Acts 69th Leg., R.S., Ch. 766, Sec. 4.08.)

22          Sec. 1078.056. BOARD VACANCY. If a vacancy occurs in the  
23 office of director, the remaining directors shall appoint a  
24 director for the unexpired term. (Acts 69th Leg., R.S., Ch. 766,  
25 Sec. 4.09.)

26          Sec. 1078.057. OFFICERS. (a) The board shall elect a  
27 president and a vice president from among its members.

1 (b) The board shall appoint a secretary, who need not be a  
2 director.

3 (c) Each officer of the board serves for a term of one year.

4 (d) The board shall fill a vacancy in a board office for the  
5 unexpired term. (Acts 69th Leg., R.S., Ch. 766, Secs. 4.10, 4.11.)

6 Sec. 1078.058. COMPENSATION; EXPENSES. A director or  
7 officer serves without compensation but may be reimbursed for  
8 actual expenses incurred in the performance of official duties.  
9 The expenses must be:

10 (1) reported in the district's records; and

11 (2) approved by the board. (Acts 69th Leg., R.S., Ch.  
12 766, Sec. 4.12.)

13 Sec. 1078.059. VOTING REQUIREMENT. A concurrence of a  
14 majority of the directors voting is necessary in any matter  
15 relating to district business. (Acts 69th Leg., R.S., Ch. 766, Sec.  
16 4.13.)

17 Sec. 1078.060. DISTRICT ADMINISTRATOR. (a) The board may  
18 appoint a qualified person as district administrator.

19 (b) The district administrator serves at the will of the  
20 board and is entitled to the compensation determined by the board.

21 (c) Before assuming the duties of district administrator,  
22 the administrator must execute a bond in the amount set by the board  
23 of not less than \$5,000 that is:

24 (1) payable to the district; and

25 (2) conditioned on the faithful performance of the  
26 administrator's duties under this chapter.

27 (d) The board may pay for the bond with district money.

1 (Acts 69th Leg., R.S., Ch. 766, Secs. 4.14(a) (part), (b) (part),  
2 (c) (part), (d).)

3 Sec. 1078.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

4 Subject to the limitations prescribed by the board, the district  
5 administrator shall:

6 (1) supervise the work and activities of the district;  
7 and

8 (2) direct the general affairs of the district. (Acts  
9 69th Leg., R.S., Ch. 766, Sec. 4.17.)

10 Sec. 1078.062. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

11 (a) The board may appoint qualified persons as:

12 (1) the assistant district administrator; and

13 (2) the attorney for the district.

14 (b) The assistant district administrator and the attorney  
15 for the district serve at the will of the board and are entitled to  
16 the compensation determined by the board. (Acts 69th Leg., R.S.,  
17 Ch. 766, Secs. 4.14(a) (part), (b) (part), (c) (part).)

18 Sec. 1078.063. APPOINTMENTS AND RECRUITMENT OF STAFF AND  
19 EMPLOYEES. (a) The board may appoint to the staff any doctors the  
20 board considers necessary for the efficient operation of the  
21 district and may make temporary appointments as necessary.

22 (b) The district may employ technicians, nurses, fiscal  
23 agents, accountants, architects, additional attorneys, and other  
24 necessary employees.

25 (c) The board may delegate to the district administrator the  
26 authority to employ persons for the district. (Acts 69th Leg.,  
27 R.S., Ch. 766, Secs. 4.15, 4.16.)

1           Sec. 1078.064. RETIREMENT BENEFITS. The board may provide  
2 retirement benefits for district employees by:

3           (1) establishing or administering a retirement  
4 program; or

5           (2) participating in:

6           (A) the Texas County and District Retirement  
7 System; or

8           (B) another statewide retirement system in which  
9 the district is eligible to participate. (Acts 69th Leg., R.S., Ch.  
10 766, Sec. 4.18.)

11           [Sections 1078.065-1078.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1078.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for:

15           (1) operating hospital facilities; and

16           (2) providing medical and hospital care for the  
17 district's needy inhabitants. (Acts 69th Leg., R.S., Ch. 766, Sec.  
18 5.02 (part).)

19           Sec. 1078.102. RESTRICTION ON HOUSTON COUNTY TAXATION AND  
20 DEBT. Houston County may not impose a tax or issue bonds or other  
21 obligations for hospital purposes or to provide medical care for  
22 district residents. (Acts 69th Leg., R.S., Ch. 766, Sec. 5.01(b).)

23           Sec. 1078.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
24 The board shall manage, control, and administer the hospital system  
25 and the district's money and resources. (Acts 69th Leg., R.S., Ch.  
26 766, Sec. 5.03 (part).)

27           Sec. 1078.104. RULES. The board may adopt rules governing:



1           (1) the operation of the hospital and hospital system;  
2 and

3           (2) the duties, functions, and responsibilities of the  
4 district staff and employees. (Acts 69th Leg., R.S., Ch. 766, Sec.  
5 5.04.)

6           Sec. 1078.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
7 board may prescribe:

8           (1) the method of making purchases and expenditures by  
9 and for the district; and

10           (2) accounting and control procedures for the  
11 district. (Acts 69th Leg., R.S., Ch. 766, Sec. 5.05.)

12           Sec. 1078.106. MOBILE EMERGENCY MEDICAL SERVICE. The  
13 district may operate or provide for the operation of a mobile  
14 emergency medical service. (Acts 69th Leg., R.S., Ch. 766, Sec.  
15 5.02 (part).)

16           Sec. 1078.107. DISTRICT PROPERTY, FACILITIES, AND  
17 EQUIPMENT. (a) The board shall determine:

18           (1) the type, number, and location of buildings  
19 required to maintain an adequate hospital system; and

20           (2) the type of equipment necessary for hospital care.

21           (b) The board may:

22           (1) acquire property, including facilities and  
23 equipment, for the district for use in the hospital system; and

24           (2) mortgage or pledge the property as security for  
25 the payment of the purchase price.

26           (c) The board may lease hospital facilities from others for  
27 the district.

1 (d) The board may sell or otherwise dispose of property,  
2 including facilities or equipment, for the district. (Acts 69th  
3 Leg., R.S., Ch. 766, Secs. 5.06(a), (b), (c), (d).)

4 Sec. 1078.108. EMINENT DOMAIN. (a) The district may  
5 exercise the power of eminent domain to acquire a fee simple or  
6 other interest in property located in district territory if the  
7 property interest is necessary to exercise a right or authority  
8 conferred by this chapter.

9 (b) The district must exercise the power of eminent domain  
10 in the manner provided by Chapter 21, Property Code, except the  
11 district is not required to deposit money in the trial court or  
12 execute a bond as provided by Section 21.021(a)(2) or (3), Property  
13 Code.

14 (c) In a condemnation proceeding brought by the district,  
15 the district is not required to:

16 (1) pay in advance or provide a bond or other security  
17 for costs in the trial court;

18 (2) provide a bond for the issuance of a temporary  
19 restraining order or a temporary injunction; or

20 (3) provide a bond for costs or a supersedeas bond on  
21 an appeal or petition for review. (Acts 69th Leg., R.S., Ch. 766,  
22 Sec. 5.09.)

23 Sec. 1078.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
24 exercising the power of eminent domain, if the board requires  
25 relocating, raising, lowering, rerouting, changing the grade of, or  
26 altering the construction of any railroad, highway, pipeline, or  
27 electric transmission, telegraph, or telephone line, conduit,

1 pole, or facility, the district must bear the actual cost of  
2 relocating, raising, lowering, rerouting, changing the grade, or  
3 altering the construction to provide comparable replacement  
4 without enhancement of facilities, after deducting the net salvage  
5 value derived from the old facility. (Acts 69th Leg., R.S., Ch.  
6 766, Sec. 5.10.)

7       Sec. 1078.110. GIFTS AND ENDOWMENTS. The board may accept  
8 for the district a gift or endowment to be held in trust for any  
9 purpose and under any direction, limitation, or other provision  
10 prescribed in writing by the donor that is consistent with the  
11 proper management of the district. (Acts 69th Leg., R.S., Ch. 766,  
12 Sec. 5.14.)

13       Sec. 1078.111. LEASE OF DISTRICT PROPERTY. (a) The board  
14 may lease all or part of the district's property, including  
15 facilities or equipment, to any person on terms the board considers  
16 to be in the district's best interest. The lease period may not  
17 exceed 40 years.

18       (b) When leasing the property the board may delegate as it  
19 considers appropriate the board's power to manage or operate the  
20 leased property to furnish hospital care.

21       (c) For each leased property the board shall provide that  
22 the lessee charge rates for services rendered or goods provided at  
23 the leased premises that, together with other sources of the  
24 lessee's revenue, produce an amount sufficient to enable the lessee  
25 to pay the expenses of operating and maintaining the leased  
26 premises required of the lessee under the lease. The lease must  
27 also require the lessee to pay lease rentals to the district that

1 will be sufficient when taken with any other sources of the  
2 district's estimated revenue that are pledged for the same purposes  
3 to:

4 (1) pay the interest on any revenue or special  
5 obligation bonds that are payable wholly or partly from the lease  
6 rentals;

7 (2) create and maintain a sinking fund to pay the  
8 principal of, interest on, and premium, if any, on the bonds as they  
9 become due;

10 (3) create and maintain a bond reserve fund and other  
11 fund as provided for in the bond resolution or trust indenture  
12 authorizing the issuance of the bonds; and

13 (4) pay all other charges, fees, costs, and expenses  
14 that the lessee is required to pay under the resolution or  
15 indenture.

16 (d) The lease, management agreement, bond resolution, or  
17 trust indenture may prescribe systems, methods, routines,  
18 procedures, and policies for the operation of the buildings and  
19 other facilities owned by the district. If all or part of the  
20 district's buildings or other facilities are leased, the district  
21 may delegate to the lessee the duty to establish the systems,  
22 methods, routines, procedures, and policies for the operation of  
23 the leased premises. (Acts 69th Leg., R.S., Ch. 766, Sec. 5.06(e)  
24 (part).)

25 Sec. 1078.112. CONSTRUCTION CONTRACTS. (a) The board may  
26 enter into construction contracts for the district.

27 (b) The board may enter into a construction contract that

1 involves the expenditure of more than the amount provided by  
2 Section 271.024, Local Government Code, only after competitive  
3 bidding as provided by Subchapter B, Chapter 271, Local Government  
4 Code. (Acts 69th Leg., R.S., Ch. 766, Sec. 5.07(a).)

5 Sec. 1078.113. OPERATING AND MANAGEMENT CONTRACTS. The  
6 district, through its board, may:

7 (1) enter into an operating or management contract  
8 with any person relating to all or any part of its hospital  
9 facility;

10 (2) delegate to the person the power to manage and  
11 operate all or part of the hospital facilities or hospital system;  
12 and

13 (3) employ and discharge employees or appoint and  
14 remove doctors from the staff. (Acts 69th Leg., R.S., Ch. 766,  
15 Secs. 5.03 (part), 5.08 (part).)

16 Sec. 1078.114. CONTRACTS FOR CARE. The board may contract  
17 with any lessee of the district's hospital facilities or any other  
18 person to provide hospital care to needy district inhabitants for  
19 payments and under terms that the board considers to be in the  
20 district's best interests. (Acts 69th Leg., R.S., Ch. 766, Sec.  
21 5.08 (part).)

22 Sec. 1078.115. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
23 SERVICES. The board may contract with a political subdivision of  
24 the state or with a state or federal agency for the district or for  
25 any lessee of the district's hospital facilities to:

26 (1) furnish a mobile emergency medical service; or

27 (2) provide for the investigatory or welfare needs of

1 district inhabitants. (Acts 69th Leg., R.S., Ch. 766, Sec. 5.13.)

2           Sec. 1078.116. PAYMENT FOR TREATMENT; PROCEDURES. (a)

3 When a person who resides in the district is admitted as a patient  
4 to a district facility, the district administrator or a person  
5 designated by the board may have an inquiry made into the financial  
6 circumstances of:

7           (1) the patient; and

8           (2) a relative of the patient who is legally  
9 responsible for the patient's support.

10           (b) To the extent that a patient or a relative of the patient  
11 legally responsible for the patient's support cannot pay for care  
12 and treatment provided by the district, the district shall supply  
13 the care and treatment without charging the patient or the  
14 patient's relative.

15           (c) On determining that the patient or a relative legally  
16 responsible for the patient's support can pay for all or any part of  
17 the care and treatment provided by the district, the district  
18 administrator or the person designated by the board shall report  
19 that determination to the board, and the board shall issue an order  
20 directing the patient or the relative to pay the district a  
21 specified amount each week. The amount must be based on the  
22 person's ability to pay.

23           (d) The district administrator or the person designated by  
24 the board may collect the amount owed to the district from the  
25 patient's estate or from that of a relative legally responsible for  
26 the patient's support in the manner provided by law for collection  
27 of expenses in the last illness of a deceased person.

1           (e) If there is a dispute relating to a person's ability to  
2 pay or if the district administrator or the person designated by the  
3 board has any doubt concerning a person's ability to pay, the board  
4 shall:

- 5                   (1) call witnesses;  
6                   (2) hear and resolve the question; and  
7                   (3) issue a final order.

8           (f) The final order of the board may be appealed to a  
9 district court in Houston County. The substantial evidence rule  
10 applies to the appeal. (Acts 69th Leg., R.S., Ch. 766, Sec. 5.11.)

11           Sec. 1078.117. REIMBURSEMENT FOR SERVICE. (a) The board  
12 shall require a county or municipality located outside the district  
13 to reimburse the district for the district's care and treatment of a  
14 sick or injured person of that county or municipality.

15           (b) The board shall require the sheriff of Houston County to  
16 reimburse the district for the district's care and treatment of a  
17 person who is confined in a jail facility of Houston County and is  
18 not a district resident.

19           (c) On behalf of the district, the board may contract with  
20 the state or federal government for that government to reimburse  
21 the district for treatment of a sick or injured person. (Acts 69th  
22 Leg., R.S., Ch. 766, Sec. 5.12.)

23           Sec. 1078.118. AUTHORITY TO SUE AND BE SUED. The board may  
24 sue and be sued on behalf of the district. (Acts 69th Leg., R.S.,  
25 Ch. 766, Sec. 5.15.)

26           [Sections 1078.119-1078.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCE PROVISIONS

Sec. 1078.151. BUDGET. (a) The district administrator shall prepare a proposed annual budget for the district.

(b) The proposed budget must contain a complete financial statement, including a statement of:

(1) the outstanding obligations of the district;

(2) the amount of cash on hand in each district fund;

(3) the amount of money received by the district from all sources during the previous year;

(4) the amount of money available to the district from all sources during the ensuing year;

(5) the amount of the balances expected at the end of the year in which the budget is being prepared;

(6) the estimated amount of revenue and balances available to cover the proposed budget; and

(7) the estimated tax rate required. (Acts 69th Leg., R.S., Ch. 766, Sec. 6.04.)

Sec. 1078.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a) The board shall hold a public hearing on the proposed annual budget.

(b) The board shall publish notice of the hearing in a newspaper with general circulation in the district not later than the 10th day before the date of the hearing.

(c) Any district resident is entitled to be present and participate at the hearing.

(d) At the conclusion of the hearing, the board shall adopt a budget by acting on the budget proposed by the district administrator. The board may make any changes in the proposed



1 budget that the board determines to be in the interests of the  
2 taxpayers.

3 (e) The budget is effective only after adoption by the  
4 board. (Acts 69th Leg., R.S., Ch. 766, Sec. 6.05.)

5 Sec. 1078.153. AMENDMENTS TO BUDGET. After the annual  
6 budget is adopted, the budget may be amended on the board's  
7 approval. (Acts 69th Leg., R.S., Ch. 766, Sec. 6.06.)

8 Sec. 1078.154. RESTRICTION ON EXPENDITURES. Money may be  
9 spent only for an expense included in the budget or an amendment to  
10 the budget. (Acts 69th Leg., R.S., Ch. 766, Sec. 6.07.)

11 Sec. 1078.155. FISCAL YEAR. (a) The district operates  
12 according to a fiscal year established by the board.

13 (b) The fiscal year may not be changed:

14 (1) during a period that revenue bonds of the district  
15 are outstanding; or

16 (2) more than once in a 24-month period. (Acts 69th  
17 Leg., R.S., Ch. 766, Sec. 6.01.)

18 Sec. 1078.156. ANNUAL AUDIT. The board annually shall have  
19 an audit made of the district's financial condition. (Acts 69th  
20 Leg., R.S., Ch. 766, Sec. 6.02.)

21 Sec. 1078.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
22 RECORDS. The annual audit and other district records shall be open  
23 to inspection during regular business hours at the district's  
24 principal office. (Acts 69th Leg., R.S., Ch. 766, Sec. 6.03.)

25 Sec. 1078.158. FINANCIAL REPORT. As soon as practicable  
26 after the close of the fiscal year, the district administrator  
27 shall prepare for the board:

1           (1) a sworn statement of the amount of district money;

2 and

3           (2) an account of the disbursements of that money.

4 (Acts 69th Leg., R.S., Ch. 766, Sec. 6.08.)

5           Sec. 1078.159. DEPOSITORY. (a) The board shall select at  
6 least one bank to serve as a depository for district money.

7           (b) District money, other than money invested as provided by  
8 Section 1078.160(b) and money transmitted to a bank for payment of  
9 bonds or obligations issued or assumed by the district, shall be  
10 deposited as received with the depository bank and shall remain on  
11 deposit. This subsection does not limit the power of the board to  
12 place a part of district money on time deposit or to purchase  
13 certificates of deposit.

14           (c) The district may not deposit money with a bank in an  
15 amount that exceeds the maximum amount secured by the Federal  
16 Deposit Insurance Corporation unless the bank first executes a bond  
17 or other security in an amount sufficient to secure from loss the  
18 district money that exceeds the amount secured by the Federal  
19 Deposit Insurance Corporation. (Acts 69th Leg., R.S., Ch. 766,  
20 Sec. 6.10.)

21           Sec. 1078.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
22 Except as provided by this section and Sections 1078.112, 1078.201,  
23 1078.204, and 1078.205, the district may not incur a debt payable  
24 from district revenue other than the revenue on hand or to be on  
25 hand in the current and immediately following district fiscal  
26 years.

27           (b) The board may invest operating, depreciation, or

1 building reserves only in funds or securities specified by Chapter  
2 2256, Government Code. (Acts 69th Leg., R.S., Ch. 766, Sec. 6.09.)

3 [Sections 1078.161-1078.200 reserved for expansion]

4 SUBCHAPTER E. BONDS

5 Sec. 1078.201. GENERAL OBLIGATION BONDS. If authorized by  
6 an election, the board may issue and sell general obligation bonds  
7 in the name and on the faith and credit of the district to:

8 (1) purchase, construct, acquire, repair, or renovate  
9 buildings or improvements;

10 (2) equip buildings or improvements for hospital  
11 purposes; or

12 (3) acquire and operate a mobile emergency medical  
13 service. (Acts 69th Leg., R.S., Ch. 766, Sec. 7.01.)

14 Sec. 1078.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
15 the time general obligation bonds are issued by the district under  
16 Section 1078.201, the board shall impose an ad valorem tax at a rate  
17 sufficient to create an interest and sinking fund to pay the  
18 principal of and interest on the bonds as the bonds mature.

19 (b) The tax required by this section together with any other  
20 ad valorem tax the district imposes may not in any year exceed the  
21 limit approved by the voters at the election authorizing the  
22 imposition of a tax. (Acts 69th Leg., R.S., Ch. 766, Sec. 7.02.)

23 Sec. 1078.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
24 district may issue general obligation bonds only if the bonds are  
25 authorized by a majority of the district voters.

26 (b) The board may order a bond election.

27 (c) The order calling the election must specify:

- 1 (1) the nature and date of the election;
- 2 (2) the hours during which the polls will be open;
- 3 (3) the location of the polling places;
- 4 (4) the amount of the bonds to be authorized; and
- 5 (5) the maximum maturity of the bonds.

6 (d) Notice of a bond election shall be given as provided by  
7 Section 1251.003, Government Code.

8 (e) The board shall declare the results of the election.  
9 (Acts 69th Leg., R.S., Ch. 766, Sec. 7.03.)

10 Sec. 1078.204. REVENUE BONDS. (a) The board may issue  
11 revenue bonds to:

- 12 (1) purchase, construct, acquire, repair, renovate,  
13 or equip buildings or improvements for hospital purposes;
- 14 (2) acquire sites to be used for hospital purposes; or
- 15 (3) acquire and operate a mobile emergency medical  
16 service to assist the district in carrying out its hospital  
17 purposes.

18 (b) The bonds must be payable from and secured by a pledge of  
19 all or part of the revenue derived from the operation of the  
20 district's hospital system.

21 (c) The bonds may be additionally secured by a mortgage or  
22 deed of trust lien on all or part of district property.

23 (d) The bonds must be issued in the manner provided by  
24 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
25 Health and Safety Code, for issuance of revenue bonds by a county  
26 hospital authority. (Acts 69th Leg., R.S., Ch. 766, Sec. 7.04.)

27 Sec. 1078.205. REFUNDING BONDS. (a) The board may issue

1 refunding bonds to refund outstanding indebtedness issued or  
2 assumed by the district.

3 (b) A refunding bond may be:

4 (1) sold, with the proceeds of the refunding bond  
5 applied to the payment of the outstanding indebtedness; or

6 (2) exchanged wholly or partly for not less than a  
7 similar principal amount of outstanding indebtedness. (Acts 69th  
8 Leg., R.S., Ch. 766, Secs. 7.05(a), (c) (part).)

9 Sec. 1078.206. MATURITY OF BONDS. District bonds must  
10 mature not later than 50 years after the date of issuance. (Acts  
11 69th Leg., R.S., Ch. 766, Sec. 7.06 (part).)

12 Sec. 1078.207. EXECUTION OF BONDS. (a) The board president  
13 shall execute district bonds in the district's name.

14 (b) The board secretary shall countersign the bonds in the  
15 manner provided by Chapter 618, Government Code. (Acts 69th Leg.,  
16 R.S., Ch. 766, Sec. 7.07.)

17 Sec. 1078.208. BONDS EXEMPT FROM TAXATION. The following  
18 are exempt from taxation by this state or a political subdivision of  
19 this state:

20 (1) bonds issued by the district;

21 (2) any transaction relating to the bonds; and

22 (3) profits made in the sale of the bonds. (Acts 69th  
23 Leg., R.S., Ch. 766, Sec. 7.11 (part).)

24 [Sections 1078.209-1078.250 reserved for expansion]

25 SUBCHAPTER F. AD VALOREM TAX

26 Sec. 1078.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
27 may impose a tax on all property in the district subject to district

1 taxation.

2 (b) The tax shall be imposed for and may be pledged to:

3 (1) meet the requirements of district bonds and the  
4 indebtedness assumed by the district;

5 (2) provide for the district's maintenance and  
6 operating expenses, including the cost or contract payments for  
7 hospital care for needy district inhabitants; and

8 (3) make improvements and additions to the district's  
9 hospital facilities or hospital system and acquire necessary sites  
10 for those improvements and additions by gift, purchase, lease, or  
11 condemnation.

12 (c) The district may not impose a tax to pay the principal of  
13 or interest on revenue bonds issued under this chapter. (Acts 69th  
14 Leg., R.S., Ch. 766, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

15 Sec. 1078.252. TAX RATE. (a) The board may impose the tax  
16 at a rate not to exceed the limit approved by the voters at the  
17 election authorizing the imposition of the tax.

18 (b) The tax rate for all purposes may not exceed 75 cents on  
19 each \$100 valuation of all taxable property in the district.

20 (c) In setting the tax rate, the board shall consider the  
21 income of the district from sources other than taxation. (Acts 69th  
22 Leg., R.S., Ch. 766, Secs. 8.01(a) (part), (b), 8.03 (part).)

23 Sec. 1078.253. TAX ASSESSOR-COLLECTOR. The board may  
24 provide for the appointment of a tax assessor-collector for the  
25 district or may contract for the assessment and collection of taxes  
26 as provided by the Tax Code. (Acts 69th Leg., R.S., Ch. 766, Sec.  
27 8.04(b).)

1                   CHAPTER 1079. JACK COUNTY HOSPITAL DISTRICT

2                               SUBCHAPTER A. GENERAL PROVISIONS

3   Sec. 1079.001.   DEFINITIONS

4   Sec. 1079.002.   AUTHORITY FOR OPERATION

5   Sec. 1079.003.   ESSENTIAL PUBLIC FUNCTION

6   Sec. 1079.004.   DISTRICT TERRITORY

7   Sec. 1079.005.   DISTRICT SUPPORT AND MAINTENANCE NOT

8                               STATE OBLIGATION

9   Sec. 1079.006.   RESTRICTION ON STATE FINANCIAL

10                              ASSISTANCE

11           [Sections 1079.007-1079.050 reserved for expansion]

12                              SUBCHAPTER B. DISTRICT ADMINISTRATION

13   Sec. 1079.051.   BOARD ELECTION; TERM

14   Sec. 1079.052.   QUALIFICATIONS FOR OFFICE

15   Sec. 1079.053.   BOND; RECORD OF BOND

16   Sec. 1079.054.   BOARD VACANCY

17   Sec. 1079.055.   OFFICERS

18   Sec. 1079.056.   COMPENSATION; EXPENSES

19   Sec. 1079.057.   VOTING REQUIREMENT

20   Sec. 1079.058.   DISTRICT ADMINISTRATOR

21   Sec. 1079.059.   GENERAL DUTIES OF DISTRICT

22                              ADMINISTRATOR

23   Sec. 1079.060.   APPOINTMENT OF STAFF AND EMPLOYEES

24   Sec. 1079.061.   RETIREMENT BENEFITS

25           [Sections 1079.062-1079.100 reserved for expansion]

26                              SUBCHAPTER C. POWERS AND DUTIES

27   Sec. 1079.101.   DISTRICT RESPONSIBILITY

- 1 Sec. 1079.102. RESTRICTION ON COUNTY TAXATION AND DEBT  
2 Sec. 1079.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
3 Sec. 1079.104. RULES  
4 Sec. 1079.105. PURCHASING AND ACCOUNTING PROCEDURES  
5 Sec. 1079.106. MOBILE EMERGENCY MEDICAL SERVICE  
6 Sec. 1079.107. DISTRICT PROPERTY, FACILITIES, AND  
7 EQUIPMENT  
8 Sec. 1079.108. EMINENT DOMAIN  
9 Sec. 1079.109. COST OF RELOCATING OR ALTERING PROPERTY  
10 Sec. 1079.110. GIFTS AND ENDOWMENTS  
11 Sec. 1079.111. CONSTRUCTION CONTRACTS  
12 Sec. 1079.112. OPERATING AND MANAGEMENT CONTRACTS  
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14 FOR SERVICES  
15 Sec. 1079.114. PAYMENT FOR TREATMENT; PROCEDURES  
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17 Sec. 1079.116. AUTHORITY TO SUE AND BE SUED  
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19 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
20 Sec. 1079.151. BUDGET  
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24 Sec. 1079.155. FISCAL YEAR  
25 Sec. 1079.156. ANNUAL AUDIT  
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1 Sec. 1079.158. FINANCIAL REPORT

2 Sec. 1079.159. DEPOSITORY

3 Sec. 1079.160. SPENDING AND INVESTMENT RESTRICTIONS

4 [Sections 1079.161-1079.200 reserved for expansion]

5 SUBCHAPTER E. BONDS

6 Sec. 1079.201. GENERAL OBLIGATION BONDS

7 Sec. 1079.202. TAX TO PAY GENERAL OBLIGATION BONDS

8 Sec. 1079.203. GENERAL OBLIGATION BOND ELECTION

9 Sec. 1079.204. REVENUE BONDS

10 Sec. 1079.205. REFUNDING BONDS

11 Sec. 1079.206. MATURITY OF BONDS

12 Sec. 1079.207. EXECUTION OF BONDS

13 Sec. 1079.208. BONDS EXEMPT FROM TAXATION

14 [Sections 1079.209-1079.250 reserved for expansion]

15 SUBCHAPTER F. TAXES

16 Sec. 1079.251. IMPOSITION OF AD VALOREM TAX

17 Sec. 1079.252. TAX RATE

18 Sec. 1079.253. TAX ASSESSOR-COLLECTOR

19 CHAPTER 1079. JACK COUNTY HOSPITAL DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 1079.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the board of directors of the  
23 district.

24 (2) "Director" means a member of the board.

25 (3) "District" means the Jack County Hospital  
26 District. (Acts 70th Leg., R.S., Ch. 16, Sec. 1.01.)

27 Sec. 1079.002. AUTHORITY FOR OPERATION. The Jack County

1 Hospital District operates and is financed as provided by Section  
2 9, Article IX, Texas Constitution, and by this chapter. (Acts 70th  
3 Leg., R.S., Ch. 16, Sec. 1.02.)

4 Sec. 1079.003. ESSENTIAL PUBLIC FUNCTION. The district is  
5 a public entity performing an essential public function. (Acts  
6 70th Leg., R.S., Ch. 16, Sec. 7.11 (part).)

7 Sec. 1079.004. DISTRICT TERRITORY. The boundaries of the  
8 district are coextensive with the boundaries of Jack County, Texas.  
9 (Acts 70th Leg., R.S., Ch. 16, Sec. 1.03.)

10 Sec. 1079.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
11 OBLIGATION. This state may not become obligated for the support or  
12 maintenance of the district. (Acts 70th Leg., R.S., Ch. 16, Sec.  
13 9.01 (part).)

14 Sec. 1079.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
15 The legislature may not make a direct appropriation for the  
16 construction, maintenance, or improvement of a district facility.  
17 (Acts 70th Leg., R.S., Ch. 16, Sec. 9.01 (part).)

18 [Sections 1079.007-1079.050 reserved for expansion]

19 SUBCHAPTER B. DISTRICT ADMINISTRATION

20 Sec. 1079.051. BOARD ELECTION; TERM. (a) The board is  
21 governed by five directors elected at large by place.

22 (b) Unless four-year terms are established under Section  
23 285.081, Health and Safety Code:

24 (1) directors serve staggered two-year terms;

25 (2) a directors' election shall be held on the uniform  
26 election date in May of each year; and

27 (3) the terms of the directors elected to places 1, 3,

1 and 5 expire in even-numbered years and the terms of the directors  
2 elected to places 2 and 4 expire in odd-numbered years.

3 (c) A director's term begins on June 1 following the  
4 director's election. (Acts 70th Leg., R.S., Ch. 16, Sec. 4.01;  
5 Acts 74th Leg., R.S., Ch. 70, Sec. 4.)

6 Sec. 1079.052. QUALIFICATIONS FOR OFFICE. To be eligible  
7 to be a candidate for or to serve as a director, a person must be:

8 (1) a resident of the district; and

9 (2) a qualified voter. (Acts 70th Leg., R.S., Ch. 16,  
10 Sec. 4.02.)

11 Sec. 1079.053. BOND; RECORD OF BOND. (a) Before assuming  
12 the duties of office, each director must execute a bond for \$5,000  
13 that is:

14 (1) payable to the district; and

15 (2) conditioned on the faithful performance of the  
16 director's duties.

17 (b) The board may pay for a director's bond with district  
18 money.

19 (c) The bond shall be kept in the permanent records of the  
20 district. (Acts 70th Leg., R.S., Ch. 16, Sec. 4.03.)

21 Sec. 1079.054. BOARD VACANCY. If a vacancy occurs in the  
22 office of director, the remaining directors shall appoint a  
23 director for the unexpired term. (Acts 70th Leg., R.S., Ch. 16,  
24 Sec. 4.04.)

25 Sec. 1079.055. OFFICERS. (a) The board shall elect a  
26 president and a vice president from among its members.

27 (b) The board shall appoint a secretary, who need not be a

1 director.

2 (c) Each officer of the board serves for a term of one year.

3 (d) The board shall fill a vacancy in a board office for the  
4 unexpired term. (Acts 70th Leg., R.S., Ch. 16, Secs. 4.05, 4.06.)

5 Sec. 1079.056. COMPENSATION; EXPENSES. A director or  
6 officer serves without compensation but may be reimbursed for  
7 actual expenses incurred in the performance of official duties.  
8 The expenses must be:

9 (1) reported in the district's records; and

10 (2) approved by the board. (Acts 70th Leg., R.S., Ch.  
11 16, Sec. 4.07.)

12 Sec. 1079.057. VOTING REQUIREMENT. A concurrence of a  
13 majority of the directors voting is necessary in any matter  
14 relating to district business. (Acts 70th Leg., R.S., Ch. 16, Sec.  
15 4.08.)

16 Sec. 1079.058. DISTRICT ADMINISTRATOR. (a) The board may  
17 appoint a qualified person as district administrator.

18 (b) The district administrator serves at the will of the  
19 board and is entitled to the compensation determined by the board.

20 (c) Before assuming the duties of district administrator,  
21 the administrator shall execute a bond in the amount determined by  
22 the board of not less than \$5,000 that is:

23 (1) payable to the district; and

24 (2) conditioned on the faithful performance of the  
25 administrator's duties under this chapter.

26 (d) The board may pay for the bond with district money.  
27 (Acts 70th Leg., R.S., Ch. 16, Sec. 4.09.)

1           Sec. 1079.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

2 Subject to the limitations prescribed by the board, the district  
3 administrator shall:

4           (1) supervise the work and activities of the district;  
5 and

6           (2) direct the general affairs of the district. (Acts  
7 70th Leg., R.S., Ch. 16, Sec. 4.12.)

8           Sec. 1079.060. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
9 board may appoint to the staff any doctors the board considers  
10 necessary for the efficient operation of the district and may make  
11 temporary appointments as necessary.

12           (b) The district may employ technicians, nurses, fiscal  
13 agents, accountants, architects, and other necessary employees.

14           (c) The board may delegate to the district administrator the  
15 authority to employ persons for the district. (Acts 70th Leg.,  
16 R.S., Ch. 16, Secs. 4.10, 4.11.)

17           Sec. 1079.061. RETIREMENT BENEFITS. The board may provide  
18 retirement benefits for district employees by:

19           (1) establishing or administering a retirement  
20 program; or

21           (2) participating in:

22           (A) the Texas County and District Retirement  
23 System; or

24           (B) another statewide retirement system in which  
25 the district is eligible to participate. (Acts 70th Leg., R.S., Ch.  
26 16, Sec. 4.13.)

1 [Sections 1079.062-1079.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 1079.101. DISTRICT RESPONSIBILITY. The district has  
4 full responsibility for:

5 (1) operating hospital facilities; and

6 (2) providing medical and hospital care for the  
7 district's needy inhabitants. (Acts 70th Leg., R.S., Ch. 16, Sec.  
8 5.02 (part).)

9 Sec. 1079.102. RESTRICTION ON COUNTY TAXATION AND DEBT.  
10 Jack County may not impose a tax or issue bonds or other obligations  
11 for hospital purposes or to provide medical care for district  
12 residents. (Acts 70th Leg., R.S., Ch. 16, Sec. 5.01(b).)

13 Sec. 1079.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
14 The board shall manage, control, and administer the hospital system  
15 and the district's money and resources. (Acts 70th Leg., R.S., Ch.  
16 16, Sec. 5.03.)

17 Sec. 1079.104. RULES. The board may adopt rules governing:

18 (1) the operation of the hospital and hospital system;  
19 and

20 (2) the duties, functions, and responsibilities of  
21 district staff and employees. (Acts 70th Leg., R.S., Ch. 16, Sec.  
22 5.04.)

23 Sec. 1079.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
24 board may prescribe:

25 (1) the method of making purchases and expenditures by  
26 and for the district; and

27 (2) accounting and control procedures for the

1 district. (Acts 70th Leg., R.S., Ch. 16, Sec. 5.05.)

2       Sec. 1079.106. MOBILE EMERGENCY MEDICAL SERVICE. The  
3 district may operate or provide for the operation of a mobile  
4 emergency medical service. (Acts 70th Leg., R.S., Ch. 16, Sec. 5.02  
5 (part).)

6       Sec. 1079.107. DISTRICT PROPERTY, FACILITIES, AND  
7 EQUIPMENT. (a) The board shall determine:

8           (1) the type, number, and location of buildings  
9 required to maintain an adequate hospital system; and

10          (2) the type of equipment necessary for hospital care.

11       (b) The board may:

12           (1) acquire property, including facilities and  
13 equipment, for the district for use in the hospital system; and

14           (2) mortgage or pledge the property as security for  
15 the payment of the purchase price.

16       (c) The board may lease hospital facilities for the  
17 district.

18       (d) The board may sell or otherwise dispose of property,  
19 including facilities or equipment, for the district. (Acts 70th  
20 Leg., R.S., Ch. 16, Sec. 5.06.)

21       Sec. 1079.108. EMINENT DOMAIN. (a) The district may  
22 exercise the power of eminent domain to acquire a fee simple or  
23 other interest in property located in district territory if the  
24 property interest is necessary to exercise a right or authority  
25 conferred by this chapter.

26       (b) The district must exercise the power of eminent domain  
27 in the manner provided by Chapter 21, Property Code, except that the

1 district is not required to deposit in the trial court money or a  
2 bond as provided by Section 21.021(a), Property Code.

3 (c) In a condemnation proceeding brought by the district,  
4 the district is not required to:

5 (1) pay in advance or provide a bond or other security  
6 for costs in the trial court;

7 (2) provide a bond for the issuance of a temporary  
8 restraining order or a temporary injunction; or

9 (3) provide a bond for costs or a supersedeas bond on  
10 an appeal or petition for review. (Acts 70th Leg., R.S., Ch. 16,  
11 Sec. 5.09.)

12 Sec. 1079.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
13 exercising the power of eminent domain, if the board requires  
14 relocating, raising, lowering, rerouting, changing the grade of, or  
15 altering the construction of any railroad, highway, pipeline, or  
16 electric transmission and electric distribution, telegraph, or  
17 telephone line, conduit, pole, or facility, the district must bear  
18 the actual cost of relocating, raising, lowering, rerouting,  
19 changing the grade, or altering the construction to provide  
20 comparable replacement without enhancement of facilities, after  
21 deducting the net salvage value derived from the old facility.  
22 (Acts 70th Leg., R.S., Ch. 16, Sec. 5.10.)

23 Sec. 1079.110. GIFTS AND ENDOWMENTS. The board may accept  
24 for the district a gift or endowment to be held in trust for any  
25 purpose and under any direction, limitation, or other provision  
26 prescribed in writing by the donor that is consistent with the  
27 proper management of the district. (Acts 70th Leg., R.S., Ch. 16,



1 Sec. 5.14.)

2 Sec. 1079.111. CONSTRUCTION CONTRACTS. (a) The board may  
3 enter into construction contracts for the district.

4 (b) The board may enter into a construction contract that  
5 involves the expenditure of more than the amount provided by  
6 Section 271.024, Local Government Code, only after competitive  
7 bidding as provided by Subchapter B, Chapter 271, Local Government  
8 Code. (Acts 70th Leg., R.S., Ch. 16, Sec. 5.07(a).)

9 Sec. 1079.112. OPERATING AND MANAGEMENT CONTRACTS. The  
10 board may enter into an operating or management contract relating  
11 to a hospital facility for the district. (Acts 70th Leg., R.S., Ch.  
12 16, Sec. 5.08.)

13 Sec. 1079.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
14 SERVICES. The board may contract with a political subdivision of  
15 this state or with a state or federal agency for the district to:

- 16 (1) furnish a mobile emergency medical service; or  
17 (2) provide for the investigatory or welfare needs of  
18 district inhabitants. (Acts 70th Leg., R.S., Ch. 16, Sec. 5.13.)

19 Sec. 1079.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
20 When a person who resides in the district is admitted as a patient  
21 to a district facility, the district administrator may have an  
22 inquiry made into the financial circumstances of:

- 23 (1) the patient; and  
24 (2) a relative of the patient who is legally  
25 responsible for the patient's support.

26 (b) To the extent that the patient or a relative of the  
27 patient who is legally responsible for the patient's support cannot

1 pay for care and treatment provided by the district, the district  
2 shall supply the care and treatment without charging the patient or  
3 the patient's relative.

4 (c) On determining that the patient or a relative legally  
5 responsible for the patient's support can pay for all or part of the  
6 care and treatment provided by the district, the district  
7 administrator shall report that determination to the board and the  
8 board shall issue an order directing the patient or the relative to  
9 pay the district a specified amount each week. The amount must be  
10 based on the individual's ability to pay.

11 (d) The district administrator may collect the money owed to  
12 the district from the patient's estate or from that of a relative  
13 legally responsible for the patient's support in the manner  
14 provided by law for collection of expenses in the last illness of a  
15 deceased person.

16 (e) If there is a dispute relating to a person's ability to  
17 pay or if the district administrator has any doubt concerning a  
18 person's ability to pay, the board shall:

- 19 (1) call witnesses;  
20 (2) hear and resolve the question; and  
21 (3) issue a final order.

22 (f) The final order of the board may be appealed to a  
23 district court in Jack County. The substantial evidence rule  
24 applies to the appeal. (Acts 70th Leg., R.S., Ch. 16, Secs.  
25 5.11(b), (c), (d), (e), (f).)

26 Sec. 1079.115. REIMBURSEMENT FOR SERVICES. (a) The board  
27 shall require a county, municipality, or public hospital located

1 outside the district to reimburse the district for the district's  
2 care and treatment of a sick or injured person of that county,  
3 municipality, or public hospital as provided by Chapter 61, Health  
4 and Safety Code.

5 (b) The board shall require the sheriff of Jack County or  
6 the police chief of the City of Jacksboro to reimburse the district  
7 for the district's care and treatment of a person who is confined in  
8 a jail facility of Jack County or the City of Jacksboro and is not a  
9 district resident.

10 (c) On behalf of the district, the board may contract with  
11 the state or federal government for that government to reimburse  
12 the district for treatment of a sick or injured person. (Acts 70th  
13 Leg., R.S., Ch. 16, Sec. 5.12.)

14 Sec. 1079.116. AUTHORITY TO SUE AND BE SUED. The board may  
15 sue and be sued on behalf of the district. (Acts 70th Leg., R.S.,  
16 Ch. 16, Sec. 5.15.)

17 [Sections 1079.117-1079.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 1079.151. BUDGET. (a) The district administrator  
20 shall prepare a proposed annual budget for the district.

21 (b) The proposed budget must contain a complete financial  
22 statement, including a statement of:

- 23 (1) the outstanding obligations of the district;  
24 (2) the amount of cash on hand in each district fund;  
25 (3) the amount of money received by the district from  
26 all sources during the previous year;  
27 (4) the amount of money available to the district from

1 all sources during the ensuing year;

2 (5) the amount of the balances expected at the end of  
3 the year in which the budget is being prepared;

4 (6) the estimated amount of revenue and balances  
5 available to cover the proposed budget; and

6 (7) the estimated tax rate required. (Acts 70th Leg.,  
7 R.S., Ch. 16, Sec. 6.04.)

8 Sec. 1079.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
9 The board shall hold a public hearing on the proposed annual budget.

10 (b) The board shall publish notice of the hearing in a  
11 newspaper with general circulation in the district not later than  
12 the 10th day before the date of the hearing.

13 (c) Any district resident is entitled to be present and  
14 participate at the hearing.

15 (d) At the conclusion of the hearing, the board shall adopt  
16 a budget by acting on the budget proposed by the district  
17 administrator. The board may make any changes in the proposed  
18 budget that the board judges to be in the interests of the  
19 taxpayers.

20 (e) The budget is effective only after adoption by the  
21 board. (Acts 70th Leg., R.S., Ch. 16, Sec. 6.05.)

22 Sec. 1079.153. AMENDMENTS TO BUDGET. After the annual  
23 budget is adopted, the budget may be amended on the board's  
24 approval. (Acts 70th Leg., R.S., Ch. 16, Sec. 6.06.)

25 Sec. 1079.154. RESTRICTION ON EXPENDITURES. Money may be  
26 spent only for an expense included in the budget or an amendment to  
27 the budget. (Acts 70th Leg., R.S., Ch. 16, Sec. 6.07.)

1           Sec. 1079.155. FISCAL YEAR. (a) The district operates  
2 according to a fiscal year established by the board.

3           (b) The fiscal year may not be changed:

4                 (1) during a period that revenue bonds of the district  
5 are outstanding; or

6                 (2) more than once in a 24-month period. (Acts 70th  
7 Leg., R.S., Ch. 16, Sec. 6.01.)

8           Sec. 1079.156. ANNUAL AUDIT. The board annually shall have  
9 an audit made of the district's financial condition. (Acts 70th  
10 Leg., R.S., Ch. 16, Sec. 6.02.)

11           Sec. 1079.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
12 RECORDS. The annual audit and other district records shall be open  
13 to inspection during regular business hours at the district's  
14 principal office. (Acts 70th Leg., R.S., Ch. 16, Sec. 6.03.)

15           Sec. 1079.158. FINANCIAL REPORT. As soon as practicable  
16 after the close of the fiscal year, the district administrator  
17 shall prepare for the board:

18                 (1) a sworn statement of the amount of district money;  
19 and

20                 (2) an account of the disbursements of that money.  
21 (Acts 70th Leg., R.S., Ch. 16, Sec. 6.08.)

22           Sec. 1079.159. DEPOSITORY. (a) The board shall select at  
23 least one bank to serve as a depository for district money.

24           (b) District money, other than money invested as provided by  
25 Section 1079.160(b) and money transmitted to a bank for payment of  
26 bonds or obligations issued or assumed by the district, shall be  
27 deposited as received with the depository bank and must remain on

1 deposit. This subsection does not limit the power of the board to  
2 place a part of district money on time deposit or to purchase  
3 certificates of deposit.

4 (c) The district may not deposit money with a bank in an  
5 amount that exceeds the maximum amount secured by the Federal  
6 Deposit Insurance Corporation unless the bank first executes a bond  
7 or other security in an amount sufficient to secure from loss the  
8 district money that exceeds the amount secured by the Federal  
9 Deposit Insurance Corporation. (Acts 70th Leg., R.S., Ch. 16, Sec.  
10 6.10.)

11 Sec. 1079.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
12 Except as provided by Sections 1079.111, 1079.201, 1079.204, and  
13 1079.205, the district may not incur a debt payable from district  
14 revenue other than the revenue on hand or to be on hand in the  
15 current and the immediately following district fiscal years.

16 (b) The board may invest operating, depreciation, or  
17 building reserves only in funds or securities specified by Chapter  
18 2256, Government Code. (Acts 70th Leg., R.S., Ch. 16, Sec. 6.09.)

19 [Sections 1079.161-1079.200 reserved for expansion]

20 SUBCHAPTER E. BONDS

21 Sec. 1079.201. GENERAL OBLIGATION BONDS. If authorized by  
22 an election, the board may issue and sell general obligation bonds  
23 in the name and on the faith and credit of the district to:

24 (1) purchase, construct, acquire, repair, or renovate  
25 buildings or improvements;

26 (2) equip buildings or improvements for hospital  
27 purposes; or

1           (3) acquire and operate a mobile emergency medical  
2 service. (Acts 70th Leg., R.S., Ch. 16, Sec. 7.01.)

3           Sec. 1079.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
4 the time general obligation bonds are issued by the district under  
5 Section 1079.201, the board shall impose an ad valorem tax at a rate  
6 sufficient to create an interest and sinking fund to pay the  
7 principal of and interest on the bonds as the bonds mature.

8           (b) The tax required by this section together with any other  
9 ad valorem tax the district imposes may not in any year exceed the  
10 limit approved by the voters at the election authorizing the  
11 imposition of the tax. (Acts 70th Leg., R.S., Ch. 16, Sec. 7.02.)

12           Sec. 1079.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
13 district may issue general obligation bonds only if the bonds are  
14 authorized by a majority of the district voters voting at an  
15 election held for that purpose.

16           (b) The board may order a bond election.

17           (c) The order calling the election must specify:

- 18                   (1) the nature and date of the election;  
19                   (2) the hours during which the polls will be open;  
20                   (3) the location of the polling places;  
21                   (4) the amount of the bonds to be authorized; and  
22                   (5) the maximum maturity of the bonds.

23           (d) Notice of a bond election shall be given as provided by  
24 Section 1251.003, Government Code.

25           (e) The board shall declare the results of the election.  
26 (Acts 70th Leg., R.S., Ch. 16, Sec. 7.03.)

27           Sec. 1079.204. REVENUE BONDS. (a) The board may issue

1 revenue bonds to:

2 (1) purchase, construct, acquire, repair, renovate,  
3 or equip buildings or improvements for hospital purposes;

4 (2) acquire sites to be used for hospital purposes; or

5 (3) acquire and operate a mobile emergency medical  
6 service to assist the district in carrying out its hospital  
7 purposes.

8 (b) The bonds must be payable from and secured by a pledge of  
9 all or part of the revenue derived from the operation of the  
10 district's hospital system.

11 (c) The bonds may be additionally secured by a mortgage or  
12 deed of trust lien on all or part of district property.

13 (d) The bonds must be issued in the manner provided by  
14 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
15 Health and Safety Code, for issuance of revenue bonds by a county  
16 hospital authority. (Acts 70th Leg., R.S., Ch. 16, Sec. 7.04.)

17 Sec. 1079.205. REFUNDING BONDS. (a) The board may issue  
18 refunding bonds to refund an outstanding indebtedness issued or  
19 assumed by the district.

20 (b) Refunding bonds may be:

21 (1) sold, with the proceeds of the refunding bonds  
22 applied to the payment of the outstanding indebtedness; or

23 (2) exchanged wholly or partly for not less than a  
24 similar principal amount of outstanding indebtedness. (Acts 70th  
25 Leg., R.S., Ch. 16, Secs. 7.05(a), (c) (part).)

26 Sec. 1079.206. MATURITY OF BONDS. District bonds must  
27 mature not later than 50 years after the date of issuance. (Acts



1 70th Leg., R.S., Ch. 16, Sec. 7.06 (part).)

2 Sec. 1079.207. EXECUTION OF BONDS. (a) The board president  
3 shall execute district bonds in the district's name.

4 (b) The board secretary shall countersign the bonds in the  
5 manner provided by Chapter 618, Government Code. (Acts 70th Leg.,  
6 R.S., Ch. 16, Sec. 7.07.)

7 Sec. 1079.208. BONDS EXEMPT FROM TAXATION. The following  
8 are exempt from taxation by this state or a political subdivision of  
9 this state:

- 10 (1) bonds issued by the district;  
11 (2) any transaction relating to the bonds; and  
12 (3) profits made in the sale of the bonds. (Acts 70th  
13 Leg., R.S., Ch. 16, Sec. 7.11 (part).)

14 [Sections 1079.209-1079.250 reserved for expansion]

15 SUBCHAPTER F. TAXES

16 Sec. 1079.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
17 may impose a tax on all property in the district subject to district  
18 taxation.

19 (b) The tax may be used to pay:

- 20 (1) indebtedness issued or assumed by the district;  
21 and  
22 (2) the maintenance and operating expenses of the  
23 district.

24 (c) The district may not impose a tax to pay the principal of  
25 or interest on revenue bonds issued under this chapter. (Acts 70th  
26 Leg., R.S., Ch. 16, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

27 Sec. 1079.252. TAX RATE. (a) The board may impose the tax

1 at a rate not to exceed the limit approved by the voters at the  
2 election authorizing the imposition of the tax.

3 (b) The tax rate for all purposes may not exceed 75 cents on  
4 each \$100 valuation of all taxable property in the district.

5 (c) In setting the tax rate, the board shall consider the  
6 income of the district from sources other than taxation. (Acts 70th  
7 Leg., R.S., Ch. 16, Secs. 8.01(a) (part), (b), 8.03 (part).)

8 Sec. 1079.253. TAX ASSESSOR-COLLECTOR. The board may  
9 provide for the appointment of a tax assessor-collector for the  
10 district or may contract for the assessment and collection of taxes  
11 as provided by the Tax Code. (Acts 70th Leg., R.S., Ch. 16, Sec.  
12 8.04(b).)

13 CHAPTER 1080. NIXON HOSPITAL DISTRICT OF GONZALES AND WILSON

14 COUNTIES, TEXAS

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1080.001. DEFINITIONS

17 Sec. 1080.002. AUTHORITY FOR CREATION

18 Sec. 1080.003. DISTRICT TERRITORY

19 Sec. 1080.004. DISTRICT SUPPORT AND MAINTENANCE NOT

20 STATE OBLIGATION

21 Sec. 1080.005. RESTRICTION ON STATE FINANCIAL

22 ASSISTANCE

23 [Sections 1080.006-1080.050 reserved for expansion]

24 SUBCHAPTER B. DISTRICT ADMINISTRATION

25 Sec. 1080.051. BOARD ELECTION; TERMS

26 Sec. 1080.052. QUALIFICATIONS FOR OFFICE

- 1 Sec. 1080.053. BOND; RECORD OF BOND AND OATH OR  
2 AFFIRMATION OF OFFICE  
3 Sec. 1080.054. OFFICERS  
4 Sec. 1080.055. COMPENSATION; EXPENSES  
5 Sec. 1080.056. DISTRICT ADMINISTRATOR  
6 Sec. 1080.057. EMPLOYEES  
7 Sec. 1080.058. MAINTENANCE OF RECORDS; PUBLIC  
8 INSPECTION  
9 [Sections 1080.059-1080.100 reserved for expansion]  
10 SUBCHAPTER C. POWERS AND DUTIES  
11 Sec. 1080.101. DISTRICT RESPONSIBILITY  
12 Sec. 1080.102. RESTRICTION ON POLITICAL SUBDIVISION  
13 TAXATION AND DEBT  
14 Sec. 1080.103. MANAGEMENT AND CONTROL OF THE DISTRICT  
15 Sec. 1080.104. HOSPITAL SYSTEM  
16 Sec. 1080.105. RULES  
17 Sec. 1080.106. PURCHASING AND ACCOUNTING PROCEDURES  
18 Sec. 1080.107. EMINENT DOMAIN  
19 Sec. 1080.108. GIFTS AND ENDOWMENTS  
20 Sec. 1080.109. CONTRACTS WITH POLITICAL SUBDIVISIONS  
21 FOR HOSPITAL AND MEDICAL CARE  
22 Sec. 1080.110. CONTRACT CONCERNING HEALTH CARE  
23 FACILITY IN DISTRICT  
24 Sec. 1080.111. PAYMENT FOR TREATMENT; PROCEDURE  
25 [Sections 1080.112-1080.150 reserved for expansion]  
26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
27 Sec. 1080.151. BUDGET

1 Sec. 1080.152. PROPOSED BUDGET: NOTICE AND HEARING

2 Sec. 1080.153. FISCAL YEAR

3 Sec. 1080.154. ANNUAL AUDIT

4 Sec. 1080.155. DEPOSITORY

5 [Sections 1080.156-1080.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 1080.201. BONDS

8 Sec. 1080.202. TAX TO PAY BONDS

9 Sec. 1080.203. BOND ELECTION

10 Sec. 1080.204. MATURITY OF BONDS

11 Sec. 1080.205. EXECUTION OF BONDS

12 [Sections 1080.206-1080.250 reserved for expansion]

13 SUBCHAPTER F. TAXES

14 Sec. 1080.251. IMPOSITION OF AD VALOREM TAX

15 Sec. 1080.252. TAX RATE

16 Sec. 1080.253. TAX ASSESSOR-COLLECTOR

17 CHAPTER 1080. NIXON HOSPITAL DISTRICT OF GONZALES AND WILSON

18 COUNTIES, TEXAS

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 1080.001. DEFINITIONS. In this chapter:

21 (1) "Board" means the board of directors of the  
22 district.

23 (2) "Director" means a member of the board.

24 (3) "District" means the Nixon Hospital District of  
25 Gonzales and Wilson Counties, Texas. (New.)

26 Sec. 1080.002. AUTHORITY FOR CREATION. The Nixon Hospital  
27 District of Gonzales and Wilson Counties, Texas, is created under

1 the authority of Section 9, Article IX, Texas Constitution. (Acts  
2 59th Leg., R.S., Ch. 644, Sec. 1.)

3 Sec. 1080.003. DISTRICT TERRITORY. (a) The district is  
4 composed of the territory described by Section 2(a), Chapter 644,  
5 Acts of the 59th Legislature, Regular Session, 1965.  
6 Notwithstanding the metes and bounds description provided by that  
7 section, the district does not include any land in Karnes County.

8 (b) The district's boundaries described by Section 2(a),  
9 Chapter 644, Acts of the 59th Legislature, Regular Session, 1965,  
10 form a closure. An error in copying the description of the  
11 boundaries does not affect the validity of the district. (Acts 59th  
12 Leg., R.S., Ch. 644, Secs. 2(b), (c); New.)

13 Sec. 1080.004. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
14 OBLIGATION. The support and maintenance of the district's hospital  
15 system and any indebtedness incurred by the district under this  
16 chapter may not become a charge against or obligation of this state.  
17 (Acts 59th Leg., R.S., Ch. 644, Sec. 17 (part).)

18 Sec. 1080.005. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
19 The legislature may not make a direct appropriation for the  
20 construction, maintenance, or improvement of a district facility.  
21 (Acts 59th Leg., R.S., Ch. 644, Sec. 17 (part).)

22 [Sections 1080.006-1080.050 reserved for expansion]

23 SUBCHAPTER B. DISTRICT ADMINISTRATION

24 Sec. 1080.051. BOARD ELECTION; TERMS. (a) The board  
25 consists of seven directors elected from the district at large.

26 (b) Directors serve staggered two-year terms unless  
27 four-year terms are established under Section 285.081, Health and

1 Safety Code. (Acts 59th Leg., R.S., Ch. 644, Secs. 5(a) (part), (e),  
2 (f), (h) (part).)

3 Sec. 1080.052. QUALIFICATIONS FOR OFFICE. To qualify for  
4 election to the board, a person must:

5 (1) be at least 18 years of age;

6 (2) have been a resident of the district for at least  
7 two years;

8 (3) be a qualified voter; and

9 (4) own taxable property in the district and have duly  
10 rendered that property for taxation. (Acts 59th Leg., R.S., Ch.  
11 644, Sec. 5(b).)

12 Sec. 1080.053. BOND; RECORD OF BOND AND OATH OR AFFIRMATION  
13 OF OFFICE. (a) A person elected to the board shall qualify for  
14 office by executing a good and sufficient commercial bond for  
15 \$1,000 that is:

16 (1) payable to the district; and

17 (2) conditioned on the faithful performance of the  
18 director's duties.

19 (b) The district shall pay for a director's bond.

20 (c) Each director's bond and constitutional oath or  
21 affirmation of office shall be deposited with the district's  
22 depository for safekeeping. (Acts 59th Leg., R.S., Ch. 644, Sec.  
23 6(a).)

24 Sec. 1080.054. OFFICERS. The board shall elect from among  
25 its members a president, a secretary, and a treasurer at the first  
26 meeting after each directors' election. (Acts 59th Leg., R.S., Ch.  
27 644, Sec. 6(b).)

1           Sec. 1080.055. COMPENSATION; EXPENSES. A director is not  
2 entitled to compensation but is entitled to reimbursement for  
3 necessary expenses incurred in the performance of official duties.  
4 (Acts 59th Leg., R.S., Ch. 644, Sec. 6(c).)

5           Sec. 1080.056. DISTRICT ADMINISTRATOR. (a) The board may  
6 employ a district administrator to manage the operations of the  
7 hospital system.

8           (b) The district administrator may employ necessary  
9 personnel to perform the services provided by the hospital system.  
10 (Acts 59th Leg., R.S., Ch. 644, Sec. 11(e) (part).)

11          Sec. 1080.057. EMPLOYEES. The board may employ an  
12 attorney, a general manager, a bookkeeper, an architect, and other  
13 employees necessary for the efficient operation of the district.  
14 (Acts 59th Leg., R.S., Ch. 644, Sec. 11(e) (part).)

15          Sec. 1080.058. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
16 The board shall:

17               (1) maintain all district records, including books,  
18 accounts, notices, minutes, and other matters of the district and  
19 its operation, at the district office; and

20               (2) make those records available for public inspection  
21 at reasonable times. (Acts 59th Leg., R.S., Ch. 644, Sec. 11(b).)

22               [Sections 1080.059-1080.100 reserved for expansion]

23                               SUBCHAPTER C. POWERS AND DUTIES

24          Sec. 1080.101. DISTRICT RESPONSIBILITY. The district shall  
25 provide all necessary hospital and medical care for the district's  
26 needy inhabitants. (Acts 59th Leg., R.S., Ch. 644, Sec. 3(a)  
27 (part).)

1           Sec. 1080.102. RESTRICTION ON POLITICAL SUBDIVISION  
2 TAXATION AND DEBT. A political subdivision of this state, other  
3 than the district, may not impose a tax or issue bonds or other  
4 obligations to provide hospital service or medical care in the  
5 district. (Acts 59th Leg., R.S., Ch. 644, Sec. 3(a) (part).)

6           Sec. 1080.103. MANAGEMENT AND CONTROL OF THE DISTRICT. The  
7 management and control of the district is vested in the board, and  
8 the board has full power to manage and control the district. (Acts  
9 59th Leg., R.S., Ch. 644, Secs. 5(a) (part), 11(a) (part).)

10          Sec. 1080.104. HOSPITAL SYSTEM. The district has the  
11 responsibility to establish a hospital, hospital system, or clinic  
12 within its boundaries to provide hospital and medical care to the  
13 district's residents. (Acts 59th Leg., R.S., Ch. 644, Sec. 3(a)  
14 (part).)

15          Sec. 1080.105. RULES. (a) The board shall adopt rules for  
16 the efficient operation of the district, including district  
17 facilities.

18           (b) The board shall:

19               (1) publish the rules in book form; and

20               (2) provide copies to interested persons on request at  
21 district expense. (Acts 59th Leg., R.S., Ch. 644, Sec. 11(c).)

22          Sec. 1080.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
23 board may prescribe the method of making purchases and expenditures  
24 and the manner of accounting and control used by the district.  
25 (Acts 59th Leg., R.S., Ch. 644, Sec. 11(e) (part).)

26          Sec. 1080.107. EMINENT DOMAIN. (a) The district may  
27 exercise the power of eminent domain to acquire a fee simple or



1 other interest in real, personal, or mixed property located in  
2 district territory if the interest is necessary for the district to  
3 exercise a power or duty conferred on the district by this chapter.

4 (b) The district must exercise the power of eminent domain  
5 in the manner provided by Chapter 21, Property Code, except the  
6 district is not required to deposit in the trial court money or a  
7 bond as provided by Section 21.021(a), Property Code.

8 (c) In a condemnation proceeding, the district is not  
9 required to:

10 (1) pay in advance or provide a bond or other security  
11 for costs in the trial court; or

12 (2) provide a bond for costs or a supersedeas bond on  
13 an appeal or petition for review. (Acts 59th Leg., R.S., Ch. 644,  
14 Sec. 14.)

15 Sec. 1080.108. GIFTS AND ENDOWMENTS. The board may accept  
16 for the district a gift or endowment to be held in trust and  
17 administered by the board under the directions, limitations, or  
18 other provisions prescribed in writing by the donor that are not  
19 inconsistent with the proper management of the district. (Acts  
20 59th Leg., R.S., Ch. 644, Sec. 11(f).)

21 Sec. 1080.109. CONTRACTS WITH POLITICAL SUBDIVISIONS FOR  
22 HOSPITAL AND MEDICAL CARE. The board may contract with another  
23 political subdivision to provide hospital and medical care for  
24 needy persons who reside outside the district. (Acts 59th Leg.,  
25 R.S., Ch. 644, Sec. 11(g).)

26 Sec. 1080.110. CONTRACT CONCERNING HEALTH CARE FACILITY IN  
27 DISTRICT. The district may contract with any of the following

1 entities for the entity to lease, manage, or operate a health care  
2 facility in the district:

3 (1) the DeWitt Medical District; and

4 (2) Gonzales Healthcare Systems. (Acts 59th Leg.,  
5 R.S., Ch. 644, Secs. 3(b), (c).)

6 Sec. 1080.111. PAYMENT FOR TREATMENT; PROCEDURE. (a) A  
7 person who resides in the district is entitled to receive necessary  
8 medical and hospital care regardless of whether the person has the  
9 ability to pay for the care and may apply to receive this care  
10 without cost.

11 (b) The board or the district administrator shall employ a  
12 person to investigate the ability of the patient and any relative  
13 who is liable for the patient's support to pay for the medical and  
14 hospital care received by the patient.

15 (c) If the investigator determines that the patient or  
16 relative legally liable for the patient's support cannot pay all or  
17 part of the costs of the patient's care, the expense of the care  
18 becomes a charge against the district.

19 (d) If the patient or a relative legally liable for the  
20 patient's support can pay for all or part of the costs of the  
21 patient's care, the board shall order the patient or relative to pay  
22 to the treasurer each week an amount specified in the order. The  
23 amount must be proportionate to the person's ability to pay.

24 (e) The district may collect the amount from the patient's  
25 estate, or from any relative who is liable for the patient's  
26 support, in the manner provided by law for the collection of  
27 expenses of the last illness of a deceased person.

1 (f) If there is a dispute as to the ability to pay, or doubt  
2 in the mind of the investigator, the board shall hold a hearing and,  
3 after calling witnesses, shall:

4 (1) determine the question; and

5 (2) make the proper order based on the board's  
6 findings.

7 (g) A party to the hearing who is not satisfied with the  
8 result of the order may appeal to the district court. The appeal is  
9 de novo, as that term is used in an appeal from a justice court to a  
10 county court. (Acts 59th Leg., R.S., Ch. 644, Sec. 13.)

11 [Sections 1080.112-1080.150 reserved for expansion]

12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

13 Sec. 1080.151. BUDGET. The board shall prepare a budget  
14 that includes:

15 (1) proposed expenditures and disbursements;

16 (2) estimated receipts and collections for the next  
17 fiscal year; and

18 (3) the amount of taxes required to be imposed to meet  
19 the proposed budget. (Acts 59th Leg., R.S., Ch. 644, Sec. 12(b).)

20 Sec. 1080.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
21 The board shall hold a public hearing on the proposed budget.

22 (b) Notice of the hearing must be published at least once in  
23 a newspaper of general circulation in each county in the district  
24 not later than the 10th day before the date of the hearing.

25 (c) Any person who owns taxable property in the district and  
26 has duly rendered that property for taxation is entitled to:

27 (1) appear at the hearing; and

1           (2) be heard regarding any item in the proposed  
2 budget. (Acts 59th Leg., R.S., Ch. 644, Secs. 12(c), (d).)

3           Sec. 1080.153. FISCAL YEAR. The district's fiscal year is  
4 from October 1 to September 30. (Acts 59th Leg., R.S., Ch. 644,  
5 Sec. 12(a).)

6           Sec. 1080.154. ANNUAL AUDIT. (a) The board annually shall  
7 require an independent audit of the district's books and records.

8           (b) Not later than December 1 of each year, the board shall  
9 file a copy of the audit with:

10           (1) the comptroller; and

11           (2) the district. (Acts 59th Leg., R.S., Ch. 644, Sec.  
12 11(d).)

13           Sec. 1080.155. DEPOSITORY. (a) The board by resolution  
14 shall designate a bank in Gonzales or Wilson County as the  
15 district's depository. The designated bank serves for two years  
16 and until a successor is designated.

17           (b) All district money shall be deposited in the depository  
18 and secured in the manner provided for securing county funds. (Acts  
19 59th Leg., R.S., Ch. 644, Sec. 15.)

20           [Sections 1080.156-1080.200 reserved for expansion]

21                                   SUBCHAPTER E. BONDS

22           Sec. 1080.201. BONDS. The district may issue bonds to:

23           (1) purchase, construct, acquire, repair, or renovate  
24 buildings or improvements; and

25           (2) equip buildings for hospital purposes. (Acts 59th  
26 Leg., R.S., Ch. 644, Sec. 9(a) (part).)

27           Sec. 1080.202. TAX TO PAY BONDS. The board may issue bonds

1 under Section 1080.201 only if the board imposes an ad valorem tax  
2 at a rate sufficient to create an interest and sinking fund to pay  
3 the principal of and interest on the bonds as the bonds mature.  
4 (Acts 59th Leg., R.S., Ch. 644, Secs. 10(a) (part), (c).)

5 Sec. 1080.203. BOND ELECTION. (a) The board may issue  
6 bonds under Section 1080.201 only if the bonds are authorized by a  
7 majority of district voters voting in an election held for that  
8 purpose. The total face value of the bonds may not exceed the amount  
9 specified in the election order.

10 (b) The board may order a bond election at any time.

11 (c) The order calling an election must include:

- 12 (1) the time of the election;  
13 (2) the location of the polling places;  
14 (3) the form of the ballots;  
15 (4) the presiding judge for each polling place;  
16 (5) the purpose of the bond issuance;  
17 (6) the amount of the bonds to be authorized;  
18 (7) the maximum interest rate of the bonds; and  
19 (8) the maximum maturity of the bonds.

20 (d) A substantial copy of the election order shall be  
21 published in a newspaper of general circulation in each county in  
22 the district once a week for two consecutive weeks before the date  
23 of the election. The first notice must be published at least 14  
24 days before the date of the election.

25 (e) A copy of the election results must be filed with the  
26 county clerks of Gonzales and Wilson Counties and become a public  
27 record. (Acts 59th Leg., R.S., Ch. 644, Secs. 4(c), (d), (e))

1 (part), 9(a) (part), (b), (d), 10(a) (part).)

2           Sec. 1080.204. MATURITY OF BONDS. District bonds must  
3 mature not later than 40 years after the date of issuance. (Acts  
4 59th Leg., R.S., Ch. 644, Sec. 9(c) (part).)

5           Sec. 1080.205. EXECUTION OF BONDS. (a) The board president  
6 shall execute the district's bonds in the district's name.

7           (b) The board secretary shall countersign the bonds. (Acts  
8 59th Leg., R.S., Ch. 644, Sec. 10(b) (part).)

9           [Sections 1080.206-1080.250 reserved for expansion]

10   SUBCHAPTER F. TAXES

11           Sec. 1080.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
12 shall impose a tax on all property in the district subject to  
13 district taxation.

14           (b) The tax may be used only to:

15                   (1) pay the interest on and create a sinking fund for  
16 bonds issued under this chapter;

17                   (2) provide for the operation and maintenance of the  
18 district and hospital system;

19                   (3) make improvements and additions to the hospital  
20 system; and

21                   (4) acquire sites for additions to the hospital  
22 system. (Acts 59th Leg., R.S., Ch. 644, Secs. 8(a) (part), (c).)

23           Sec. 1080.252. TAX RATE. The board may impose the tax at a  
24 rate not to exceed 75 cents on each \$100 valuation of taxable  
25 property in the district. (Acts 59th Leg., R.S., Ch. 644, Sec. 8(a)  
26 (part).)

27           Sec. 1080.253. TAX ASSESSOR-COLLECTOR.           The tax

1 assessor-collectors of Gonzales and Wilson Counties shall collect  
2 the district taxes imposed on property located in each  
3 assessor-collector's respective county. (Acts 59th Leg., R.S., Ch.  
4 644, Sec. 8(d) (part).)

5 CHAPTER 1081. NOCONA HOSPITAL DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 1081.001. DEFINITIONS

8 Sec. 1081.002. AUTHORITY FOR OPERATION

9 Sec. 1081.003. ESSENTIAL PUBLIC FUNCTION

10 Sec. 1081.004. DISTRICT TERRITORY

11 Sec. 1081.005. CORRECTION OF INVALID PROCEDURES

12 Sec. 1081.006. DISTRICT SUPPORT AND MAINTENANCE NOT

13 STATE OBLIGATION

14 Sec. 1081.007. RESTRICTION ON STATE FINANCIAL

15 ASSISTANCE

16 [Sections 1081.008-1081.050 reserved for expansion]

17 SUBCHAPTER B. DISTRICT ADMINISTRATION

18 Sec. 1081.051. BOARD ELECTION; TERM

19 Sec. 1081.052. QUALIFICATIONS FOR OFFICE

20 Sec. 1081.053. BOARD VACANCY

21 Sec. 1081.054. OFFICERS

22 Sec. 1081.055. COMPENSATION; EXPENSES

23 Sec. 1081.056. QUORUM

24 Sec. 1081.057. VOTING REQUIREMENT

25 Sec. 1081.058. CHIEF EXECUTIVE OFFICER; ASSISTANT TO

26 CHIEF EXECUTIVE OFFICER

- 1 Sec. 1081.059. GENERAL DUTIES OF CHIEF EXECUTIVE  
2 OFFICER
- 3 Sec. 1081.060. APPOINTMENT OF STAFF AND EMPLOYEES  
4 [Sections 1081.061-1081.100 reserved for expansion]
- 5 SUBCHAPTER C. POWERS AND DUTIES
- 6 Sec. 1081.101. DISTRICT RESPONSIBILITY
- 7 Sec. 1081.102. RESTRICTION ON POLITICAL SUBDIVISION  
8 TAXATION AND DEBT
- 9 Sec. 1081.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 10 Sec. 1081.104. HOSPITAL SYSTEM
- 11 Sec. 1081.105. RULES
- 12 Sec. 1081.106. PURCHASING AND ACCOUNTING PROCEDURES
- 13 Sec. 1081.107. DISTRICT PROPERTY, FACILITIES, AND  
14 EQUIPMENT
- 15 Sec. 1081.108. EMINENT DOMAIN
- 16 Sec. 1081.109. GIFTS AND ENDOWMENTS
- 17 Sec. 1081.110. CONSTRUCTION CONTRACTS
- 18 Sec. 1081.111. OPERATING AND MANAGEMENT CONTRACTS
- 19 Sec. 1081.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
20 FOR HOSPITALIZATION
- 21 Sec. 1081.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
22 FOR INVESTIGATORY AND OTHER SERVICES
- 23 Sec. 1081.114. CARE AND TREATMENT FOR INDIGENT
- 24 Sec. 1081.115. AUTHORITY TO SUE AND BE SUED  
25 [Sections 1081.116-1081.150 reserved for expansion]
- 26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 27 Sec. 1081.151. BUDGET



- 1 Sec. 1081.152. NOTICE; HEARING; ADOPTION OF BUDGET  
2 Sec. 1081.153. AMENDMENTS TO BUDGET  
3 Sec. 1081.154. RESTRICTION ON EXPENDITURES  
4 Sec. 1081.155. FISCAL YEAR  
5 Sec. 1081.156. AUDIT  
6 Sec. 1081.157. INSPECTION OF AUDIT AND DISTRICT  
7 RECORDS  
8 Sec. 1081.158. FINANCIAL REPORT  
9 Sec. 1081.159. DEPOSITORY  
10 Sec. 1081.160. SPENDING AND INVESTMENT RESTRICTIONS  
11 [Sections 1081.161-1081.200 reserved for expansion]  
12 SUBCHAPTER E. BONDS  
13 Sec. 1081.201. GENERAL OBLIGATION BONDS  
14 Sec. 1081.202. TAX TO PAY GENERAL OBLIGATION BONDS  
15 Sec. 1081.203. GENERAL OBLIGATION BOND ELECTION  
16 Sec. 1081.204. REVENUE BONDS  
17 Sec. 1081.205. MATURITY OF BONDS  
18 Sec. 1081.206. EXECUTION OF BONDS  
19 Sec. 1081.207. BONDS EXEMPT FROM TAXATION  
20 [Sections 1081.208-1081.250 reserved for expansion]  
21 SUBCHAPTER F. TAXES  
22 Sec. 1081.251. IMPOSITION OF AD VALOREM TAX  
23 Sec. 1081.252. TAX RATE  
24 Sec. 1081.253. TAX ASSESSOR-COLLECTOR  
25 [Sections 1081.254-1081.300 reserved for expansion]  
26 SUBCHAPTER G. DISSOLUTION  
27 Sec. 1081.301. DISSOLUTION; ELECTION

- 1 Sec. 1081.302. NOTICE OF ELECTION
- 2 Sec. 1081.303. BALLOT
- 3 Sec. 1081.304. ELECTION RESULTS
- 4 Sec. 1081.305. TRANSFER OR ADMINISTRATION OF ASSETS
- 5 Sec. 1081.306. IMPOSITION OF TAX AND RETURN OF SURPLUS
- 6 Sec. 1081.307. REPORT; DISSOLUTION ORDER

7 CHAPTER 1081. NOCONA HOSPITAL DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 1081.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the board of directors of the  
11 district.

12 (2) "Director" means a member of the board.

13 (3) "District" means the Nocona Hospital District.

14 (New.)

15 Sec. 1081.002. AUTHORITY FOR OPERATION. The Nocona  
16 Hospital District operates in accordance with Section 9, Article  
17 IX, Texas Constitution, and has the rights, powers, and duties  
18 provided by this chapter. (Acts 62nd Leg., R.S., Ch. 868, Sec. 1  
19 (part).)

20 Sec. 1081.003. ESSENTIAL PUBLIC FUNCTION. The district  
21 performs an essential public function in carrying out the purposes  
22 of this chapter. (Acts 62nd Leg., R.S., Ch. 868, Sec. 21 (part).)

23 Sec. 1081.004. DISTRICT TERRITORY. The boundaries of the  
24 district are coextensive with the boundaries of the Nocona and  
25 Prairie Valley Independent School Districts of Montague County,  
26 Texas, as those boundaries existed on January 1, 1971. (Acts 62nd  
27 Leg., R.S., Ch. 868, Sec. 1 (part).)

1           Sec. 1081.005. CORRECTION OF INVALID PROCEDURES. If a  
2 court holds that any procedure under this chapter violates the  
3 constitution of this state or of the United States, the district by  
4 resolution may provide an alternative procedure that conforms with  
5 the constitution. (Acts 62nd Leg., R.S., Ch. 868, Sec. 23 (part).)

6           Sec. 1081.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
7 OBLIGATION. The support and maintenance of the district may not  
8 become a charge against or obligation of this state. (Acts 62nd  
9 Leg., R.S., Ch. 868, Sec. 20 (part).)

10          Sec. 1081.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
11 The legislature may not make a direct appropriation for  
12 construction, maintenance, or improvement of a district facility.  
13 (Acts 62nd Leg., R.S., Ch. 868, Sec. 20 (part).)

14           [Sections 1081.008-1081.050 reserved for expansion]

15                           SUBCHAPTER B. DISTRICT ADMINISTRATION

16          Sec. 1081.051. BOARD ELECTION; TERM. (a) The board  
17 consists of seven directors elected from the district at large.

18           (b) Unless four-year terms are established under Section  
19 285.081, Health and Safety Code:

20                   (1) directors serve staggered two-year terms;

21                   (2) an election shall be held annually on the May  
22 uniform election date under Section 41.001, Election Code; and

23                   (3) the terms of four directors expire in odd-numbered  
24 years and the terms of three directors expire in even-numbered  
25 years. (Acts 62nd Leg., R.S., Ch. 868, Secs. 4(a), (b).)

26          Sec. 1081.052. QUALIFICATIONS FOR OFFICE. (a) A person may  
27 not be elected or appointed as a director unless the person is:

1 (1) a resident of the district; and

2 (2) a qualified voter.

3 (b) A person is not eligible to serve as a director if the  
4 person is:

5 (1) the district chief executive officer;

6 (2) a district employee; or

7 (3) a medical staff member of the hospital. (Acts 62nd  
8 Leg., R.S., Ch. 868, Sec. 4(e).)

9 Sec. 1081.053. BOARD VACANCY. If a vacancy occurs in the  
10 office of director, the remaining directors shall appoint a  
11 director for the unexpired term. (Acts 62nd Leg., R.S., Ch. 868,  
12 Sec. 4(d).)

13 Sec. 1081.054. OFFICERS. (a) The board shall elect:

14 (1) a president and vice president from among its  
15 members; and

16 (2) a secretary, who need not be a director.

17 (b) Each officer of the board serves for a term of one year.

18 (c) The board shall fill a vacancy in a board office for the  
19 unexpired term. (Acts 62nd Leg., R.S., Ch. 868, Sec. 4(f) (part).)

20 Sec. 1081.055. COMPENSATION; EXPENSES. A director or  
21 officer serves without compensation but may be reimbursed for  
22 actual expenses incurred in the performance of official duties.  
23 The expenses must be:

24 (1) reported in the district's records; and

25 (2) approved by the board. (Acts 62nd Leg., R.S., Ch.  
26 868, Sec. 4(f) (part).)

27 Sec. 1081.056. QUORUM. Any five directors constitute a

1 quorum. (Acts 62nd Leg., R.S., Ch. 868, Sec. 4(f) (part).)

2           Sec. 1081.057. VOTING REQUIREMENT. A concurrence of five  
3 directors is sufficient in any matter relating to district  
4 business. (Acts 62nd Leg., R.S., Ch. 868, Sec. 4(f) (part).)

5           Sec. 1081.058. CHIEF EXECUTIVE OFFICER; ASSISTANT TO CHIEF  
6 EXECUTIVE OFFICER. (a) The board shall appoint a qualified person  
7 as the chief executive officer of the district.

8           (b) The board may appoint an assistant to the chief  
9 executive officer.

10           (c) The chief executive officer and any assistant to the  
11 chief executive officer serve at the will of the board and are  
12 entitled to the compensation determined by the board. (Acts 62nd  
13 Leg., R.S., Ch. 868, Sec. 5(c) (part).)

14           Sec. 1081.059. GENERAL DUTIES OF CHIEF EXECUTIVE OFFICER.  
15 Subject to the limitations prescribed by the board, the chief  
16 executive officer shall:

17                   (1) supervise the work and activities of the district;  
18 and

19                   (2) direct the affairs of the district. (Acts 62nd  
20 Leg., R.S., Ch. 868, Sec. 5(c) (part).)

21           Sec. 1081.060. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
22 board may appoint to the staff any doctors the board considers  
23 necessary for the efficient operation of the district and may make  
24 temporary appointments as necessary.

25           (b) The district may employ fiscal agents, accountants,  
26 architects, and attorneys the board considers proper.

27           (c) The board may delegate to the chief executive officer

1 the authority to hire district employees, including technicians and  
2 nurses. (Acts 62nd Leg., R.S., Ch. 868, Secs. 5(d), (e), 16.)

3 [Sections 1081.061-1081.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 1081.101. DISTRICT RESPONSIBILITY. The district has  
6 full responsibility for operating all hospital facilities for  
7 providing hospital care for the district's needy inhabitants.  
8 (Acts 62nd Leg., R.S., Ch. 868, Sec. 19 (part).)

9 Sec. 1081.102. RESTRICTION ON POLITICAL SUBDIVISION  
10 TAXATION AND DEBT. A political subdivision located within the  
11 district may not impose a tax or issue bonds or other obligations  
12 for hospital purposes or to provide medical care for the district's  
13 inhabitants. (Acts 62nd Leg., R.S., Ch. 868, Sec. 19 (part).)

14 Sec. 1081.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
15 The board shall manage, control, and administer the hospital system  
16 and the district's money and resources. (Acts 62nd Leg., R.S., Ch.  
17 868, Sec. 5(a) (part).)

18 Sec. 1081.104. HOSPITAL SYSTEM. (a) The district shall  
19 provide for the establishment of a hospital system by:

20 (1) purchasing, constructing, acquiring, repairing,  
21 or renovating buildings and equipment;

22 (2) equipping the buildings; and

23 (3) administering the buildings and equipment for  
24 hospital purposes.

25 (b) The hospital system may include:

26 (1) residential care of the sick and injured;

27 (2) outpatient clinics;

1           (3) dispensaries;  
2           (4) nursing home facilities;  
3           (5) necessary nurses;  
4           (6) training centers;  
5           (7) blood banks;  
6           (8) community mental health centers;  
7           (9) research centers or laboratories; and  
8           (10) any other facility the board considers necessary  
9 for hospital care. (Acts 62nd Leg., R.S., Ch. 868, Secs. 2 (part),  
10 10(a) (part).)

11           Sec. 1081.105. RULES. The board may adopt rules governing  
12 the operation of the hospital, the hospital system, and the  
13 district's staff and employees. (Acts 62nd Leg., R.S., Ch. 868,  
14 Sec. 5(b) (part).)

15           Sec. 1081.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
16 board may prescribe:

17           (1) the method and manner of making purchases and  
18 expenditures by and for the district; and

19           (2) all accounting and control procedures. (Acts 62nd  
20 Leg., R.S., Ch. 868, Sec. 10(d) (part).)

21           Sec. 1081.107. DISTRICT PROPERTY, FACILITIES, AND  
22 EQUIPMENT. (a) The board shall determine the type, number, and  
23 location of buildings required to maintain an adequate hospital  
24 system.

25           (b) The board may lease all or part of the district's  
26 buildings and other facilities on terms considered to be in the best  
27 interest of the district's inhabitants. The term of the lease may

1 not exceed 25 years.

2 (c) The district may acquire equipment for use in the  
3 district's hospital system and mortgage or pledge the property as  
4 security for the payment of the purchase price. A contract entered  
5 into under this subsection must provide that the entire obligation  
6 be retired not later than the fifth anniversary of the date of the  
7 contract.

8 (d) The district may sell or otherwise dispose of any  
9 property, including equipment, on terms the board finds are in the  
10 best interest of the district's inhabitants. (Acts 62nd Leg.,  
11 R.S., Ch. 868, Secs. 10(a) (part), (b) (part), (c), (d) (part).)

12 Sec. 1081.108. EMINENT DOMAIN. (a) The district may  
13 exercise the power of eminent domain to acquire a fee simple or  
14 other interest in any type of property located in district  
15 territory if the interest is necessary or convenient for the  
16 district to exercise a power, right, or privilege conferred by this  
17 chapter.

18 (b) The district must exercise the power of eminent domain  
19 in the manner provided by Chapter 21, Property Code, except the  
20 district is not required to deposit in the trial court money or a  
21 bond as provided by Section 21.021(a), Property Code.

22 (c) In a condemnation proceeding brought by the district,  
23 the district is not required to:

24 (1) pay in advance or provide a bond or other security  
25 for costs in the trial court;

26 (2) provide a bond for the issuance of a temporary  
27 restraining order or a temporary injunction; or



1           (3) provide a bond for costs or a supersedeas bond on  
2 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 868,  
3 Sec. 14.)

4           Sec. 1081.109. GIFTS AND ENDOWMENTS. The board may accept  
5 for the district a gift or endowment to be held in trust and  
6 administered by the board for the purposes and under the  
7 directions, limitations, or other provisions prescribed in writing  
8 by the donor that are not inconsistent with the proper management  
9 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 868,  
10 Sec. 18.)

11          Sec. 1081.110. CONSTRUCTION CONTRACTS. A construction  
12 contract that requires the expenditure of more than the amount  
13 provided by Section 271.024, Local Government Code, may be entered  
14 into only after competitive bidding as provided by Subchapter B,  
15 Chapter 271, Local Government Code. (Acts 62nd Leg., R.S., Ch. 868,  
16 Sec. 10(d) (part).)

17          Sec. 1081.111. OPERATING AND MANAGEMENT CONTRACTS. The  
18 board may enter into an operating or management contract relating  
19 to a district facility. (Acts 62nd Leg., R.S., Ch. 868, Sec. 10(b)  
20 (part).)

21          Sec. 1081.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
22 HOSPITALIZATION. (a) The board may contract with a county or  
23 municipality located outside the district's boundaries for the  
24 hospitalization of a sick or injured person of that county or  
25 municipality.

26          (b) The board may contract with this state or a federal  
27 agency for the hospital treatment of a sick or injured person.

1 (Acts 62nd Leg., R.S., Ch. 868, Sec. 5(f) (part).)

2       Sec. 1081.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
3 INVESTIGATORY AND OTHER SERVICES. The board may contract with a  
4 political subdivision or governmental agency for the district to  
5 provide investigatory or other services for the hospitalization  
6 needs of district inhabitants. (Acts 62nd Leg., R.S., Ch. 868, Sec.  
7 5(f) (part).)

8       Sec. 1081.114. CARE AND TREATMENT FOR INDIGENT. The  
9 district shall provide health care and treatment to indigent  
10 persons in accordance with policies and procedures adopted by the  
11 board. (Acts 62nd Leg., R.S., Ch. 868, Sec. 17.)

12       Sec. 1081.115. AUTHORITY TO SUE AND BE SUED. The district,  
13 through the board, may sue and be sued. (Acts 62nd Leg., R.S., Ch.  
14 868, Sec. 5(b) (part).)

15       [Sections 1081.116-1081.150 reserved for expansion]

16               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17       Sec. 1081.151. BUDGET. (a) The chief executive officer  
18 shall prepare an annual budget for approval by the board.

19       (b) The proposed budget must contain a complete financial  
20 statement of:

21               (1) the outstanding obligations of the district;

22               (2) the cash on hand in each district fund;

23               (3) the money received by the district from all  
24 sources during the previous year;

25               (4) the money available to the district from all  
26 sources during the ensuing year;

27               (5) the balances expected at the end of the year in

1 which the budget is being prepared;

2 (6) the estimated revenue and balances available to  
3 cover the proposed budget; and

4 (7) the estimated tax rate required. (Acts 62nd Leg.,  
5 R.S., Ch. 868, Sec. 6(b).)

6 Sec. 1081.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
7 The board shall hold a public hearing on the proposed annual budget.

8 (b) The board shall publish notice of the hearing in  
9 accordance with Chapter 551, Government Code.

10 (c) Any district resident is entitled to be present and be  
11 heard at the hearing.

12 (d) At the conclusion of the hearing, the board shall adopt  
13 a budget by acting on the budget proposed by the chief executive  
14 officer. The board may make any changes in the proposed budget that  
15 the board judges to be in the interest of the taxpayers and that the  
16 law warrants. (Acts 62nd Leg., R.S., Ch. 868, Sec. 6(c) (part).)

17 Sec. 1081.153. AMENDMENTS TO BUDGET. The budget may be  
18 amended as required by circumstances. The board must approve all  
19 amendments. (Acts 62nd Leg., R.S., Ch. 868, Sec. 6(c) (part).)

20 Sec. 1081.154. RESTRICTION ON EXPENDITURES. Money may be  
21 spent only for an expense included in the budget or an amendment to  
22 the budget. (Acts 62nd Leg., R.S., Ch. 868, Sec. 6(c) (part).)

23 Sec. 1081.155. FISCAL YEAR. (a) The district operates  
24 according to a fiscal year established by the board.

25 (b) The fiscal year may not be changed:

26 (1) if revenue bonds of the district are outstanding;

27 or

1           (2) more than once in a 24-month period. (Acts 62nd  
2 Leg., R.S., Ch. 868, Sec. 6(a) (part).)

3           Sec. 1081.156. AUDIT. The board shall have an audit made of  
4 the district's financial condition. (Acts 62nd Leg., R.S., Ch.  
5 868, Sec. 6(a) (part).)

6           Sec. 1081.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
7 The audit and other district records shall be open to inspection at  
8 the district's principal office. (Acts 62nd Leg., R.S., Ch. 868,  
9 Sec. 6(a) (part).)

10          Sec. 1081.158. FINANCIAL REPORT. As soon as practicable  
11 after the close of each fiscal year, the chief executive officer  
12 shall prepare for the board:

13           (1) a complete sworn statement of all district money;  
14 and

15           (2) a complete account of the disbursements of that  
16 money. (Acts 62nd Leg., R.S., Ch. 868, Sec. 6(c) (part).)

17          Sec. 1081.159. DEPOSITORY. (a) The board shall select one  
18 or more banks inside or outside the district to serve as a  
19 depository for district money.

20           (b) District money, other than money invested as provided by  
21 Section 1081.160(b), and money transmitted to a bank for payment of  
22 bonds or obligations issued or assumed by the district, shall be  
23 deposited as received with the depository bank and shall remain on  
24 deposit.

25           (c) This chapter, including Subsection (b), does not limit  
26 the power of the board to place a part of district money on time  
27 deposit or to purchase certificates of deposit. (Acts 62nd Leg.,

1 R.S., Ch. 868, Sec. 11.)

2           Sec. 1081.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
3 Except as otherwise provided by Section 1081.107(c) and Subchapter  
4 E, the district may not incur an obligation payable from district  
5 revenue other than the revenue on hand or to be on hand in the  
6 current and following district fiscal year.

7           (b) The board may invest operating, depreciation, or  
8 building reserves only in funds or securities specified by Chapter  
9 2256, Government Code. (Acts 62nd Leg., R.S., Ch. 868, Secs. 5(a)  
10 (part), 10(d) (part).)

11           [Sections 1081.161-1081.200 reserved for expansion]

12   SUBCHAPTER E. BONDS

13           Sec. 1081.201. GENERAL OBLIGATION BONDS. The board may  
14 issue and sell general obligation bonds in the name and on the faith  
15 and credit of the district for any purpose relating to:

16                 (1) the purchase, construction, acquisition, repair,  
17 or renovation of buildings or improvements; and

18                 (2) equipping buildings or improvements for hospital  
19 purposes. (Acts 62nd Leg., R.S., Ch. 868, Sec. 7(a).)

20           Sec. 1081.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
21 the time general obligation bonds are issued by the district under  
22 Section 1081.201, the board shall impose an ad valorem tax at a rate  
23 sufficient to create an interest and sinking fund to pay the  
24 principal of and interest on the bonds as the bonds mature.

25           (b) The tax required by this section together with any other  
26 ad valorem tax the district imposes may not in any year exceed 75  
27 cents on each \$100 valuation of all taxable property in the

1 district. (Acts 62nd Leg., R.S., Ch. 868, Sec. 7(b) (part).)

2       Sec. 1081.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
3 district may issue general obligation bonds only if the bonds are  
4 authorized by a majority of the district voters voting at an  
5 election held for that purpose.

6       (b) The order and publication of notice for the bond  
7 election must be provided in accordance with Chapter 1251,  
8 Government Code. (Acts 62nd Leg., R.S., Ch. 868, Sec. 7(c) (part).)

9       Sec. 1081.204. REVENUE BONDS. (a) The board may issue  
10 revenue bonds to:

11           (1) purchase, construct, acquire, repair, renovate,  
12 or equip buildings or improvements for hospital purposes; or

13           (2) acquire sites to be used for hospital purposes.

14       (b) The bonds must be payable from and secured by a pledge of  
15 all or part of the revenue derived from the operation of the  
16 district's hospitals.

17       (c) The bonds may be additionally secured by a mortgage or  
18 deed of trust lien on all or part of district property.

19       (d) The bonds must be issued in the manner and in accordance  
20 with the procedures and requirements prescribed by Sections  
21 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
22 and Safety Code, for issuance of revenue bonds by a county hospital  
23 authority. (Acts 62nd Leg., R.S., Ch. 868, Sec. 9 (part).)

24       Sec. 1081.205. MATURITY OF BONDS. District bonds must  
25 mature not later than 40 years after the date of issuance. (Acts  
26 62nd Leg., R.S., Ch. 868, Sec. 7(e) (part).)

27       Sec. 1081.206. EXECUTION OF BONDS. (a) The board president

1 shall execute the district's bonds in the district's name.

2 (b) The board secretary shall countersign the bonds in the  
3 manner provided by Chapter 618, Government Code. (Acts 62nd Leg.,  
4 R.S., Ch. 868, Sec. 7(e) (part).)

5 Sec. 1081.207. BONDS EXEMPT FROM TAXATION. The following  
6 are exempt from taxation by this state or a political subdivision of  
7 this state:

8 (1) bonds issued by the district;

9 (2) the transfer and issuance of the bonds; and

10 (3) profits made in the sale of bonds. (Acts 62nd  
11 Leg., R.S., Ch. 868, Sec. 21 (part).)

12 [Sections 1081.208-1081.250 reserved for expansion]

13 SUBCHAPTER F. TAXES

14 Sec. 1081.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
15 shall impose a tax on all property in the district subject to  
16 district taxation.

17 (b) The board shall impose the tax to pay:

18 (1) indebtedness issued or assumed by the district;

19 and

20 (2) the maintenance and operating expenses of the  
21 district.

22 (c) The board may not impose the tax to pay the principal of  
23 or interest on revenue bonds issued under Section 1081.204. (Acts  
24 62nd Leg., R.S., Ch. 868, Secs. 7(b) (part), 12 (part), 15(b).)

25 Sec. 1081.252. TAX RATE. (a) The board may impose the tax  
26 at a rate not to exceed 75 cents on each \$100 valuation of all  
27 taxable property in the district.

1 (b) In setting the tax rate, the board shall consider the  
2 income of the district from sources other than taxation. (Acts 62nd  
3 Leg., R.S., Ch. 868, Secs. 7(b) (part), 12 (part), 15(a).)

4 Sec. 1081.253. TAX ASSESSOR-COLLECTOR. The board may  
5 provide for the appointment of a tax assessor-collector for the  
6 district or may contract for the assessment and collection of taxes  
7 as provided by the Tax Code. (Acts 62nd Leg., R.S., Ch. 868, Sec.  
8 15(d).)

9 [Sections 1081.254-1081.300 reserved for expansion]

10 SUBCHAPTER G. DISSOLUTION

11 Sec. 1081.301. DISSOLUTION; ELECTION. (a) The district  
12 may be dissolved only on approval of a majority of the registered  
13 district voters voting in an election held for that purpose.

14 (b) The board may order an election on the question of  
15 dissolving the district and disposing of the district's assets and  
16 obligations.

17 (c) The board shall order an election if the board receives  
18 a petition requesting an election that is signed by at least 15  
19 percent of the registered voters in the district.

20 (d) The election shall be held not later than the 60th day  
21 after the date the election is ordered.

22 (e) The order calling the election must state:

23 (1) the nature of the election, including the  
24 proposition to appear on the ballot;

25 (2) the date of the election;

26 (3) the hours during which the polls will be open; and

27 (4) the location of the polling places.



1 (f) Section 41.001(a), Election Code, does not apply to an  
2 election ordered under this section. (Acts 62nd Leg., R.S., Ch.  
3 868, Secs. 19A(a), (b), (c), (d).)

4 Sec. 1081.302. NOTICE OF ELECTION. (a) The board shall  
5 give notice of an election under this subchapter by publishing once  
6 a week for two consecutive weeks a substantial copy of the election  
7 order in a newspaper with general circulation in the district.

8 (b) The first publication of notice must appear not later  
9 than the 35th day before the date set for the election. (Acts 62nd  
10 Leg., R.S., Ch. 868, Sec. 19A(e).)

11 Sec. 1081.303. BALLOT. The ballot for an election under  
12 this subchapter must be printed to permit voting for or against the  
13 proposition: "The dissolution of the Nocona Hospital District."  
14 (Acts 62nd Leg., R.S., Ch. 868, Sec. 19A(f).)

15 Sec. 1081.304. ELECTION RESULTS. (a) If a majority of the  
16 votes in an election under this subchapter favor dissolution, the  
17 board shall find that the district is dissolved.

18 (b) If a majority of the votes in the election do not favor  
19 dissolution, the board shall continue to administer the district  
20 and another election on the question of dissolution may not be held  
21 before the first anniversary of the date of the most recent election  
22 to dissolve the district. (Acts 62nd Leg., R.S., Ch. 868, Sec.  
23 19A(g).)

24 Sec. 1081.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
25 If a majority of the votes in the election held under this  
26 subchapter favor dissolution, the board shall:

27 (1) transfer the land, buildings, improvements,

1 equipment, and other assets that belong to the district to Montague  
2 County or another governmental entity in Montague County; or

3 (2) administer the property, assets, and debts until  
4 all money has been disposed of and all district debts have been paid  
5 or settled.

6 (b) If the district makes the transfer under Subsection  
7 (a)(1), the county or entity assumes all debts and obligations of  
8 the district at the time of the transfer, and the district is  
9 dissolved.

10 (c) If Subsection (a)(1) does not apply and the board  
11 administers the property, assets, and debts of the district under  
12 Subsection (a)(2), the district is dissolved when all the money has  
13 been disposed of and all district debts have been paid or settled.  
14 (Acts 62nd Leg., R.S., Ch. 868, Secs. 19A(h), (i), (j).)

15 Sec. 1081.306. IMPOSITION OF TAX AND RETURN OF SURPLUS. (a)  
16 After the board finds that the district is dissolved, the board  
17 shall:

18 (1) determine any debt owed by the district; and  
19 (2) impose on the property included on the district's  
20 tax roll a tax that is in proportion of any debt to the property  
21 value.

22 (b) On the payment of all outstanding debts and obligations  
23 of the district, the board shall order the secretary to return to  
24 each district taxpayer the taxpayer's pro rata share of all unused  
25 tax money.

26 (c) A taxpayer may request that the taxpayer's share of  
27 surplus tax money be credited to the taxpayer's county taxes. If a

1 taxpayer requests the credit, the board shall direct the secretary  
2 to transmit the money to the county tax assessor-collector. (Acts  
3 62nd Leg., R.S., Ch. 868, Secs. 19A(k), (l), (m).)

4 Sec. 1081.307. REPORT; DISSOLUTION ORDER. (a) After the  
5 district has paid all district debts and has disposed of all  
6 district money and other assets as prescribed by this subchapter,  
7 the board shall file a written report with the Commissioners Court  
8 of Montague County summarizing the board's actions in dissolving  
9 the district.

10 (b) Not later than the 10th day after the date the  
11 Commissioners Court of Montague County receives the report and  
12 determines that the requirements of this subchapter have been  
13 fulfilled, the commissioners court shall enter an order dissolving  
14 the district and releasing the board from any further duty or  
15 obligation. (Acts 62nd Leg., R.S., Ch. 868, Secs. 19A(n), (o).)

16 CHAPTER 1082. NOLAN COUNTY HOSPITAL DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 1082.001. DEFINITIONS

19 Sec. 1082.002. AUTHORITY FOR OPERATION

20 Sec. 1082.003. ESSENTIAL PUBLIC FUNCTION

21 Sec. 1082.004. DISTRICT TERRITORY

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21 Sec. 1082.159. DEPOSITORY  
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24 SUBCHAPTER E. BONDS  
25 Sec. 1082.201. GENERAL OBLIGATION BONDS  
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27 Sec. 1082.203. GENERAL OBLIGATION BOND ELECTION

1 Sec. 1082.204. REVENUE BONDS

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3 Sec. 1082.206. MATURITY OF BONDS

4 Sec. 1082.207. EXECUTION OF BONDS

5 Sec. 1082.208. BONDS EXEMPT FROM TAXATION

6 [Sections 1082.209-1082.250 reserved for expansion]

7 SUBCHAPTER F. TAXES

8 Sec. 1082.251. IMPOSITION OF AD VALOREM TAX

9 Sec. 1082.252. TAX RATE

10 Sec. 1082.253. TAX ASSESSOR-COLLECTOR

11 CHAPTER 1082. NOLAN COUNTY HOSPITAL DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 1082.001. DEFINITIONS. In this chapter:

14 (1) "Board" means the board of directors of the  
15 district.

16 (2) "Director" means a member of the board.

17 (3) "District" means the Nolan County Hospital  
18 District. (Acts 71st Leg., R.S., Ch. 8, Sec. 1.01.)

19 Sec. 1082.002. AUTHORITY FOR OPERATION. The Nolan County  
20 Hospital District operates and is financed as provided by Section  
21 9, Article IX, Texas Constitution, and by this chapter. (Acts 71st  
22 Leg., R.S., Ch. 8, Sec. 1.02.)

23 Sec. 1082.003. ESSENTIAL PUBLIC FUNCTION. The district is  
24 a public entity performing an essential public function. (Acts  
25 71st Leg., R.S., Ch. 8, Sec. 7.11 (part).)

26 Sec. 1082.004. DISTRICT TERRITORY. The boundaries of the  
27 district are coextensive with the boundaries of Nolan County,

1 Texas. (Acts 71st Leg., R.S., Ch. 8, Sec. 1.03.)

2       Sec. 1082.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
3 OBLIGATION. The state may not become obligated for the support or  
4 maintenance of the district. (Acts 71st Leg., R.S., Ch. 8, Sec.  
5 9.01 (part).)

6       Sec. 1082.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
7 The legislature may not make a direct appropriation for the  
8 construction, maintenance, or improvement of a district facility.  
9 (Acts 71st Leg., R.S., Ch. 8, Sec. 9.01 (part).)

10       [Sections 1082.007-1082.050 reserved for expansion]

11                   SUBCHAPTER B. DISTRICT ADMINISTRATION

12       Sec. 1082.051. BOARD ELECTION; TERMS. (a) The district is  
13 governed by a board of not fewer than seven or more than nine  
14 directors, as determined by the board.

15       (b) As determined by the board, the directors are elected  
16 from:

- 17                   (1) the district at large;  
18                   (2) single-member districts; or  
19                   (3) any combination of single-member districts and  
20 at-large positions.

21       (c) At an election for directors in which at least two  
22 directors are to be elected at large, the appropriate number of  
23 candidates receiving the highest number of votes are elected. An  
24 election for at-large directors may not be by place or numbered  
25 post.

26       (d) Unless four-year terms are established under Section  
27 285.081, Health and Safety Code:

1           (1) directors serve two-year terms; and

2           (2) an election shall be held each year to elect the  
3 appropriate number of directors. (Acts 71st Leg., R.S., Ch. 8,  
4 Secs. 4.01(a), 4.03(a) (part), (b), (d) (part).)

5           Sec. 1082.052. NOTICE OF ELECTION. Not later than the 35th  
6 day before the date of an election of directors, notice of the  
7 election shall be published one time in a newspaper with general  
8 circulation in the district. (Acts 71st Leg., R.S., Ch. 8, Sec.  
9 4.04 (part).)

10          Sec. 1082.053. BALLOT PETITION. A person seeking to have  
11 the person's name printed on the ballot as a candidate for director  
12 must file with the board secretary a petition requesting that  
13 action. The petition must:

14           (1) be signed by at least 10 registered voters of the  
15 district, as determined by the most recent official list of  
16 registered voters, who:

17                   (A) reside in the appropriate single-member  
18 district, if the person seeks to become a candidate to represent a  
19 single-member district; or

20                   (B) reside anywhere in the district, if the  
21 person seeks to become a candidate to represent the district at  
22 large;

23           (2) be filed not later than the 31st day before the  
24 date of the election; and

25           (3) specify the single-member district the person  
26 seeks to represent or specify that the candidate seeks to represent  
27 the district at large. (Acts 71st Leg., R.S., Ch. 8, Sec. 4.05.)



1           Sec. 1082.054. QUALIFICATIONS FOR OFFICE. (a) To be  
2 eligible to be a candidate for or to serve as a director, a person  
3 must be:

4                   (1) a resident of the district; and

5                   (2) a qualified voter.

6           (b) A person who is elected from a single-member district or  
7 who is appointed to fill a vacancy for a single-member district must  
8 reside in that single-member district.

9           (c) A district employee may not serve as a director. (Acts  
10 71st Leg., R.S., Ch. 8, Secs. 4.03 (part), 4.06.)

11           Sec. 1082.055. BOARD VACANCY. If a vacancy occurs in the  
12 office of director, the remaining directors shall appoint a  
13 director for the unexpired term. (Acts 71st Leg., R.S., Ch. 8, Sec.  
14 4.07.)

15           Sec. 1082.056. OFFICERS. (a) The board shall elect a  
16 president and a vice president from among its members.

17           (b) The board shall appoint a secretary, who need not be a  
18 director.

19           (c) Each officer of the board serves for a term of one year.

20           (d) The board shall fill a vacancy in a board office for the  
21 unexpired term. (Acts 71st Leg., R.S., Ch. 8, Secs. 4.08, 4.09.)

22           Sec. 1082.057. COMPENSATION; EXPENSES. A director or  
23 officer serves without compensation but may be reimbursed for  
24 actual expenses incurred in the performance of official duties.  
25 The expenses must be:

26                   (1) reported in the district's records; and

27                   (2) approved by the board. (Acts 71st Leg., R.S., Ch.

1 8, Sec. 4.10.)

2           Sec. 1082.058. VOTING REQUIREMENT. A concurrence of a  
3 majority of the directors voting is necessary in any matter  
4 relating to district business. (Acts 71st Leg., R.S., Ch. 8, Sec.  
5 4.11.)

6           Sec. 1082.059. DISTRICT ADMINISTRATOR. (a) The board may  
7 appoint a qualified person as district administrator.

8           (b) The district administrator serves at the will of the  
9 board and is entitled to the compensation determined by the board.

10           (c) Before assuming the duties of district administrator,  
11 the administrator must execute a bond in an amount determined by the  
12 board of not less than \$5,000 that is:

13                   (1) payable to the district; and

14                   (2) conditioned on the faithful performance of the  
15 administrator's duties under this chapter.

16           (d) The board may pay for the bond with district money.  
17 (Acts 71st Leg., R.S., Ch. 8, Secs. 4.12(a) (part), (b) (part), (c)  
18 (part), (d).)

19           Sec. 1082.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
20 Subject to the limitations prescribed by the board, the district  
21 administrator shall:

22                   (1) supervise the work and activities of the district;  
23 and

24                   (2) direct the general affairs of the district. (Acts  
25 71st Leg., R.S., Ch. 8, Sec. 4.15.)

26           Sec. 1082.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

27 (a) The board may appoint qualified persons as:

1 (1) the assistant district administrator; and

2 (2) the attorney for the district.

3 (b) The assistant district administrator and the attorney  
4 for the district serve at the will of the board and are entitled to  
5 the compensation determined by the board. (Acts 71st Leg., R.S.,  
6 Ch. 8, Secs. 4.12(a) (part), (b) (part), (c) (part).)

7 Sec. 1082.062. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
8 board may appoint to the staff any doctors the board considers  
9 necessary for the efficient operation of the district and may make  
10 temporary appointments as considered necessary.

11 (b) The district may employ technicians, nurses, fiscal  
12 agents, accountants, architects, additional attorneys, and other  
13 necessary employees.

14 (c) The board may delegate to the district administrator the  
15 authority to employ persons for the district. (Acts 71st Leg.,  
16 R.S., Ch. 8, Secs. 4.13, 4.14.)

17 Sec. 1082.063. RETIREMENT BENEFITS. The board may provide  
18 retirement benefits for district employees by:

19 (1) establishing or administering a retirement  
20 program; or

21 (2) participating in:

22 (A) the Texas County and District Retirement  
23 System; or

24 (B) another statewide retirement system in which  
25 the district is eligible to participate. (Acts 71st Leg., R.S., Ch.  
26 8, Sec. 4.16.)

27 [Sections 1082.064-1082.100 reserved for expansion]

1                   SUBCHAPTER C. POWERS AND DUTIES

2           Sec. 1082.101. DISTRICT RESPONSIBILITY. The district has  
3 full responsibility for:

- 4                   (1) operating hospital facilities; and  
5                   (2) providing medical and hospital care for the  
6 district's needy inhabitants. (Acts 71st Leg., R.S., Ch. 8, Sec.  
7 5.02 (part).)

8           Sec. 1082.102. RESTRICTION ON GOVERNMENTAL ENTITY TAXATION  
9 AND DEBT. Nolan County, the City of Sweetwater, or any other  
10 governmental entity in which the district is located may not impose  
11 a tax or issue bonds or other obligations for hospital purposes or  
12 to provide medical care for district residents. (Acts 71st Leg.,  
13 R.S., Ch. 8, Sec. 5.01(c).)

14           Sec. 1082.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
15 The board shall manage, control, and administer the hospital system  
16 and the district's money and resources. (Acts 71st Leg., R.S., Ch.  
17 8, Sec. 5.03.)

18           Sec. 1082.104. RULES. The board may adopt rules governing:  
19                   (1) the operation of the hospital and hospital system;  
20 and  
21                   (2) the duties, functions, and responsibilities of  
22 district staff and employees. (Acts 71st Leg., R.S., Ch. 8, Sec.  
23 5.04.)

24           Sec. 1082.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
25 board may prescribe:

- 26                   (1) the method of making purchases and expenditures by  
27 and for the district; and

1           (2) accounting and control procedures for the  
2 district. (Acts 71st Leg., R.S., Ch. 8, Sec. 5.05.)

3           Sec. 1082.106. DISTRICT PROPERTY, FACILITIES, AND  
4 EQUIPMENT. (a) The board shall determine:

5           (1) the type, number, and location of buildings  
6 required to maintain an adequate hospital system; and

7           (2) the type of equipment necessary for hospital care.

8           (b) The board may:

9           (1) acquire property, including facilities and  
10 equipment, for the district for use in the hospital system; and

11           (2) mortgage or pledge the property as security for  
12 the payment of the purchase price.

13           (c) The board may lease hospital facilities for the  
14 district.

15           (d) The board may sell or otherwise dispose of property,  
16 including facilities or equipment, for the district. (Acts 71st  
17 Leg., R.S., Ch. 8, Sec. 5.06.)

18           Sec. 1082.107. EMINENT DOMAIN. (a) The district may  
19 exercise the power of eminent domain to acquire a fee simple or  
20 other interest in property located in district territory if the  
21 interest is necessary to exercise a right or authority conferred by  
22 this chapter.

23           (b) The district must exercise the power of eminent domain  
24 in the manner provided by Chapter 21, Property Code, except the  
25 district is not required to deposit in the trial court money or a  
26 bond as provided by Section 21.021(a), Property Code.

27           (c) In a condemnation proceeding brought by the district,

1 the district is not required to:

2 (1) pay in advance or provide a bond or other security  
3 for costs in the trial court;

4 (2) provide a bond for the issuance of a temporary  
5 restraining order or a temporary injunction; or

6 (3) provide a bond for costs or a supersedeas bond on  
7 an appeal or petition for review. (Acts 71st Leg., R.S., Ch. 8,  
8 Sec. 5.09.)

9 Sec. 1082.108. COST OF RELOCATING OR ALTERING PROPERTY. In  
10 exercising the power of eminent domain, if the board requires  
11 relocating, raising, lowering, rerouting, changing the grade, or  
12 altering the construction of any railroad, highway, pipeline, or  
13 electric transmission and electric distribution, telegraph, or  
14 telephone line, conduit, pole, or facility, the district must bear  
15 the actual cost of relocating, raising, lowering, rerouting,  
16 changing the grade, or altering the construction to provide  
17 comparable replacement without enhancement of facilities, after  
18 deducting the net salvage value derived from the old facility.  
19 (Acts 71st Leg., R.S., Ch. 8, Sec. 5.10.)

20 Sec. 1082.109. GIFTS AND ENDOWMENTS. The board may accept  
21 for the district a gift or endowment to be held in trust for any  
22 purpose and under any direction, limitation, or other provision  
23 prescribed in writing by the donor that is consistent with the  
24 proper management of the district. (Acts 71st Leg., R.S., Ch. 8,  
25 Sec. 5.14.)

26 Sec. 1082.110. CONSTRUCTION CONTRACTS. (a) The board may  
27 enter into construction contracts for the district.

1           (b) The board may enter into a construction contract that  
2 involves the expenditure of more than the amount provided by  
3 Section 271.024, Local Government Code, only after competitive  
4 bidding as provided by Subchapter B, Chapter 271, Local Government  
5 Code. (Acts 71st Leg., R.S., Ch. 8, Sec. 5.07(a).)

6           Sec. 1082.111. OPERATING AND MANAGEMENT CONTRACTS. The  
7 board may enter into an operating or management contract relating  
8 to a hospital facility for the district. (Acts 71st Leg., R.S., Ch.  
9 8, Sec. 5.08.)

10          Sec. 1082.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
11 SERVICES. The board may contract with a political subdivision of  
12 this state or with a state or federal agency for the district to:

- 13           (1) furnish a mobile emergency medical service; or  
14           (2) provide for the investigatory or welfare needs of  
15 district inhabitants. (Acts 71st Leg., R.S., Ch. 8, Sec. 5.13.)

16          Sec. 1082.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
17 When a patient who resides in the district is admitted to a district  
18 facility, the district administrator may have an inquiry made into  
19 the financial circumstances of:

- 20           (1) the patient; or  
21           (2) a relative of the patient who is legally  
22 responsible for the patient's support.

23          (b) The district without charge shall provide to a patient  
24 who resides in the district the care and treatment that the patient  
25 or a relative of the patient who is legally responsible for the  
26 patient's support cannot pay.

27          (c) On determining that the patient or a relative legally

1 responsible for the patient's support can pay for all or part of the  
2 care and treatment provided by the district, the district  
3 administrator shall report that determination to the board, and the  
4 board shall issue an order directing the patient or the relative to  
5 pay the district a specified amount each week. The amount must be  
6 based on the individual's ability to pay.

7 (d) The district administrator may collect money owed to the  
8 district from the estate of the patient or from that of a relative  
9 legally responsible for the patient's support in the manner  
10 provided by law for collection of expenses of the last illness of a  
11 deceased person.

12 (e) If there is a dispute relating to an individual's  
13 ability to pay or if the district administrator has any doubt  
14 concerning an individual's ability to pay, the board shall:

- 15 (1) call witnesses;
- 16 (2) hear and resolve the question; and
- 17 (3) issue a final order.

18 (f) A final order of the board may be appealed to a district  
19 court in Nolan County. The substantial evidence rule applies to the  
20 appeal. (Acts 71st Leg., R.S., Ch. 8, Secs. 5.11(a), (c), (d), (e),  
21 (f).)

22 Sec. 1082.114. REIMBURSEMENT FOR SERVICES. (a) The board  
23 shall require a county, municipality, or public hospital located  
24 outside the district to reimburse the district for the district's  
25 care and treatment of a sick or injured person of that county,  
26 municipality, or public hospital as provided by Chapter 61, Health  
27 and Safety Code.



1 (b) The board shall require the sheriff of Nolan County or  
2 the police chief of the City of Sweetwater, as appropriate, to  
3 reimburse the district for the district's care and treatment of a  
4 person who is confined in a jail facility of Nolan County or the  
5 City of Sweetwater, as appropriate, and is not a district resident.

6 (c) The board may contract with the state or federal  
7 government for that government to reimburse the district for  
8 treatment of a sick or injured person. (Acts 71st Leg., R.S., Ch.  
9 8, Sec. 5.12.)

10 Sec. 1082.115. AUTHORITY TO SUE AND BE SUED. The board may  
11 sue and be sued on behalf of the district. (Acts 71st Leg., R.S.,  
12 Ch. 8, Sec. 5.15.)

13 [Sections 1082.116-1082.150 reserved for expansion]

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 1082.151. BUDGET. (a) The district administrator  
16 shall prepare a proposed annual budget for the district.

17 (b) The proposed budget must contain a complete financial  
18 statement, including a statement of:

19 (1) the outstanding obligations of the district;

20 (2) the amount of cash on hand to the credit of each  
21 district fund;

22 (3) the amount of money received by the district from  
23 all sources during the previous year;

24 (4) the amount of money available to the district from  
25 all sources during the ensuing year;

26 (5) the amount of the balances expected at the end of  
27 the year in which the budget is being prepared;

1           (6) the estimated amount of revenue and balances  
2 available to cover the proposed budget; and

3           (7) the estimated tax rate to be required. (Acts 71st  
4 Leg., R.S., Ch. 8, Sec. 6.04.)

5           Sec. 1082.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
6 The board shall hold a public hearing on the proposed annual budget.

7           (b) The board shall publish notice of the hearing in a  
8 newspaper of general circulation in the district not later than the  
9 10th day before the date of the hearing.

10          (c) Any district resident is entitled to be present and  
11 participate at the hearing.

12          (d) At the conclusion of the hearing, the board shall adopt  
13 a budget by acting on the budget proposed by the district  
14 administrator. The board may make any changes in the proposed  
15 budget that the board judges to be in the interests of the  
16 taxpayers.

17          (e) The budget is effective only after adoption by the  
18 board. (Acts 71st Leg., R.S., Ch. 8, Sec. 6.05.)

19          Sec. 1082.153. AMENDMENTS TO BUDGET. After the annual  
20 budget is adopted, the budget may be amended on the board's  
21 approval. (Acts 71st Leg., R.S., Ch. 8, Sec. 6.06.)

22          Sec. 1082.154. RESTRICTION ON EXPENDITURES. Money may be  
23 spent only for an expense included in the budget or an amendment to  
24 the budget. (Acts 71st Leg., R.S., Ch. 8, Sec. 6.07.)

25          Sec. 1082.155. FISCAL YEAR. (a) The district operates  
26 according to a fiscal year established by the board.

27          (b) The fiscal year may not be changed:

1           (1) during a period that revenue bonds of the district  
2 are outstanding; or

3           (2) more than once in a 24-month period. (Acts 71st  
4 Leg., R.S., Ch. 8, Sec. 6.01.)

5           Sec. 1082.156. ANNUAL AUDIT. The board annually shall have  
6 an audit made of the district's financial condition. (Acts 71st  
7 Leg., R.S., Ch. 8, Sec. 6.02.)

8           Sec. 1082.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
9 RECORDS. The annual audit and other district records are open to  
10 inspection during regular business hours at the district's  
11 principal office. (Acts 71st Leg., R.S., Ch. 8, Sec. 6.03.)

12           Sec. 1082.158. FINANCIAL REPORT. As soon as practicable  
13 after the close of the fiscal year, the district administrator  
14 shall prepare for the board:

15           (1) a sworn statement of the amount of district money;  
16 and

17           (2) an account of the disbursements of that money.  
18 (Acts 71st Leg., R.S., Ch. 8, Sec. 6.08.)

19           Sec. 1082.159. DEPOSITORY. (a) The board shall select at  
20 least one bank to serve as a depository for district money.

21           (b) District money, other than money invested as provided by  
22 Section 1082.160(b) and money transmitted to a bank of payment as a  
23 trustee for bonds or obligations issued or assumed by the district,  
24 shall be deposited as received with the depository bank and shall  
25 remain on deposit. This subsection does not limit the power of the  
26 board to place a portion of district money on time deposit or to  
27 purchase certificates of deposit.

1 (c) The district may not deposit money with a bank in an  
2 amount that exceeds the maximum amount secured by the Federal  
3 Deposit Insurance Corporation unless the bank first executes a bond  
4 or other security in an amount sufficient to secure from loss the  
5 district money that exceeds the amount secured by the Federal  
6 Deposit Insurance Corporation. (Acts 71st Leg., R.S., Ch. 8, Sec.  
7 6.10.)

8 Sec. 1082.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
9 Except as provided by Sections 1082.110, 1082.201, 1082.204, and  
10 1082.205, the district may not incur a debt payable from district  
11 revenue other than the revenue on hand or to be on hand in the  
12 current and immediately following district fiscal years.

13 (b) The board may invest operating, depreciation, or  
14 building reserves only in funds or securities specified by Chapter  
15 2256, Government Code. (Acts 71st Leg., R.S., Ch. 8, Sec. 6.09.)

16 [Sections 1082.161-1082.200 reserved for expansion]

17 SUBCHAPTER E. BONDS

18 Sec. 1082.201. GENERAL OBLIGATION BONDS. The board may  
19 issue and sell general obligation bonds authorized by an election  
20 in the name and on the faith and credit of the district to:

21 (1) purchase, construct, acquire, repair, or renovate  
22 buildings or improvements; or

23 (2) equip buildings or improvements for hospital  
24 purposes. (Acts 71st Leg., R.S., Ch. 8, Sec. 7.01.)

25 Sec. 1082.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
26 the time general obligation bonds are issued by the district under  
27 Section 1082.201, the board shall impose an ad valorem tax at a rate

1 sufficient to create an interest and sinking fund to pay the  
2 principal of and interest on the bonds as the bonds mature.

3 (b) The tax required by this section together with any other  
4 ad valorem tax the district imposes may not in any year exceed the  
5 limit approved by the voters at the election authorizing the  
6 imposition of the tax. (Acts 71st Leg., R.S., Ch. 8, Sec. 7.02.)

7 Sec. 1082.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
8 district may issue general obligation bonds only if the bonds are  
9 authorized by a majority of the district voters voting at an  
10 election held for that purpose.

11 (b) The board may order a bond election.

12 (c) The order calling the election must specify:

- 13 (1) the nature and date of the election;  
14 (2) the hours during which the polls will be open;  
15 (3) the location of the polling places;  
16 (4) the amount of the bonds to be authorized; and  
17 (5) the maximum maturity of the bonds.

18 (d) Notice of a bond election shall be given as provided by  
19 Section 1251.003, Government Code.

20 (e) The board shall declare the results of the election.  
21 (Acts 71st Leg., R.S., Ch. 8, Sec. 7.03.)

22 Sec. 1082.204. REVENUE BONDS. (a) The board may issue  
23 revenue bonds to:

- 24 (1) purchase, construct, acquire, repair, equip, or  
25 renovate buildings or improvements for hospital purposes; or  
26 (2) acquire sites to be used for hospital purposes.

27 (b) The bonds must be payable from and secured by a pledge of

1 all or part of the revenue derived from the operation of the  
2 district's hospital system.

3 (c) The bonds may be additionally secured by a mortgage or  
4 deed of trust lien on all or part of district property.

5 (d) The bonds must be issued in the manner provided by  
6 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
7 Health and Safety Code, for issuance of revenue bonds by a county  
8 hospital authority. (Acts 71st Leg., R.S., Ch. 8, Sec. 7.04.)

9 Sec. 1082.205. REFUNDING BONDS. (a) The board may issue  
10 refunding bonds to refund outstanding indebtedness issued or  
11 assumed by the district.

12 (b) Refunding bonds may be:

13 (1) sold, with the proceeds of the refunding bonds  
14 applied to the payment of the outstanding indebtedness; or

15 (2) exchanged wholly or partly for not less than a  
16 similar principal amount of outstanding indebtedness. (Acts 71st  
17 Leg., R.S., Ch. 8, Secs. 7.05(a) (part), (c) (part).)

18 Sec. 1082.206. MATURITY OF BONDS. District bonds must  
19 mature not later than 40 years after the date of issuance. (Acts  
20 71st Leg., R.S., Ch. 8, Sec. 7.06 (part).)

21 Sec. 1082.207. EXECUTION OF BONDS. (a) The board president  
22 shall execute the district's bonds in the district's name.

23 (b) The board secretary shall countersign the bonds in the  
24 manner provided by Chapter 618, Government Code. (Acts 71st Leg.,  
25 R.S., Ch. 8, Sec. 7.07.)

26 Sec. 1082.208. BONDS EXEMPT FROM TAXATION. The following  
27 are exempt from taxation by this state or a political subdivision of

1 this state:

- 2 (1) bonds issued by the district;
- 3 (2) any transaction relating to the bonds; and
- 4 (3) profits made in the sale of the bonds. (Acts 71st
- 5 Leg., R.S., Ch. 8, Sec. 7.11 (part).)

6 [Sections 1082.209-1082.250 reserved for expansion]

7 SUBCHAPTER F. TAXES

8 Sec. 1082.251. IMPOSITION OF AD VALOREM TAX. (a) The board

9 may impose a tax on all property in the district subject to district

10 taxation.

11 (b) The tax may be used to pay:

- 12 (1) indebtedness issued or assumed by the district;
- 13 and
- 14 (2) the maintenance and operating expenses of the
- 15 district.

16 (c) The district may not impose a tax to pay the principal of

17 or interest on revenue bonds issued under this chapter. (Acts 71st

18 Leg., R.S., Ch. 8, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

19 Sec. 1082.252. TAX RATE. (a) The board may impose the tax

20 at a rate not to exceed the limit approved by the voters at the

21 election authorizing the imposition of the tax.

22 (b) The tax rate for all purposes may not exceed 75 cents on

23 each \$100 valuation of all taxable property in the district.

24 (c) In setting the tax rate, the board shall consider the

25 income of the district from sources other than taxation. (Acts 71st

26 Leg., R.S., Ch. 8, Secs. 8.01(a) (part), (b), 8.03 (part).)

27 Sec. 1082.253. TAX ASSESSOR-COLLECTOR. The board may

1 provide for the appointment of a tax assessor-collector for the  
2 district or may contract for the assessment and collection of taxes  
3 as provided by the Tax Code. (Acts 71st Leg., R.S., Ch. 8, Sec.  
4 8.04(b).)

5 CHAPTER 1083. NORTH WHEELER COUNTY HOSPITAL DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 1083.001. DEFINITIONS

8 Sec. 1083.002. AUTHORITY FOR CREATION

9 Sec. 1083.003. ESSENTIAL PUBLIC FUNCTION

10 Sec. 1083.004. DISTRICT TERRITORY

11 Sec. 1083.005. DISTRICT SUPPORT AND MAINTENANCE NOT

12 STATE OBLIGATION

13 Sec. 1083.006. RESTRICTION ON STATE FINANCIAL

14 ASSISTANCE

15 [Sections 1083.007-1083.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1083.051. BOARD ELECTION; TERM

18 Sec. 1083.052. NOTICE OF ELECTION

19 Sec. 1083.053. BALLOT PETITION

20 Sec. 1083.054. QUALIFICATIONS FOR OFFICE

21 Sec. 1083.055. BOND; RECORD OF BOND AND OATH OR

22 AFFIRMATION OF OFFICE

23 Sec. 1083.056. BOARD VACANCY

24 Sec. 1083.057. OFFICERS

25 Sec. 1083.058. COMPENSATION

26 Sec. 1083.059. VOTING REQUIREMENT



- 1 Sec. 1083.060. DISTRICT ADMINISTRATOR; ASSISTANT  
2 ADMINISTRATOR
- 3 Sec. 1083.061. GENERAL DUTIES OF DISTRICT  
4 ADMINISTRATOR
- 5 Sec. 1083.062. EMPLOYEES
- 6 Sec. 1083.063. RETIREMENT PROGRAM
- 7 [Sections 1083.064-1083.100 reserved for expansion]
- 8 SUBCHAPTER C. POWERS AND DUTIES
- 9 Sec. 1083.101. DISTRICT RESPONSIBILITY
- 10 Sec. 1083.102. RESTRICTION ON POLITICAL SUBDIVISION  
11 TAXATION AND DEBT
- 12 Sec. 1083.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 13 Sec. 1083.104. HOSPITAL SYSTEM
- 14 Sec. 1083.105. RULES
- 15 Sec. 1083.106. PURCHASING AND ACCOUNTING PROCEDURES
- 16 Sec. 1083.107. EMINENT DOMAIN
- 17 Sec. 1083.108. GIFTS AND ENDOWMENTS
- 18 Sec. 1083.109. CONTRACTS WITH GOVERNMENTAL ENTITIES  
19 FOR CARE AND TREATMENT
- 20 Sec. 1083.110. PAYMENT FOR TREATMENT; PROCEDURES
- 21 Sec. 1083.111. AUTHORITY TO SUE AND BE SUED
- 22 [Sections 1083.112-1083.150 reserved for expansion]
- 23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 24 Sec. 1083.151. BUDGET
- 25 Sec. 1083.152. FISCAL YEAR
- 26 Sec. 1083.153. AUDIT
- 27 Sec. 1083.154. FINANCIAL REPORT

1 Sec. 1083.155. DEPOSITORY

2 [Sections 1083.156-1083.200 reserved for expansion]

3 SUBCHAPTER E. BONDS

4 Sec. 1083.201. GENERAL OBLIGATION BONDS

5 Sec. 1083.202. TAX TO PAY GENERAL OBLIGATION BONDS

6 Sec. 1083.203. GENERAL OBLIGATION BOND ELECTION

7 Sec. 1083.204. EXECUTION OF GENERAL OBLIGATION BONDS

8 Sec. 1083.205. REFUNDING BONDS

9 Sec. 1083.206. BONDS EXEMPT FROM TAXATION

10 [Sections 1083.207-1083.250 reserved for expansion]

11 SUBCHAPTER F. TAXES

12 Sec. 1083.251. IMPOSITION OF AD VALOREM TAX

13 Sec. 1083.252. TAX RATE

14 Sec. 1083.253. TAX ASSESSOR-COLLECTOR

15 CHAPTER 1083. NORTH WHEELER COUNTY HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1083.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "Director" means a member of the board.

21 (3) "District" means the North Wheeler County Hospital  
22 District. (New.)

23 Sec. 1083.002. AUTHORITY FOR CREATION. The North Wheeler  
24 County Hospital District is created under the authority of Section  
25 9, Article IX, Texas Constitution, and has the rights, powers, and  
26 duties prescribed by this chapter. (Acts 58th Leg., R.S., Ch. 260,  
27 Sec. 1 (part).)

1           Sec. 1083.003. ESSENTIAL PUBLIC FUNCTION. The district  
2 performs an essential public function in carrying out the purposes  
3 of this chapter. (Acts 58th Leg., R.S., Ch. 260, Sec. 8 (part).)

4           Sec. 1083.004. DISTRICT TERRITORY. The boundaries of the  
5 district are coextensive with the boundaries of County  
6 Commissioners Precincts 1 and 2 of Wheeler County, Texas, as those  
7 boundaries existed on January 1, 1963. (Acts 58th Leg., R.S., Ch.  
8 260, Sec. 1 (part).)

9           Sec. 1083.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
10 OBLIGATION. The support and maintenance of the district may not  
11 become a charge against or obligation of this state. (Acts 58th  
12 Leg., R.S., Ch. 260, Sec. 18 (part).)

13           Sec. 1083.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
14 The legislature may not make a direct appropriation for the  
15 construction, maintenance, or improvement of a district facility.  
16 (Acts 58th Leg., R.S., Ch. 260, Sec. 18 (part).)

17           [Sections 1083.007-1083.050 reserved for expansion]

18                           SUBCHAPTER B. DISTRICT ADMINISTRATION

19           Sec. 1083.051. BOARD ELECTION; TERM. (a) The district is  
20 governed by a board of five directors elected from single-member  
21 voting precincts.

22           (b) Unless four-year terms are established under Section  
23 285.081, Health and Safety Code:

24                           (1) directors serve staggered two-year terms; and

25                           (2) a directors' election shall be held each year on  
26 the date that the election of public school trustees is held. (Acts  
27 58th Leg., R.S., Ch. 260, Sec. 4 (part).)

1           Sec. 1083.052. NOTICE OF ELECTION. At least 10 days before  
2 the date of a directors' election, notice of the election shall be  
3 published one time in a newspaper of general circulation in Wheeler  
4 County. (Acts 58th Leg., R.S., Ch. 260, Sec. 4 (part).)

5           Sec. 1083.053. BALLOT PETITION. A person seeking to have  
6 the person's name printed on the ballot as a candidate for director  
7 must file with the board secretary a petition requesting that  
8 action. The petition must be:

9           (1) signed by not fewer than five registered voters  
10 who reside in the voting precinct the candidate seeks to represent;  
11 and

12           (2) filed at least 25 days before the date of the  
13 election. (Acts 58th Leg., R.S., Ch. 260, Sec. 4 (part).)

14           Sec. 1083.054. QUALIFICATIONS FOR OFFICE. A person may not  
15 be elected or appointed as a director unless the person:

16           (1) is a resident of the voting precinct the person is  
17 elected or appointed to represent;

18           (2) owns property in the district subject to taxation;  
19 and

20           (3) is more than 18 years of age at the time of  
21 election or appointment. (Acts 58th Leg., R.S., Ch. 260, Sec. 4  
22 (part).)

23           Sec. 1083.055. BOND; RECORD OF BOND AND OATH OR AFFIRMATION  
24 OF OFFICE. (a) Each director shall execute a good and sufficient  
25 commercial bond for \$1,000 that is:

26           (1) payable to the district; and

27           (2) conditioned on the faithful performance of the

1 director's duties.

2 (b) The district shall pay for a director's bond.

3 (c) Each director's bond and constitutional oath or  
4 affirmation of office shall be deposited with the district's  
5 depository bank for safekeeping. (Acts 58th Leg., R.S., Ch. 260,  
6 Sec. 4 (part).)

7 Sec. 1083.056. BOARD VACANCY. (a) If a vacancy occurs in  
8 the office of director, the remaining directors shall appoint a  
9 director for the unexpired term.

10 (b) If the number of directors is reduced to fewer than  
11 three for any reason, the remaining directors shall immediately  
12 call a special election to fill the vacancies. If the remaining  
13 directors do not call the election, a district court, on  
14 application of a district voter or taxpayer, may order the  
15 directors to hold the election. (Acts 58th Leg., R.S., Ch. 260,  
16 Sec. 4 (part).)

17 Sec. 1083.057. OFFICERS. The board shall elect from among  
18 its members a president, a vice president, and a secretary. (Acts  
19 58th Leg., R.S., Ch. 260, Sec. 4 (part).)

20 Sec. 1083.058. COMPENSATION. A director serves without  
21 compensation. (Acts 58th Leg., R.S., Ch. 260, Sec. 4 (part).)

22 Sec. 1083.059. VOTING REQUIREMENT. A concurrence of three  
23 directors is sufficient in any matter relating to district  
24 business. (Acts 58th Leg., R.S., Ch. 260, Sec. 4 (part).)

25 Sec. 1083.060. DISTRICT ADMINISTRATOR; ASSISTANT  
26 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
27 district administrator.

1 (b) The board may appoint an assistant administrator.

2 (c) The district administrator and any assistant  
3 administrator serve at the will of the board and are entitled to the  
4 compensation determined by the board.

5 (d) On assuming the duties of district administrator, the  
6 administrator shall execute a bond payable to the district in an  
7 amount set by the board of not less than \$10,000 that:

8 (1) is conditioned on the administrator performing the  
9 administrator's duties; and

10 (2) contains other conditions the board may require.  
11 (Acts 58th Leg., R.S., Ch. 260, Sec. 5 (part).)

12 Sec. 1083.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
13 Subject to the limitations prescribed by the board, the district  
14 administrator shall:

15 (1) supervise the work and activities of the district;  
16 and

17 (2) direct the affairs of the district. (Acts 58th  
18 Leg., R.S., Ch. 260, Sec. 5 (part).)

19 Sec. 1083.062. EMPLOYEES. The board may employ any doctors,  
20 technicians, nurses, and other employees as considered necessary  
21 for the efficient operation of the district or may provide that the  
22 district administrator has the authority to employ those persons.  
23 (Acts 58th Leg., R.S., Ch. 260, Sec. 5 (part).)

24 Sec. 1083.063. RETIREMENT PROGRAM. The board may enter into  
25 any contract or agreement with this state or the federal government  
26 that is required to establish or continue a retirement program for  
27 the benefit of the district's employees. (Acts 58th Leg., R.S., Ch.

1 260, Sec. 5 (part).)

2 [Sections 1083.064-1083.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 1083.101. DISTRICT RESPONSIBILITY. The district has  
5 full responsibility for:

6 (1) operating all hospital facilities for providing  
7 medical and hospital care of indigent persons; and

8 (2) providing medical and hospital care for the  
9 district's needy inhabitants. (Acts 58th Leg., R.S., Ch. 260,  
10 Secs. 2 (part), 17 (part).)

11 Sec. 1083.102. RESTRICTION ON POLITICAL SUBDIVISION  
12 TAXATION AND DEBT. Wheeler County or another political  
13 subdivision, other than the district, may not impose a tax or issue  
14 bonds or other obligations for hospital purposes for medical  
15 treatment of indigent persons in the district. (Acts 58th Leg.,  
16 R.S., Ch. 260, Sec. 17 (part).)

17 Sec. 1083.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
18 The board shall manage, control, and administer the district's  
19 hospitals and hospital system. (Acts 58th Leg., R.S., Ch. 260, Sec.  
20 5 (part).)

21 Sec. 1083.104. HOSPITAL SYSTEM. The district shall provide  
22 for:

23 (1) the establishment of a hospital or hospital system  
24 in the district by:

25 (A) purchasing, constructing, acquiring,  
26 repairing, or renovating buildings and improvements; and

27 (B) equipping the buildings and improvements;

1 and

2 (2) the administration of the hospital system for  
3 hospital purposes. (Acts 58th Leg., R.S., Ch. 260, Sec. 2 (part).)

4 Sec. 1083.105. RULES. The board may adopt rules for the  
5 operation of the district and as required to administer this  
6 chapter. (Acts 58th Leg., R.S., Ch. 260, Secs. 5 (part), 9 (part).)

7 Sec. 1083.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
8 board may prescribe:

9 (1) the method and manner of making purchases and  
10 expenditures by and for the district; and

11 (2) all accounting and control procedures. (Acts 58th  
12 Leg., R.S., Ch. 260, Sec. 9 (part).)

13 Sec. 1083.107. EMINENT DOMAIN. (a) The district may  
14 exercise the power of eminent domain to acquire a fee simple or  
15 other interest in any type of property located in district  
16 territory if the interest is necessary or convenient for the  
17 district to exercise a power, right, or privilege conferred by this  
18 chapter.

19 (b) The district must exercise the power of eminent domain  
20 in the manner provided by Chapter 21, Property Code. (Acts 58th  
21 Leg., R.S., Ch. 260, Sec. 12.)

22 Sec. 1083.108. GIFTS AND ENDOWMENTS. The board may accept  
23 for the district a gift or endowment to be held in trust and  
24 administered by the board for the purposes and under the  
25 directions, limitations, or other provisions prescribed in writing  
26 by the donor that are not inconsistent with the proper management  
27 and objectives of the district. (Acts 58th Leg., R.S., Ch. 260,



1 Sec. 15.)

2           Sec. 1083.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
3 CARE AND TREATMENT. (a) The board may contract with a county or  
4 municipality located outside Wheeler County for the care and  
5 treatment of a sick or injured person of that county or  
6 municipality.

7           (b) The board may contract with this state or a federal  
8 agency for the treatment of a sick or injured person for whom this  
9 state or the federal government is responsible. (Acts 58th Leg.,  
10 R.S., Ch. 260, Sec. 5 (part).)

11           Sec. 1083.110. PAYMENT FOR TREATMENT; PROCEDURES. (a) When  
12 a patient who resides in the district is admitted to a district  
13 facility, the district administrator shall have an inquiry made  
14 into the circumstances of:

15                   (1) the patient; and

16                   (2) the patient's relatives who are legally liable for  
17 the patient's support.

18           (b) If the district administrator determines that the  
19 patient or those relatives cannot pay all or part of the costs of  
20 the care and treatment in the hospital, the amount of the costs that  
21 cannot be paid becomes a charge against the district.

22           (c) If the district administrator determines that the  
23 patient or those relatives can pay for all or part of the costs of  
24 the patient's care and treatment, the patient or those relatives  
25 shall be ordered to pay the district a specified amount each week  
26 for the patient's support. The amount ordered must be proportionate  
27 to the person's financial ability and may not exceed the actual per

1 capita cost of maintenance.

2 (d) The district administrator may collect the amount from  
3 the estate of the patient, or from any relative who is legally  
4 liable for the patient's support, in the manner provided by law for  
5 the collection of expenses of the last illness of a deceased person.

6 (e) If there is a dispute as to the ability to pay, or doubt  
7 in the mind of the district administrator, the board shall hold a  
8 hearing and, after calling witnesses, shall:

9 (1) resolve the dispute or doubt; and

10 (2) issue any appropriate orders. (Acts 58th Leg.,  
11 R.S., Ch. 260, Sec. 14.)

12 Sec. 1083.111. AUTHORITY TO SUE AND BE SUED. The district,  
13 through the board, may sue and be sued. (Acts 58th Leg., R.S., Ch.  
14 260, Sec. 5 (part).)

15 [Sections 1083.112-1083.150 reserved for expansion]

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 1083.151. BUDGET. (a) The district administrator  
18 shall prepare an annual budget for approval by the board. The budget  
19 must be for the fiscal year prescribed by Section 1083.152.

20 (b) Not later than August 31 of each year, the board shall  
21 publish notice of a public hearing on the proposed budget. The  
22 notice must be published in a newspaper of general circulation in  
23 Wheeler County at least 10 days before the date of the hearing.  
24 (Acts 58th Leg., R.S., Ch. 260, Secs. 6 (part), 16.)

25 Sec. 1083.152. FISCAL YEAR. The district operates on a  
26 fiscal year that begins on October 1 and ends on September 30.  
27 (Acts 58th Leg., R.S., Ch. 260, Sec. 6 (part).)

1           Sec. 1083.153. AUDIT. (a) The district shall have an audit  
2 made of the district's financial condition.

3           (b) The audit shall be open to inspection at all times at the  
4 district's principal office. (Acts 58th Leg., R.S., Ch. 260, Sec. 6  
5 (part).)

6           Sec. 1083.154. FINANCIAL REPORT. As soon as practicable  
7 after the close of each fiscal year, the district administrator  
8 shall prepare for the board:

9                   (1) a complete sworn statement of all district money;  
10 and

11                   (2) a complete account of the disbursements of that  
12 money. (Acts 58th Leg., R.S., Ch. 260, Sec. 6 (part).)

13           Sec. 1083.155. DEPOSITORY. (a) The board shall select one  
14 or more banks in Wheeler County to serve as a depository for  
15 district money.

16           (b) District money shall be immediately deposited on  
17 receipt with a depository bank, except that sufficient money must  
18 be remitted to an appropriate bank to pay the principal of and  
19 interest on the district's outstanding bonds or other obligations  
20 on or before the maturity date of the principal and interest.

21           (c) To the extent that money in a depository bank is not  
22 insured by the Federal Deposit Insurance Corporation, the money  
23 must be secured in the manner provided by law for the security of  
24 county funds.

25           (d) Membership on the district's board of an officer or  
26 director of a bank does not disqualify the bank from being selected  
27 as a depository bank. (Acts 58th Leg., R.S., Ch. 260, Sec. 10.)

1 [Sections 1083.156-1083.200 reserved for expansion]

2 SUBCHAPTER E. BONDS

3 Sec. 1083.201. GENERAL OBLIGATION BONDS. (a) The board may  
4 issue and sell general obligation bonds in the name and on the faith  
5 and credit of the district for any purpose related to the purchase,  
6 construction, acquisition, repair, or renovation of buildings or  
7 improvements, and equipping buildings or improvements for a  
8 hospital and the hospital system, as determined by the board.

9 (b) The board shall issue the bonds in compliance with the  
10 applicable provisions of Subtitles A and C, Title 9, Government  
11 Code. (Acts 58th Leg., R.S., Ch. 260, Sec. 7 (part).)

12 Sec. 1083.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
13 the time general obligation bonds are issued by the district under  
14 Section 1083.201, the board shall impose an ad valorem tax at a rate  
15 sufficient to create an interest and sinking fund and to pay the  
16 principal of and interest on the bonds as the bonds mature.

17 (b) The tax required by this section together with any other  
18 ad valorem tax the district imposes may not in any year exceed 75  
19 cents on each \$100 valuation of taxable property in the district.  
20 (Acts 58th Leg., R.S., Ch. 260, Sec. 7 (part).)

21 Sec. 1083.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
22 district may issue general obligation bonds only if the bonds are  
23 authorized by a majority of the district voters voting at an  
24 election held for that purpose.

25 (b) The board shall call the election. The election must be  
26 held in accordance with Chapter 1251, Government Code.

27 (c) The bond election order must specify:

- 1 (1) the date of the election;
- 2 (2) the location of the polling places;
- 3 (3) the presiding election officers;
- 4 (4) the amount of the bonds to be authorized;
- 5 (5) the maximum maturity of the bonds; and
- 6 (6) the maximum interest rate of the bonds. (Acts 58th  
7 Leg., R.S., Ch. 260, Sec. 7 (part).)

8 Sec. 1083.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
9 board president shall execute the general obligation bonds in the  
10 district's name, and the board secretary shall attest the bonds as  
11 provided by Chapter 618, Government Code. (Acts 58th Leg., R.S.,  
12 Ch. 260, Sec. 7 (part).)

13 Sec. 1083.205. REFUNDING BONDS. (a) The board may, without  
14 an election, issue refunding bonds to refund any bonds issued by the  
15 district.

16 (b) A refunding bond may be:

- 17 (1) sold, with the proceeds of the refunding bond  
18 applied to the payment of the outstanding bonds; or
- 19 (2) exchanged wholly or partly for not less than a  
20 similar principal amount of the outstanding bonds. (Acts 58th  
21 Leg., R.S., Ch. 260, Sec. 7 (part).)

22 Sec. 1083.206. BONDS EXEMPT FROM TAXATION. The following  
23 are exempt from taxation by this state or a political subdivision of  
24 this state:

- 25 (1) bonds issued by the district;
- 26 (2) the transfer and issuance of the bonds; and
- 27 (3) profits made in the sale of the bonds. (Acts 58th

1 Leg., R.S., Ch. 260, Sec. 8 (part).)

2 [Sections 1083.207-1083.250 reserved for expansion]

3 SUBCHAPTER F. TAXES

4 Sec. 1083.251. IMPOSITION OF AD VALOREM TAX. (a) The  
5 district may impose a tax on all property in the district subject to  
6 district taxation.

7 (b) The tax may be used:

8 (1) to meet the requirements of district bonds; and

9 (2) for the district's maintenance and operating  
10 expenses. (Acts 58th Leg., R.S., Ch. 260, Sec. 3 (part).)

11 Sec. 1083.252. TAX RATE. The district may impose the tax at  
12 a rate not to exceed 75 cents on each \$100 valuation of taxable  
13 property in the district. (Acts 58th Leg., R.S., Ch. 260, Sec. 3  
14 (part).)

15 Sec. 1083.253. TAX ASSESSOR-COLLECTOR. The tax  
16 assessor-collector of Wheeler County shall assess and collect taxes  
17 imposed by the district. (Acts 58th Leg., R.S., Ch. 260, Sec. 13  
18 (part).)

19 CHAPTER 1084. PALO PINTO COUNTY

20 HOSPITAL DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

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- 16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 17 Sec. 1084.151. BUDGET
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- 1 Sec. 1084.159. AUTHORITY TO BORROW MONEY IN EMERGENCY;  
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3 [Sections 1084.160-1084.200 reserved for expansion]  
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5 Sec. 1084.201. GENERAL OBLIGATION BONDS  
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16 SUBCHAPTER G. DISSOLUTION  
17 Sec. 1084.301. DISSOLUTION; ELECTION  
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22 ASSETS  
23 Sec. 1084.306. SALE OR TRANSFER OF ASSETS AND  
24 LIABILITIES  
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26 TAXES  
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1                   CHAPTER 1084. PALO PINTO COUNTY

2                                   HOSPITAL DISTRICT

3                                   SUBCHAPTER A. GENERAL PROVISIONS

4           Sec. 1084.001. DEFINITIONS. In this chapter:

5                   (1) "Board" means the board of directors of the  
6 district.

7                   (2) "Director" means a member of the board.

8                   (3) "District" means the Palo Pinto County Hospital  
9 District. (New.)

10           Sec. 1084.002. AUTHORITY FOR OPERATION. The Palo Pinto  
11 County Hospital District operates in accordance with Section 9,  
12 Article IX, Texas Constitution. (Acts 59th Leg., R.S., Ch. 84, Sec.  
13 1 (part).)

14           Sec. 1084.003. POLITICAL SUBDIVISION. The district is a  
15 political subdivision of this state. (Acts 59th Leg., R.S., Ch. 84,  
16 Sec. 16 (part).)

17           Sec. 1084.004. DISTRICT TERRITORY. The boundaries of the  
18 district are coextensive with the boundaries of Palo Pinto County,  
19 Texas. (Acts 59th Leg., R.S., Ch. 84, Sec. 1 (part).)

20           Sec. 1084.005. CORRECTION OF INVALID PROCEDURES. If a  
21 court holds that any procedure under this chapter violates the  
22 constitution of this state or of the United States, the district by  
23 resolution may provide an alternative procedure that conforms with  
24 the constitution. (Acts 59th Leg., R.S., Ch. 84, Sec. 17 (part).)

25                   [Sections 1084.006-1084.050 reserved for expansion]

26                                   SUBCHAPTER B. DISTRICT ADMINISTRATION

27           Sec. 1084.051. BOARD ELECTION; TERM. (a) The district is

1 governed by a board of seven directors as follows:

2 (1) six directors elected by place; and

3 (2) the chief of staff elected by the medical staff  
4 under Section 1084.063.

5 (b) Unless four-year terms are established under Section  
6 285.081, Health and Safety Code, the directors elected to the board  
7 serve staggered two-year terms as follows:

8 (1) directors for places 1, 2, and 3 are elected on the  
9 uniform election date in May of each odd-numbered year; and

10 (2) directors for places 4, 5, and 6 are elected on the  
11 uniform election date in May of each even-numbered year. (Acts 59th  
12 Leg., R.S., Ch. 84, Secs. 4(a) (part), (d) (part).)

13 Sec. 1084.052. NOTICE OF ELECTION. Notice of each  
14 directors' election shall be published in a newspaper of general  
15 circulation in Palo Pinto County in accordance with Chapter 4,  
16 Election Code. (Acts 59th Leg., R.S., Ch. 84, Sec. 4(d) (part).)

17 Sec. 1084.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
18 not be elected or appointed to an elected position on the board  
19 unless the person is:

20 (1) a resident of the district; and

21 (2) a qualified voter.

22 (b) In addition to the requirements prescribed by  
23 Subsection (a), a person is not eligible to serve as a director if  
24 the person:

25 (1) directly or indirectly has an ownership or  
26 investment interest in a health care facility located in Palo Pinto  
27 County; or

1           (2) directly or in conjunction with another person or  
2 entity has an ownership interest in another business or entity  
3 that:

4                   (A) is related to health care; and

5                   (B) provides a good or service to the area served  
6 by the district that is the same as or substantially similar to a  
7 good or service provided by the district.

8           (c) Subsection (b) does not apply to:

9                   (1) an ownership or investment interest in publicly  
10 available shares of a registered investment company, such as a  
11 mutual fund, that owns publicly traded equity securities or debt  
12 obligations issued by:

13                           (A) a health care facility;

14                           (B) a business or entity described by Subsection  
15 (b); or

16                           (C) an entity that owns the health care facility,  
17 business, or entity; or

18                   (2) a physician's ownership interest in the  
19 physician's own medical practice. (Acts 59th Leg., R.S., Ch. 84,  
20 Secs. 4(a) (part), (a-1), (a-2).)

21           Sec. 1084.054. GROUND FOR REMOVAL. (a) It is a ground for  
22 removal from the board that a director violates a prohibition  
23 established by Section 1084.053(b). A director may be removed for  
24 the violation in accordance with the procedures provided by  
25 Subchapter B, Chapter 87, Local Government Code, for removing a  
26 county official.

27           (b) The validity of a board action is not affected by the

1 fact that the action is taken when a ground for removal of a  
2 director exists. (Acts 59th Leg., R.S., Ch. 84, Secs. 4(a-3),  
3 (a-4), (a-5).)

4 Sec. 1084.055. BOND; RECORD OF BOND AND OATH OR  
5 AFFIRMATION. (a) Each director shall execute a good and sufficient  
6 bond for \$5,000 that is:

- 7 (1) payable to the district; and  
8 (2) conditioned on the faithful performance of the  
9 director's duties.

10 (b) Each director's bond and the constitutional oath or  
11 affirmation of office shall be deposited with the district's  
12 depository bank for safekeeping. (Acts 59th Leg., R.S., Ch. 84,  
13 Sec. 4(b) (part).)

14 Sec. 1084.056. BOARD VACANCY. (a) If a vacancy occurs in  
15 the office of elected director, the remaining directors by majority  
16 vote shall appoint a director for the unexpired term.

17 (b) If the number of directors is reduced to fewer than four  
18 for any reason, the remaining directors shall immediately call a  
19 special election to fill the vacancies of the elected positions. If  
20 the remaining directors do not call the election, a district court,  
21 on application of a district voter or taxpayer, may order the  
22 directors to hold the election. (Acts 59th Leg., R.S., Ch. 84, Sec.  
23 4(c) (part).)

24 Sec. 1084.057. DIRECTOR RIGHTS AND RESPONSIBILITIES. All  
25 directors have the same rights and responsibilities with regard to  
26 voting and other matters. (Acts 59th Leg., R.S., Ch. 84, Sec. 4(a)  
27 (part).)

1           Sec. 1084.058. OFFICERS. (a) The board shall elect a  
2 president, vice president, and secretary from among its members.

3           (b) Each officer of the board serves for a term of one year  
4 and may serve successive terms. (Acts 59th Leg., R.S., Ch. 84, Sec.  
5 4(c) (part).)

6           Sec. 1084.059. COMPENSATION; EXPENSES. A director serves  
7 without compensation but may be reimbursed for actual expenses  
8 incurred in the performance of official duties on approval of the  
9 expenses by the entire board as reported in the board minutes. (Acts  
10 59th Leg., R.S., Ch. 84, Sec. 4(e).)

11          Sec. 1084.060. VOTING REQUIREMENT. A concurrence of four  
12 directors is sufficient in any matter relating to district  
13 business. (Acts 59th Leg., R.S., Ch. 84, Sec. 4(c) (part).)

14          Sec. 1084.061. DISTRICT ADMINISTRATOR; ASSISTANT  
15 ADMINISTRATOR. (a) The board may appoint a qualified person as  
16 district administrator.

17          (b) The board may appoint an assistant administrator.

18          (c) The district administrator and any assistant  
19 administrator serve at the will of the board and are entitled to the  
20 compensation determined by the board.

21          (d) On assuming the duties of district administrator, the  
22 administrator shall execute a bond payable to the district in an  
23 amount set by the board of not less than \$5,000 that:

24                 (1) is conditioned on the administrator performing the  
25 administrator's duties; and

26                 (2) contains other conditions the board may require.

27          (e) The board may pay for the bond with district money.

1 (Acts 59th Leg., R.S., Ch. 84, Sec. 7(b) (part).)

2 Sec. 1084.062. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

3 Subject to any limitations prescribed by the board, the district  
4 administrator shall:

5 (1) supervise the work and activities of the district;  
6 and

7 (2) direct the affairs of the district. (Acts 59th  
8 Leg., R.S., Ch. 84, Sec. 7(b) (part).)

9 Sec. 1084.063. ELECTION OF CHIEF OF STAFF. At least once  
10 every two years, the medical staff of the hospital system owned and  
11 operated by the district shall elect a chief of staff. (Acts 59th  
12 Leg., R.S., Ch. 84, Sec. 4(a) (part).)

13 Sec. 1084.064. APPOINTMENT AND RECRUITMENT OF STAFF AND  
14 EMPLOYEES. (a) The board may provide that the district  
15 administrator has the authority to employ or appoint to the staff  
16 doctors, nurses, technicians, and any other employees as necessary  
17 for the efficient operation of the district.

18 (b) The board may spend district money, enter into  
19 agreements, and take other necessary action to recruit physicians  
20 and other persons to serve as medical staff members or district  
21 employees, including:

22 (1) advertising and marketing;

23 (2) paying travel, recruitment, and relocation  
24 expenses;

25 (3) providing a loan or scholarship to a physician or a  
26 person who:

27 (A) is currently enrolled in health care

1 education courses at an institution of higher education; and

2 (B) contractually agrees to become a district  
3 employee or medical staff member; or

4 (4) paying the tuition or other expenses of a  
5 full-time medical student or other student in a health occupation  
6 who:

7 (A) is enrolled in and is in good standing at an  
8 accredited medical school, college, or university; and

9 (B) contractually agrees to become a district  
10 employee or independent contractor in return for that assistance.  
11 (Acts 59th Leg., R.S., Ch. 84, Secs. 7(b) (part), (g).)

12 Sec. 1084.065. PERSONNEL CONTRACTS. (a) The board may  
13 contract to provide administrative and other personnel for the  
14 operation of the hospital facilities.

15 (b) The term of a contract may not exceed 25 years. (Acts  
16 59th Leg., R.S., Ch. 84, Sec. 7(e) (part).)

17 Sec. 1084.066. EDUCATIONAL PROGRAMS; COURSES. The board  
18 may provide or contract for the provision of educational programs  
19 or courses for district employees and medical staff. (Acts 59th  
20 Leg., R.S., Ch. 84, Sec. 7(i).)

21 Sec. 1084.067. RETIREMENT BENEFITS. The board may provide  
22 retirement benefits for district employees by:

23 (1) establishing or administering a retirement  
24 program; or

25 (2) participating in a statewide retirement system in  
26 which the district is eligible to participate. (Acts 59th Leg.,  
27 R.S., Ch. 84, Sec. 7(f).)



1           Sec. 1084.068. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
2 Except as provided by Section 1084.055, all district records,  
3 including books, accounts, notices, minutes, and all other matters  
4 of the district and the operation of its facilities, shall be:

- 5           (1) maintained at the district office; and  
6           (2) open to public inspection at the district office  
7 at all reasonable hours. (Acts 59th Leg., R.S., Ch. 84, Sec. 7(1).)

8           [Sections 1084.069-1084.100 reserved for expansion]

9           SUBCHAPTER C. POWERS AND DUTIES

10          Sec. 1084.101. DISTRICT RESPONSIBILITY. The district has  
11 full responsibility for providing medical and hospital care for the  
12 district's needy and indigent residents. (Acts 59th Leg., R.S.,  
13 Ch. 84, Secs. 2 (part), 12 (part).)

14          Sec. 1084.102. RESTRICTION ON COUNTY OR MUNICIPALITY  
15 TAXATION. Palo Pinto County or a municipality in the district may  
16 not impose a tax on property in the district for hospital purposes.  
17 (Acts 59th Leg., R.S., Ch. 84, Sec. 12 (part).)

18          Sec. 1084.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
19 The board shall manage, control, and administer the district's  
20 hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 84, Sec.  
21 7(a) (part).)

22          Sec. 1084.104. RULES. (a) The board may adopt rules  
23 governing the operation of the district, including district  
24 facilities.

25          (b) On approval by the board, the rules may be published in  
26 booklet form at district expense and made available to any taxpayer  
27 on request. (Acts 59th Leg., R.S., Ch. 84, Sec. 7(m).)

1           Sec. 1084.105. DISTRICT PROPERTY, FACILITIES, AND  
2 EQUIPMENT. (a) The board may:

3                 (1) purchase or lease property, including facilities  
4 or equipment, for the district to use in the hospital system; and

5                 (2) mortgage or pledge the property as security for  
6 the payment of the purchase price.

7           (b) The board may lease district hospital facilities to  
8 individuals, corporations, or other legal entities.

9           (c) The board may sell or otherwise dispose of the  
10 district's property, including facilities or equipment. (Acts 59th  
11 Leg., R.S., Ch. 84, Secs. 7(d), (e) (part).)

12           Sec. 1084.106. EMINENT DOMAIN. (a) The district may  
13 exercise the power of eminent domain to acquire a fee simple or  
14 other interest in any type of property, real, personal, or mixed,  
15 located in district territory, if the interest is necessary or  
16 convenient for the district to exercise a right, power, privilege,  
17 or function conferred on the district by this chapter.

18           (b) The district must exercise the power of eminent domain  
19 in the manner provided by Chapter 21, Property Code, except the  
20 district is not required to deposit in the trial court money or a  
21 bond as provided by Section 21.021, Property Code.

22           (c) In a condemnation proceeding brought by the district,  
23 the district is not required to:

24                 (1) pay in advance or provide a bond or other security  
25 for costs in the trial court;

26                 (2) provide a bond for the issuance of a temporary  
27 restraining order or a temporary injunction; or

1           (3) provide a bond for costs or a supersedeas bond on  
2 an appeal or petition for review. (Acts 59th Leg., R.S., Ch. 84,  
3 Sec. 9.)

4           Sec. 1084.107. GIFTS AND ENDOWMENTS. The board may accept  
5 for the district a gift or endowment to be held in trust and  
6 administered by the board for the purposes and under the  
7 directions, limitations, or provisions prescribed in writing by the  
8 donor that are not inconsistent with the proper management and  
9 objectives of the district. (Acts 59th Leg., R.S., Ch. 84, Sec.  
10 14.)

11          Sec. 1084.108. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
12 CARE AND TREATMENT. (a) The board may contract with a county or  
13 municipality located outside the district's boundaries for the care  
14 and treatment of a sick or injured person of that county or  
15 municipality.

16          (b) The board may contract with this state or a federal  
17 agency for the treatment of a sick or injured person. (Acts 59th  
18 Leg., R.S., Ch. 84, Sec. 7(c).)

19          Sec. 1084.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
20 When a patient who resides in the district is admitted to a district  
21 facility, the district administrator may have an inquiry made into  
22 the circumstances of:

23                 (1) the patient; and

24                 (2) the patient's relatives who are legally liable for  
25 the patient's support.

26          (b) If the district administrator determines that the  
27 patient or those relatives cannot pay all or part of the costs of

1 the care and treatment in the hospital, the amount of the costs that  
2 cannot be paid becomes a charge against the district.

3 (c) If the district administrator determines that the  
4 patient or those relatives are liable to pay for all or part of the  
5 costs of the patient's care and treatment, the patient or those  
6 relatives shall be ordered to pay the district a specified amount  
7 each week for the patient's support. The amount ordered must be  
8 proportionate to the person's financial ability.

9 (d) The district may collect the amount from the estate of  
10 the patient, or from any relative who is legally liable for the  
11 patient's support, in the manner provided by law for the collection  
12 of expenses of the last illness of a deceased person.

13 (e) The board may institute a suit to collect an amount owed  
14 to the district by a patient who has not been determined to be  
15 unable to pay under this section.

16 (f) If there is a dispute as to the ability to pay, or doubt  
17 in the mind of the district administrator, the board shall hold a  
18 hearing and, after calling witnesses, shall:

- 19 (1) resolve the dispute or doubt; and  
20 (2) issue an appropriate order. (Acts 59th Leg.,  
21 R.S., Ch. 84, Secs. 7(j), 13.)

22 Sec. 1084.110. NONPROFIT CORPORATION. (a) The district  
23 may create and sponsor a nonprofit corporation under the Business  
24 Organizations Code and may contribute money to or solicit money for  
25 the corporation.

26 (b) The corporation may use district money, other than money  
27 the corporation pays to the district, only to provide health care or

1 other services the district is authorized to provide under this  
2 chapter.

3 (c) The corporation may invest the corporation's money in  
4 any manner in which the district may invest the district's money,  
5 including investing money as authorized by Chapter 2256, Government  
6 Code.

7 (d) The board shall establish controls to ensure that the  
8 corporation uses its money as required by this section. (Acts 59th  
9 Leg., R.S., Ch. 84, Sec. 7(k).)

10 Sec. 1084.111. AUTHORITY TO SUE AND BE SUED. As a  
11 governmental agency, the district, through the board, may sue and  
12 be sued in the district's own name in any court of this state. (Acts  
13 59th Leg., R.S., Ch. 84, Secs. 7(a) (part), 16 (part).)

14 Sec. 1084.112. INSPECTIONS. The district is subject to  
15 inspection by any authorized representative of this state. A  
16 district officer or employee shall:

17 (1) admit the representative into any district  
18 facility; and

19 (2) provide the representative with access on demand  
20 to any record, report, book, paper, or account relating to the  
21 district. (Acts 59th Leg., R.S., Ch. 84, Sec. 11.)

22 [Sections 1084.113-1084.150 reserved for expansion]

23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24 Sec. 1084.151. BUDGET. The district administrator shall  
25 prepare an annual budget for approval by the board. (Acts 59th  
26 Leg., R.S., Ch. 84, Sec. 8(b) (part).)

27 Sec. 1084.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)

1 The board shall hold a public hearing on the proposed budget.

2 (b) Notice of the hearing must be published at least once in  
3 a newspaper of general circulation in the district not later than  
4 the 10th day before the date of the hearing.

5 (c) Any district resident is entitled to:

6 (1) appear at the time and place designated in the  
7 notice; and

8 (2) be heard regarding any item included in the  
9 proposed budget.

10 (d) The annual budget is effective only after adoption by  
11 the board. (Acts 59th Leg., R.S., Ch. 84, Sec. 8(b) (part).)

12 Sec. 1084.153. AMENDMENTS TO BUDGET. After the annual  
13 budget is adopted, the budget may be amended on the board's  
14 approval. (Acts 59th Leg., R.S., Ch. 84, Sec. 8(b) (part).)

15 Sec. 1084.154. FISCAL YEAR. (a) The district operates  
16 according to a fiscal year established by the board.

17 (b) The fiscal year may not be changed:

18 (1) during a period that revenue bonds of the district  
19 are outstanding; or

20 (2) more than once in a 24-month period. (Acts 59th  
21 Leg., R.S., Ch. 84, Sec. 8(a) (part).)

22 Sec. 1084.155. ANNUAL AUDIT. The board annually shall have  
23 an independent audit made of the district's books and records.  
24 (Acts 59th Leg., R.S., Ch. 84, Sec. 8(a) (part).)

25 Sec. 1084.156. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
26 RECORDS. The annual audit and other district records are open to  
27 inspection at the district's office. (Acts 59th Leg., R.S., Ch. 84,

1 Sec. 8(a) (part).)

2 Sec. 1084.157. DEPOSITORY OR TREASURER. (a) The board by  
3 resolution shall designate a bank to serve as the district's  
4 depository or treasurer.

5 (b) All district money shall be secured in the manner  
6 provided for securing county funds. (Acts 59th Leg., R.S., Ch. 84,  
7 Sec. 10.)

8 Sec. 1084.158. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

9 (a) The board may borrow money at a rate not to exceed the maximum  
10 annual percentage rate allowed by law for district obligations at  
11 the time the loan is made.

12 (b) To secure a loan, the board may pledge:

13 (1) district revenue that is not pledged to pay the  
14 district's bonded indebtedness;

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

18 (3) district bonds that have been authorized but not  
19 sold.

20 (c) A loan for which taxes or bonds are pledged must mature  
21 not later than the first anniversary of the date the loan is made. A  
22 loan for which district revenue is pledged must mature not later  
23 than the fifth anniversary of the date the loan is made. (Acts 59th  
24 Leg., R.S., Ch. 84, Sec. 6B.)

25 Sec. 1084.159. AUTHORITY TO BORROW MONEY IN EMERGENCY;  
26 SECURITY. (a) If money is not available to meet an authorized  
27 obligation of the district, the board shall adopt an order

1 declaring an emergency. After the order is adopted, the board may  
2 borrow money on district notes at a rate not to exceed 12 percent a  
3 year to meet the obligation.

4 (b) To secure the loan, the board may pledge:

5 (1) district revenue that is not pledged to pay the  
6 district's bonded indebtedness;

7 (2) a district tax that is to be imposed not later than  
8 the first anniversary of the date of the loan and that is not  
9 pledged to pay the principal of or interest on district bonds; or

10 (3) district bonds that have been authorized but not  
11 sold.

12 (c) A loan for which taxes or bonds are pledged must mature  
13 not later than the first anniversary of the date the loan is made. A  
14 loan for which district revenue is pledged must mature not later  
15 than the fifth anniversary of the date the loan is made.

16 (d) The board may spend money obtained from a loan under  
17 this section only to meet the obligation that made the loan  
18 necessary. The board may spend money obtained from any taxes or  
19 bonds used to secure the loan only for the purpose for which the  
20 taxes were imposed or the bonds were authorized. (Acts 59th Leg.,  
21 R.S., Ch. 84, Sec. 6A.)

22 [Sections 1084.160-1084.200 reserved for expansion]

23 SUBCHAPTER E. BONDS

24 Sec. 1084.201. GENERAL OBLIGATION BONDS. The board may  
25 issue and sell general obligation bonds authorized by an election  
26 in the name and on the faith and credit of the district, to:

27 (1) purchase, construct, acquire, repair, or renovate



1 buildings or improvements;

2           (2) equip buildings or improvements for hospital  
3 purposes; and

4           (3) acquire sites to be used for district purposes.  
5 (Acts 59th Leg., R.S., Ch. 84, Sec. 6(a) (part).)

6           Sec. 1084.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
7 the time general obligation bonds are issued by the district under  
8 Section 1084.201, the board shall impose an ad valorem tax at a rate  
9 sufficient to create an interest and sinking fund to pay the  
10 principal of and interest on the bonds as the bonds mature.

11           (b) The tax required by this section together with any other  
12 ad valorem tax the district imposes may not in any year exceed 75  
13 cents on each \$100 valuation of all taxable property in the  
14 district. (Acts 59th Leg., R.S., Ch. 84, Sec. 6(a) (part).)

15           Sec. 1084.203. ELECTION FOR GENERAL OBLIGATION BONDS. (a)  
16 The district may issue general obligation bonds only if the bonds  
17 are authorized by a majority of the district voters voting at an  
18 election held for that purpose.

19           (b) The board may order the election on its own motion.

20           (c) The election shall be conducted in accordance with  
21 Chapter 1251, Government Code. (Acts 59th Leg., R.S., Ch. 84, Sec.  
22 6(c).)

23           Sec. 1084.204. REVENUE BONDS. (a) The board may issue and  
24 sell revenue bonds in the name and on the faith and credit of the  
25 district to purchase, construct, acquire, repair, renovate, or  
26 equip buildings or improvements for district purposes.

27           (b) The bonds must be payable from and secured by a pledge of

1 all or part of the revenue derived from the operation of the  
2 district's hospital system.

3 (c) The bonds may be additionally secured by a mortgage or  
4 deed of trust on all or part of district property.

5 (d) The bonds must be issued in the manner provided by  
6 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
7 Health and Safety Code, for the issuance of revenue bonds by a  
8 county hospital authority. (Acts 59th Leg., R.S., Ch. 84, Sec.  
9 6(e).)

10 Sec. 1084.205. EXECUTION OF BONDS. (a) The board president  
11 shall execute district bonds in the district's name.

12 (b) The board secretary shall countersign the bonds. (Acts  
13 59th Leg., R.S., Ch. 84, Sec. 6(b) (part).)

14 [Sections 1084.206-1084.250 reserved for expansion]

15 SUBCHAPTER F. TAXES

16 Sec. 1084.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
17 shall impose a tax on all property in the district subject to  
18 district taxation.

19 (b) The board shall impose the tax to:

20 (1) pay the interest on and create a sinking fund for  
21 bonds or other obligations issued or assumed by the district for  
22 hospital purposes;

23 (2) provide for the operation and maintenance of the  
24 district and hospital system;

25 (3) make improvements and additions to the hospital  
26 system; and

27 (4) acquire necessary sites for the hospital system by

1 purchase, lease, or condemnation. (Acts 59th Leg., R.S., Ch. 84,  
2 Sec. 5(a) (part).)

3 Sec. 1084.252. TAX RATE. The board may impose the tax at a  
4 rate not to exceed 75 cents on each \$100 valuation of all taxable  
5 property in the district. (Acts 59th Leg., R.S., Ch. 84, Sec. 5(a)  
6 (part).)

7 Sec. 1084.253. TAX ASSESSOR-COLLECTOR. The board may  
8 provide for the appointment of a tax assessor-collector for the  
9 district or may contract for the assessment and collection of taxes  
10 as provided by the Tax Code. (Acts 59th Leg., R.S., Ch. 84, Sec.  
11 5(b) (part).)

12 [Sections 1084.254-1084.300 reserved for expansion]

13 SUBCHAPTER G. DISSOLUTION

14 Sec. 1084.301. DISSOLUTION; ELECTION. (a) The district  
15 may be dissolved only on approval of a majority of the district  
16 voters voting in an election held for that purpose.

17 (b) The board may order an election on the question of  
18 dissolving the district and disposing of the district's assets and  
19 obligations.

20 (c) The board shall order an election if the board receives  
21 a petition requesting an election that is signed by at least 15  
22 percent of the registered voters of the district.

23 (d) The order calling the election must state:

24 (1) the nature of the election, including the  
25 proposition to appear on the ballot;

26 (2) the date of the election;

27 (3) the hours during which the polls will be open; and

1           (4) the location of the polling places.

2           (e) Section 41.001(a), Election Code, does not apply to an  
3 election ordered under this section. (Acts 59th Leg., R.S., Ch. 84,  
4 Secs. 16A(a), (b), (c) (part).)

5           Sec. 1084.302. NOTICE OF ELECTION. (a) The board shall  
6 give notice of an election under this subchapter by publishing once  
7 a week for two consecutive weeks a substantial copy of the election  
8 order in a newspaper with general circulation in the district.

9           (b) The first publication of the notice must appear not  
10 later than the 35th day before the date set for the election. (Acts  
11 59th Leg., R.S., Ch. 84, Sec. 16A(d) (part).)

12           Sec. 1084.303. BALLOT. The ballot for an election under  
13 this subchapter must be printed to permit voting for or against the  
14 proposition: "The dissolution of the Palo Pinto County Hospital  
15 District." (Acts 59th Leg., R.S., Ch. 84, Sec. 16A(d) (part).)

16           Sec. 1084.304. ELECTION RESULTS. (a) If a majority of the  
17 votes in an election under this subchapter favor dissolution, the  
18 board shall find that the district is dissolved.

19           (b) If a majority of the votes in the election do not favor  
20 dissolution, the board shall continue to administer the district  
21 and another election on the question of dissolution may not be held  
22 before the first anniversary of the date of the most recent election  
23 to dissolve the district. (Acts 59th Leg., R.S., Ch. 84, Sec.  
24 16A(e).)

25           Sec. 1084.305. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS.

26 (a) If a majority of the votes in an election held under this  
27 subchapter favor dissolution, the board shall:

1           (1) transfer the land, buildings, improvements,  
2 equipment, and other assets that belong to the district to a county  
3 or to another governmental entity in Palo Pinto County;

4           (2) sell the assets and liabilities to another person;  
5 or

6           (3) administer the property, assets, and debts until  
7 all money has been disposed of and all district debts have been paid  
8 or settled.

9           (b) If the board makes the transfer under Subsection (a)(1),  
10 the county or entity assumes all debts and obligations of the  
11 district at the time of the transfer, and the district is dissolved.

12           (c) If Subsections (a)(1) and (2) do not apply and the board  
13 administers the property, assets, and debts of the district under  
14 Subsection (a)(3), the district is dissolved when all money has  
15 been disposed of and all district debts have been paid or settled.  
16 (Acts 59th Leg., R.S., Ch. 84, Secs. 16A(f), (g), (m) (part).)

17           Sec. 1084.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

18 (a) The dissolution of the district and the sale or transfer of the  
19 district's assets and liabilities to another person may not  
20 contravene a trust indenture or bond resolution relating to the  
21 district's outstanding bonds. The dissolution and sale or transfer  
22 does not diminish or impair the rights of a holder of an outstanding  
23 bond, warrant, or other obligation of the district.

24           (b) The sale or transfer of the district's assets and  
25 liabilities must satisfy the debt and bond obligations of the  
26 district in a manner that protects the interests of district  
27 residents, including the residents' collective property rights in

1 the district's assets.

2 (c) The district may not transfer or dispose of the  
3 district's assets except for due compensation unless:

4 (1) the transfer is made to another governmental  
5 entity that serves the district; and

6 (2) the transferred assets are to be used for the  
7 benefit of the district's residents.

8 (d) A grant from federal funds is an obligation to be repaid  
9 in satisfaction. (Acts 59th Leg., R.S., Ch. 84, Secs. 16A(m)  
10 (part), (n).)

11 Sec. 1084.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
12 TAXES. (a) After the board finds that the district is dissolved,  
13 the board shall:

14 (1) determine the debt owed by the district; and

15 (2) impose on the property included on the district's  
16 tax rolls a tax that is in proportion of the debt to the property  
17 value.

18 (b) On the payment of all outstanding debts and obligations  
19 of the district, the board shall order the secretary to return to  
20 each district taxpayer the taxpayer's pro rata share of all unused  
21 tax money.

22 (c) A taxpayer may request that the taxpayer's share of  
23 surplus tax money be credited to the taxpayer's county taxes. If a  
24 taxpayer requests the credit, the board shall direct the secretary  
25 to transmit the money to the county tax assessor-collector. (Acts  
26 59th Leg., R.S., Ch. 84, Secs. 16A(h), (i), (j).)

27 Sec. 1084.308. REPORT; DISSOLUTION ORDER. (a) After the

1 district has paid all district debts and has disposed of all  
2 district money and other assets as prescribed by this subchapter,  
3 the board shall file a written report with the Commissioners Court  
4 of Palo Pinto County summarizing the board's actions in dissolving  
5 the district.

6 (b) Not later than the 10th day after the date the  
7 Commissioners Court of Palo Pinto County receives the report and  
8 determines that the requirements of this subchapter have been  
9 fulfilled, the commissioners court shall enter an order dissolving  
10 the district and releasing the board from any further duty or  
11 obligation. (Acts 59th Leg., R.S., Ch. 84, Secs. 16A(k), (l).)

12 CHAPTER 1085. PARKER COUNTY HOSPITAL DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

- 14 Sec. 1085.001. DEFINITIONS  
15 Sec. 1085.002. AUTHORITY FOR CREATION  
16 Sec. 1085.003. ESSENTIAL PUBLIC FUNCTION  
17 Sec. 1085.004. DISTRICT TERRITORY  
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22 [Sections 1085.007-1085.050 reserved for expansion]

23 SUBCHAPTER B. DISTRICT ADMINISTRATION

- 24 Sec. 1085.051. BOARD ELECTION; TERM  
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- 1 Sec. 1085.055. OFFICERS  
2 Sec. 1085.056. DISTRICT ADMINISTRATOR; ASSISTANT  
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8 Sec. 1085.060. LEGAL COUNSEL  
9 [Sections 1085.061-1085.100 reserved for expansion]  
10 SUBCHAPTER C. POWERS AND DUTIES  
11 Sec. 1085.101. DISTRICT RESPONSIBILITY  
12 Sec. 1085.102. RESTRICTION ON POLITICAL SUBDIVISION  
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21 Sec. 1085.109. GIFTS AND ENDOWMENTS  
22 Sec. 1085.110. CONTRACTS WITH GOVERNMENTAL ENTITIES  
23 FOR CARE AND TREATMENT  
24 Sec. 1085.111. PAYMENT FOR TREATMENT; PROCEDURES  
25 [Sections 1085.112-1085.150 reserved for expansion]  
26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
27 Sec. 1085.151. BUDGET



- 1 Sec. 1085.152. NOTICE; HEARING; APPROVAL OF BUDGET  
2 Sec. 1085.153. AMENDMENTS TO BUDGET  
3 Sec. 1085.154. RESTRICTION ON EXPENDITURES  
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5 Sec. 1085.156. AUDIT  
6 Sec. 1085.157. FINANCIAL REPORT  
7 Sec. 1085.158. DEPOSITORY  
8 Sec. 1085.159. AUTHORITY TO BORROW MONEY  
9 [Sections 1085.160-1085.200 reserved for expansion]  
10 SUBCHAPTER E. BONDS  
11 Sec. 1085.201. GENERAL OBLIGATION BONDS  
12 Sec. 1085.202. TAX TO PAY GENERAL OBLIGATION BONDS  
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14 Sec. 1085.204. EXECUTION OF GENERAL OBLIGATION BONDS  
15 Sec. 1085.205. REFUNDING BONDS  
16 Sec. 1085.206. BONDS EXEMPT FROM TAXATION  
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18 SUBCHAPTER F. GENERAL TAX PROVISIONS  
19 Sec. 1085.251. IMPOSITION OF AD VALOREM TAX  
20 Sec. 1085.252. TAX RATE  
21 Sec. 1085.253. ELECTION TO INCREASE MAXIMUM TAX RATE  
22 Sec. 1085.254. TAX ASSESSOR-COLLECTOR  
23 [Sections 1085.255-1085.300 reserved for expansion]  
24 SUBCHAPTER G. SALES AND USE TAX  
25 Sec. 1085.301. DEFINITION: TAXABLE ITEM  
26 Sec. 1085.302. SALES AND USE TAX AUTHORIZED  
27 Sec. 1085.303. SALES TAX

- 1 Sec. 1085.304. USE TAX
- 2 Sec. 1085.305. CONSIDERATION OF TAX RATE
- 3 Sec. 1085.306. APPLICABILITY OF TAX CODE
- 4 Sec. 1085.307. REPEAL OF TAX

5 CHAPTER 1085. PARKER COUNTY HOSPITAL DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 1085.001. DEFINITIONS. In this chapter:

8 (1) "Board" means the board of directors of the  
9 district.

10 (2) "Director" means a member of the board.

11 (3) "District" means the Parker County Hospital  
12 District. (New.)

13 Sec. 1085.002. AUTHORITY FOR CREATION. The Parker County  
14 Hospital District is created under the authority of Section 9,  
15 Article IX, Texas Constitution, and has the rights, powers, and  
16 duties prescribed by this chapter. (Acts 59th Leg., R.S., Ch. 35,  
17 Sec. 1 (part).)

18 Sec. 1085.003. ESSENTIAL PUBLIC FUNCTION. The district  
19 performs an essential public function in carrying out the purposes  
20 of this chapter. (Acts 59th Leg., R.S., Ch. 35, Sec. 10 (part).)

21 Sec. 1085.004. DISTRICT TERRITORY. The boundaries of the  
22 district are coextensive with the boundaries of Parker County,  
23 Texas. (Acts 59th Leg., R.S., Ch. 35, Sec. 1 (part).)

24 Sec. 1085.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
25 OBLIGATION. The support and maintenance of the district may not  
26 become a charge against or obligation of this state. (Acts 59th  
27 Leg., R.S., Ch. 35, Sec. 21 (part).)

1           Sec. 1085.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
2 The legislature may not make a direct appropriation for the  
3 construction, maintenance, or improvement of a district facility.  
4 (Acts 59th Leg., R.S., Ch. 35, Sec. 21 (part).)

5           [Sections 1085.007-1085.050 reserved for expansion]

6                       SUBCHAPTER B. DISTRICT ADMINISTRATION

7           Sec. 1085.051. BOARD ELECTION; TERM.     (a)     The board  
8 consists of seven directors elected as follows:

9                       (1) one director elected from each commissioners  
10 precinct of Parker County; and

11                      (2) three directors elected from the district at  
12 large.

13           (b) The board shall declare the results of the election.

14           (c) Directors serve staggered two-year terms unless  
15 four-year terms are established under Section 285.081, Health and  
16 Safety Code. (Acts 59th Leg., R.S., Ch. 35, Secs. 4A(a), (b)  
17 (part), 4B(b), (d).)

18           Sec. 1085.052. NOTICE OF ELECTION. At least 60 days before  
19 the date of an election of directors, the board shall publish notice  
20 of the election one time in a newspaper of general circulation in  
21 the district. The notice must state the purpose of the election and  
22 the election date. (Acts 59th Leg., R.S., Ch. 35, Secs. 4A(b)  
23 (part), 4B(b).)

24           Sec. 1085.053. BALLOT PETITION. A person who wants to have  
25 the person's name printed on the ballot as a candidate for director  
26 must file with the board secretary a petition requesting that  
27 action. The petition must:

1           (1) be signed by at least 10 registered voters who  
2 reside in the district;

3           (2) be filed at least 31 days before the date of the  
4 election; and

5           (3) specify the county commissioners precinct the  
6 candidate wants to represent or specify that the candidate wants to  
7 represent the district at large. (Acts 59th Leg., R.S., Ch. 35,  
8 Secs. 4A(c) (part), 4B(c).)

9           Sec. 1085.054. BOARD VACANCY. If a vacancy occurs in the  
10 office of director, the remaining directors shall appoint a  
11 director for the unexpired term. (Acts 59th Leg., R.S., Ch. 35,  
12 Sec. 4A(h).)

13           Sec. 1085.055. OFFICERS. (a) The board shall elect a  
14 president, vice president, and secretary from among its members.

15           (b) Each officer of the board serves for a term of one year.  
16 (Acts 59th Leg., R.S., Ch. 35, Sec. 4A(g).)

17           Sec. 1085.056. DISTRICT ADMINISTRATOR; ASSISTANT  
18 ADMINISTRATOR. (a) The board may appoint and employ a qualified  
19 person as district administrator.

20           (b) The board may appoint and employ an assistant  
21 administrator.

22           (c) The district administrator and any assistant  
23 administrator serve at the will of the board and are entitled to the  
24 compensation determined by the board.

25           (d) On assuming the duties of district administrator, the  
26 administrator shall execute a bond payable to the district in an  
27 amount set by the board of not less than \$5,000 that:

1           (1) is conditioned on the administrator performing the  
2 administrator's duties; and

3           (2) contains any other condition the board may  
4 require. (Acts 59th Leg., R.S., Ch. 35, Sec. 5 (part).)

5           Sec. 1085.057. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
6 Subject to the limitations prescribed by the board, the district  
7 administrator shall:

8           (1) supervise the work and activities of the district;  
9 and

10           (2) direct the affairs of the district. (Acts 59th  
11 Leg., R.S., Ch. 35, Sec. 5 (part).)

12           Sec. 1085.058. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
13 board may appoint to the staff any physicians and employ any  
14 technicians, nurses, and other employees the board considers  
15 necessary for the efficient operation of the district.

16           (b) The board may provide that the district administrator  
17 has the authority to hire district employees, including technicians  
18 and nurses. (Acts 59th Leg., R.S., Ch. 35, Sec. 5 (part).)

19           Sec. 1085.059. RETIREMENT PROGRAM. The board may enter  
20 into a contract or agreement with this state or the federal  
21 government as required to establish or continue a retirement  
22 program for the benefit of the district's employees. (Acts 59th  
23 Leg., R.S., Ch. 35, Sec. 5 (part).)

24           Sec. 1085.060. LEGAL COUNSEL. (a) The appropriate county,  
25 district, or criminal district attorney charged with representing  
26 Parker County in civil matters shall represent the district in all  
27 legal matters.

1 (b) The district shall contribute sufficient money to the  
2 Parker County general fund for the account designated for the  
3 appropriate attorney described in Subsection (a) to pay all  
4 additional salaries and expenses incurred by the attorney in  
5 performing the duties required by the district.

6 (c) The board may employ additional legal counsel the board  
7 considers advisable. (Acts 59th Leg., R.S., Ch. 35, Sec. 17.)

8 [Sections 1085.061-1085.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 1085.101. DISTRICT RESPONSIBILITY. The district has  
11 full responsibility for:

12 (1) operating all hospital facilities for providing  
13 medical and hospital care of indigent persons in the district; and

14 (2) providing medical and hospital care for the  
15 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 35, Secs.  
16 2 (part), 20 (part).)

17 Sec. 1085.102. RESTRICTION ON POLITICAL SUBDIVISION  
18 TAXATION AND DEBT. Parker County or a municipality in Parker County  
19 may not impose a tax or issue bonds or other obligations for  
20 hospital purposes or for medical treatment of indigent persons in  
21 the district. (Acts 59th Leg., R.S., Ch. 35, Sec. 20 (part).)

22 Sec. 1085.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
23 The board shall manage, control, and administer the district's  
24 hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 35, Sec.  
25 5 (part).)

26 Sec. 1085.104. HOSPITAL SYSTEM. The district shall provide  
27 for:

1 (1) the establishment of a hospital system by:

2 (A) purchasing, constructing, acquiring,  
3 repairing, or renovating buildings and equipment; and

4 (B) equipping the buildings; and

5 (2) the administration of the hospital system for  
6 hospital purposes. (Acts 59th Leg., R.S., Ch. 35, Sec. 2 (part).)

7 Sec. 1085.105. RULES. The board may adopt rules as required  
8 to administer this chapter. (Acts 59th Leg., R.S., Ch. 35, Sec. 11  
9 (part).)

10 Sec. 1085.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
11 board may prescribe:

12 (1) the method and manner of making purchases and  
13 expenditures by and for the district; and

14 (2) all accounting and control procedures. (Acts 59th  
15 Leg., R.S., Ch. 35, Sec. 11 (part).)

16 Sec. 1085.107. DISTRICT PROPERTY, FACILITIES, AND  
17 EQUIPMENT. (a) The board shall determine the type, number, and  
18 location of buildings required to maintain an adequate hospital  
19 system.

20 (b) The board may construct, purchase, acquire, lease, add  
21 to, maintain, operate, develop, regulate, sell, and convey all  
22 land, property, property rights, equipment, hospital facilities,  
23 and systems for the maintenance of hospitals, buildings, clinics,  
24 structures, and any other facilities. (Acts 59th Leg., R.S., Ch.  
25 35, Secs. 5 (part), 9.)

26 Sec. 1085.108. EMINENT DOMAIN. (a) The district may:

27 (1) condemn and purchase all land, property, property

1 rights, equipment, hospital facilities, and systems for the  
2 maintenance of hospitals, buildings, clinics, structures, and any  
3 other facilities; and

4 (2) exercise the power of eminent domain to effect a  
5 purpose described by Subdivision (1), or for acquiring or damaging  
6 any land or property, including any kind of property appurtenant to  
7 that land or property.

8 (b) The board must institute and exercise the power of  
9 eminent domain under a resolution adopted by the board and in the  
10 manner and by the procedure provided by Chapter 21, Property Code.  
11 (Acts 59th Leg., R.S., Ch. 35, Sec. 5 (part).)

12 Sec. 1085.109. GIFTS AND ENDOWMENTS. The board may accept  
13 for the district a gift or endowment to be held in trust and  
14 administered by the board for the purposes and under the  
15 directions, limitations, or other provisions prescribed in writing  
16 by the donor that are not inconsistent with the proper management  
17 and objectives of the district. (Acts 59th Leg., R.S., Ch. 35, Sec.  
18 19.)

19 Sec. 1085.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
20 CARE AND TREATMENT. (a) The board may contract with a county or a  
21 municipality located outside the district's boundaries for the care  
22 and treatment of a sick or injured person of that county or  
23 municipality.

24 (b) The board may contract with this state or a federal  
25 agency for the treatment of a sick or injured person for whom this  
26 state or the federal government is responsible. (Acts 59th Leg.,  
27 R.S., Ch. 35, Sec. 5 (part).)



1           Sec. 1085.111. PAYMENT FOR TREATMENT; PROCEDURES.   (a)

2   When a patient who resides in the district is admitted to a district  
3   facility, the district administrator shall have an inquiry made  
4   into the circumstances of:

5           (1) the patient; and

6           (2) the patient's relatives who are legally liable for  
7   the patient's support.

8           (b) If the district administrator determines that the  
9   patient or those relatives cannot pay all or part of the costs of  
10  the care and treatment in the hospital, the amount of the costs that  
11  cannot be paid becomes a charge against the district.

12          (c) If the district administrator determines that the  
13  patient or those relatives can pay for all or part of the costs of  
14  the patient's care and treatment, the patient or those relatives  
15  shall be ordered to pay the district a specified amount each week  
16  for the patient's support.   The amount ordered must be  
17  proportionate to the person's financial ability and may not exceed  
18  the actual per capita cost of maintenance.

19          (d) The district administrator may collect the amount from  
20  the estate of the patient, or from any relative who is legally  
21  liable for the patient's support, in the manner provided by law for  
22  the collection of expenses of the last illness of a deceased person.

23          (e) If there is a dispute as to the ability to pay, or doubt  
24  in the mind of the district administrator, the board shall hold a  
25  hearing and, after calling witnesses, shall:

26           (1) resolve the dispute or doubt; and

27           (2) issue any appropriate orders.

1 (f) A final order of the board may be appealed to the  
2 district court. The substantial evidence rule applies to the  
3 appeal. (Acts 59th Leg., R.S., Ch. 35, Sec. 18.)

4 [Sections 1085.112-1085.150 reserved for expansion]

5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6 Sec. 1085.151. BUDGET. The district administrator shall  
7 prepare an annual budget for approval by the board. (Acts 59th  
8 Leg., R.S., Ch. 35, Sec. 6 (part).)

9 Sec. 1085.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a)  
10 The board shall hold a public hearing on the proposed annual budget.

11 (b) Notice of the hearing must be published one time at  
12 least 10 days before the date of the hearing.

13 (c) The board must approve the annual budget. (Acts 59th  
14 Leg., R.S., Ch. 35, Sec. 6 (part).)

15 Sec. 1085.153. AMENDMENTS TO BUDGET. The budget may be  
16 amended as required by circumstances. The board must approve all  
17 amendments. (Acts 59th Leg., R.S., Ch. 35, Sec. 6 (part).)

18 Sec. 1085.154. RESTRICTION ON EXPENDITURES. Money may be  
19 spent only for an expense included in the budget or an amendment to  
20 the budget. (Acts 59th Leg., R.S., Ch. 35, Sec. 6 (part).)

21 Sec. 1085.155. FISCAL YEAR. The district operates  
22 according to a fiscal year that begins on October 1 and ends on  
23 September 30. (Acts 59th Leg., R.S., Ch. 35, Sec. 6 (part).)

24 Sec. 1085.156. AUDIT. (a) The district shall have an audit  
25 made of the district's financial condition.

26 (b) The audit shall be open to inspection at all times at the  
27 district's principal office. (Acts 59th Leg., R.S., Ch. 35, Sec. 6

1 (part).)

2           Sec. 1085.157. FINANCIAL REPORT. As soon as practicable  
3 after the close of each fiscal year, the district administrator  
4 shall prepare for the board:

5                 (1) a complete sworn statement of all district money;  
6 and

7                 (2) a complete account of the disbursements of that  
8 money. (Acts 59th Leg., R.S., Ch. 35, Sec. 6 (part).)

9           Sec. 1085.158. DEPOSITORY. (a) The board shall select one  
10 or more financial institutions to serve as a depository for  
11 district money.

12                 (b) District money shall be immediately deposited on  
13 receipt with a depository institution, except that sufficient money  
14 must be remitted to the institution designated for the payment of  
15 principal of and interest on the district's outstanding bonds or  
16 other obligations assumed by the district in time for the  
17 institution to make that payment on or before the maturity date of  
18 the principal and interest.

19                 (c) To the extent that money in a depository institution is  
20 not insured by the Federal Deposit Insurance Corporation, the money  
21 must be secured in the manner provided by law for the security of  
22 county funds.

23                 (d) Membership on the district's board of an officer or  
24 director of a financial institution does not disqualify the  
25 institution from being designated as a depository. (Acts 59th  
26 Leg., R.S., Ch. 35, Sec. 12.)

27           Sec. 1085.159. AUTHORITY TO BORROW MONEY. The board may

1 contract indebtedness or borrow money for district purposes on the  
2 credit of the district or secured by revenues of district hospitals  
3 and the hospital system. (Acts 59th Leg., R.S., Ch. 35, Sec. 5  
4 (part).)

5 [Sections 1085.160-1085.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 1085.201. GENERAL OBLIGATION BONDS. The board may  
8 issue and sell general obligation bonds in the name and on the faith  
9 and credit of the district for any purpose related to the purchase,  
10 construction, acquisition, repair, or renovation of improvements  
11 and equipping improvements for hospitals and the hospital system,  
12 as determined by the board. (Acts 59th Leg., R.S., Ch. 35, Secs. 5  
13 (part), 7 (part).)

14 Sec. 1085.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
15 the time general obligation bonds are issued under Section  
16 1085.201, the board shall impose an ad valorem tax at a rate  
17 sufficient to create an interest and sinking fund and to pay the  
18 principal of and interest on the bonds as the bonds mature.

19 (b) The tax required by this section together with any other  
20 ad valorem tax the district imposes may not in any year exceed the  
21 lesser of:

22 (1) the maximum tax rate approved by district voters;

23 or

24 (2) 75 cents on each \$100 valuation of all taxable  
25 property in the district. (Acts 59th Leg., R.S., Ch. 35, Sec. 7  
26 (part).)

27 Sec. 1085.203. GENERAL OBLIGATION BOND ELECTION. (a) The

1 board may issue general obligation bonds only if the bonds are  
2 authorized by a majority of the district voters voting at an  
3 election held for that purpose.

4 (b) The board shall call the election. The election must be  
5 held in accordance with Chapter 1251, Government Code.

6 (c) The bond election order must specify:

- 7 (1) the date of the election;
- 8 (2) the location of the polling places;
- 9 (3) the presiding election officers;
- 10 (4) the amount of the bonds to be authorized;
- 11 (5) the maximum interest rate of the bonds; and
- 12 (6) the maximum maturity of the bonds. (Acts 59th  
13 Leg., R.S., Ch. 35, Sec. 7 (part).)

14 Sec. 1085.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
15 board president shall execute the general obligation bonds in the  
16 district's name and the board secretary shall attest the bonds as  
17 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,  
18 Ch. 35, Sec. 7 (part).)

19 Sec. 1085.205. REFUNDING BONDS. (a) The board may, without  
20 an election, issue refunding bonds to refund any bonds issued or  
21 assumed by the district.

22 (b) A refunding bond may be:

23 (1) sold, with the proceeds of the refunding bond  
24 applied to the payment of outstanding bonds; or

25 (2) exchanged wholly or partly for not less than a  
26 similar principal amount of the outstanding bonds. (Acts 59th  
27 Leg., R.S., Ch. 35, Sec. 7 (part).)

1           Sec. 1085.206. BONDS EXEMPT FROM TAXATION. The following  
2 are exempt from taxation by this state or a political subdivision of  
3 this state:

- 4           (1) bonds issued by the district;
- 5           (2) the transfer and issuance of the bonds; and
- 6           (3) profits made in the sale of the bonds. (Acts 59th  
7 Leg., R.S., Ch. 35, Sec. 10 (part).)

8           [Sections 1085.207-1085.250 reserved for expansion]

9                           SUBCHAPTER F. GENERAL TAX PROVISIONS

10          Sec. 1085.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
11 shall impose a tax on all property in the district subject to  
12 district taxation.

13          (b) The board shall impose the tax to pay:

- 14           (1) indebtedness issued or assumed by the district;
- 15 and
- 16           (2) the maintenance and operating expenses of the  
17 district. (Acts 59th Leg., R.S., Ch. 35, Secs. 13 (part), 16  
18 (part).)

19          Sec. 1085.252. TAX RATE. (a) The board may impose the tax  
20 at a rate not to exceed the lesser of:

- 21           (1) the maximum tax rate approved by district voters;
- 22 or
- 23           (2) 75 cents on each \$100 valuation of all taxable  
24 property in the district.

25          (b) In setting the tax rate, the board shall consider the  
26 income of the district from sources other than taxation. (Acts 59th  
27 Leg., R.S., Ch. 35, Secs. 3 (part), 13 (part).)

1           Sec. 1085.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)  
2 The board may order an election to increase the district's maximum  
3 tax rate to a rate not to exceed 75 cents on each \$100 valuation of  
4 taxable property in the district.

5           (b) The maximum tax rate may not be increased unless the  
6 increase is approved by a majority of the district voters voting in  
7 an election held for that purpose.

8           (c) An election held under this section must be ordered and  
9 notice must be given in the manner provided for a bond election  
10 under Subchapter E. (Acts 59th Leg., R.S., Ch. 35, Sec. 3 (part).)

11          Sec. 1085.254. TAX ASSESSOR-COLLECTOR.           The tax  
12 assessor-collector of Parker County shall assess and collect taxes  
13 imposed by the district. (Acts 59th Leg., R.S., Ch. 35, Sec. 16  
14 (part).)

15           [Sections 1085.255-1085.300 reserved for expansion]

16                           SUBCHAPTER G. SALES AND USE TAX

17          Sec. 1085.301. DEFINITION: TAXABLE ITEM. (a) In this  
18 subchapter, "taxable item" includes only an item that is subject to  
19 a sales and use tax that might also be imposed by Parker County in  
20 the district. The term does not include an item that is not subject  
21 to a sales and use tax imposed by Parker County in the district.

22          (b) A change in the taxable status of an item for purposes of  
23 a sales and use tax imposed by Parker County results in the same  
24 change in the taxable status of the item for purposes of the tax  
25 imposed by the district. (Acts 59th Leg., R.S., Ch. 35, Sec. 13A(b)  
26 (part).)

27          Sec. 1085.302. SALES AND USE TAX AUTHORIZED. The district

1 may adopt a sales and use tax for the benefit of the district if the  
2 tax is approved by a majority of the voters of the district voting  
3 at an election held for that purpose. (Acts 59th Leg., R.S., Ch.  
4 35, Sec. 13A(a) (part).)

5       Sec. 1085.303. SALES TAX. (a) If the district adopts the  
6 tax under Section 1085.302, a tax is imposed on the receipts from  
7 the sale at retail of taxable items in the district.

8       (b) The rate of the tax imposed under Subsection (a) is  
9 one-half of one percent. (Acts 59th Leg., R.S., Ch. 35, Sec. 13A(b)  
10 (part).)

11       Sec. 1085.304. USE TAX. (a) If the district adopts the tax  
12 under Section 1085.302, an excise tax is imposed on the use,  
13 storage, or other consumption in the district of taxable items  
14 purchased, leased, or rented from a retailer during the period that  
15 the tax is effective in the district.

16       (b) The rate of the excise tax is the same as the rate of the  
17 sales tax portion of the sales and use tax and is applied to the  
18 sales price of the taxable items. (Acts 59th Leg., R.S., Ch. 35,  
19 Sec. 13A(b) (part).)

20       Sec. 1085.305. CONSIDERATION OF TAX RATE. The rate of the  
21 sales and use tax imposed by the district under this subchapter is  
22 not counted in determining the limitation prescribed by law on  
23 local sales and use taxes imposed by a municipality or county in the  
24 district. (Acts 59th Leg., R.S., Ch. 35, Sec. 13A(a) (part).)

25       Sec. 1085.306. APPLICABILITY OF TAX CODE. (a) Except as  
26 provided by Subsection (b) and Section 1085.307, Chapter 323, Tax  
27 Code, governs:



1           (1) an election to approve the adoption of the sales  
2 and use tax under this subchapter; and

3           (2) the imposition, computation, administration,  
4 governance, use, and repeal of the tax.

5           (b) The following sections of the Tax Code do not apply to  
6 the sales and use tax under this subchapter:

7           (1) Sections 323.101(d) and (e); and

8           (2) Section 323.209.

9           (c) In determining procedures under Chapter 323, Tax Code:

10           (1) a reference in that chapter to "the county" means  
11 the district; and

12           (2) a reference to the "commissioners court" means the  
13 board. (Acts 59th Leg., R.S., Ch. 35, Sec. 13A(c).)

14           Sec. 1085.307. REPEAL OF TAX. (a) If the district adopts  
15 the tax under Section 1085.302, the county clerk of Parker County  
16 shall place on the ballot a proposition on the question of repealing  
17 the tax if the county clerk receives a petition requesting the  
18 repeal that is signed by a number of registered voters of the  
19 district equal to at least 10 percent of the total number of votes  
20 cast in the most recent election at which the adoption of the tax  
21 was approved.

22           (b) The county clerk shall place the proposition on the  
23 ballot at the first November uniform election date that occurs at  
24 least 121 days after the date the county clerk receives the  
25 petition.

26           (c) If a majority of the voters voting in the election to  
27 repeal the tax approve the repeal, the repeal of the tax takes

1 effect on the January 1 following the election. (Acts 59th Leg.,  
2 R.S., Ch. 35, Sec. 13A(d).)

3 CHAPTER 1088. REAGAN HOSPITAL DISTRICT OF REAGAN

4 COUNTY, TEXAS

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15 [Sections 1088.008-1088.050 reserved for expansion]

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[Sections 1088.208-1088.250 reserved for expansion]

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Sec. 1088.251. IMPOSITION OF AD VALOREM TAX

Sec. 1088.252. TAX RATE

Sec. 1088.253. TAX ASSESSOR-COLLECTOR

[Sections 1088.254-1088.300 reserved for expansion]

SUBCHAPTER G. DISSOLUTION

Sec. 1088.301. DISSOLUTION; ELECTION

Sec. 1088.302. NOTICE OF ELECTION

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CHAPTER 1088. REAGAN HOSPITAL DISTRICT OF REAGAN

COUNTY, TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1088.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Reagan Hospital District of Reagan County, Texas. (New.)

1           Sec. 1088.002. AUTHORITY FOR CREATION. The Reagan Hospital  
2 District of Reagan County, Texas, is created under the authority of  
3 Section 9, Article IX, Texas Constitution. (Acts 65th Leg., R.S.,  
4 Ch. 29, Sec. 1.)

5           Sec. 1088.003. ESSENTIAL PUBLIC FUNCTION. The district  
6 performs an essential public function in carrying out the purposes  
7 of this chapter. (Acts 65th Leg., R.S., Ch. 29, Sec. 22 (part).)

8           Sec. 1088.004. DISTRICT TERRITORY. The boundaries of the  
9 district are coextensive with the boundaries of the Reagan County  
10 Independent School District of Reagan County, as those boundaries  
11 existed on March 24, 1977. (Acts 65th Leg., R.S., Ch. 29, Sec. 2.)

12           Sec. 1088.005. CORRECTION OF INVALID PROCEDURES. If a  
13 court holds that any procedure under this chapter violates the  
14 constitution of this state or of the United States, the district by  
15 resolution may provide an alternative procedure that conforms with  
16 the constitution. (Acts 65th Leg., R.S., Ch. 29, Sec. 23 (part).)

17           Sec. 1088.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
18 OBLIGATION. The support and maintenance of the district may not  
19 become a charge against or obligation of this state. (Acts 65th  
20 Leg., R.S., Ch. 29, Sec. 21 (part).)

21           Sec. 1088.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
22 The legislature may not make a direct appropriation for the  
23 construction, maintenance, or improvement of a district facility.  
24 (Acts 65th Leg., R.S., Ch. 29, Sec. 21 (part).)

25           [Sections 1088.008-1088.050 reserved for expansion]

26                           SUBCHAPTER B. DISTRICT ADMINISTRATION

27           Sec. 1088.051. BOARD ELECTION; TERMS. (a) The board

1 consists of six directors elected as follows:

2 (1) one director elected from each commissioners  
3 precinct of Reagan County; and

4 (2) two directors elected from the district at large.

5 (b) A redistricting or other change in the boundaries of the  
6 commissioners precincts of Reagan County does not affect the  
7 service or term of a director in office when the change occurs. The  
8 change in the commissioners precincts applies to each election of  
9 directors occurring after the change takes effect as the terms of  
10 directors then in office expire.

11 (c) Directors serve staggered three-year terms.

12 (d) An election shall be held on the uniform election date  
13 in May of each year to elect the appropriate number of directors.  
14 (Acts 65th Leg., R.S., Ch. 29, Secs. 5(a) (part), (b), (e) (part).)

15 Sec. 1088.052. NOTICE OF ELECTION. Notice of an election of  
16 directors shall be published one time in a newspaper of general  
17 circulation in the district in accordance with Chapter 4, Election  
18 Code. (Acts 65th Leg., R.S., Ch. 29, Sec. 5(e) (part).)

19 Sec. 1088.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
20 not be elected or appointed as a director unless the person is:

21 (1) a resident of the district; and

22 (2) a qualified voter.

23 (b) A director elected from a commissioners precinct is not  
24 required to be a resident of that commissioners precinct. (Acts  
25 65th Leg., R.S., Ch. 29, Secs. 5(a) (part), (c).)

26 Sec. 1088.054. BOARD VACANCY. (a) If a vacancy occurs in  
27 the office of director, the remaining directors shall appoint a

1 director to hold office for the remainder of the unexpired term.

2 (b) If the number of directors is reduced to fewer than  
3 five, the remaining directors shall immediately call a special  
4 election to fill the vacancies. If the remaining directors do not  
5 call the election, a district court, on application of a district  
6 resident, shall order the election. (Acts 65th Leg., R.S., Ch. 29,  
7 Sec. 5(d) (part).)

8 Sec. 1088.055. OFFICERS. (a) The board shall elect:

9 (1) a president and a vice president from among its  
10 members; and

11 (2) a secretary, who need not be a director.

12 (b) Each officer of the board serves for a term of one year.

13 (c) The board by vote shall fill a vacancy in a board office  
14 for the unexpired term. (Acts 65th Leg., R.S., Ch. 29, Sec. 5(d)  
15 (part).)

16 Sec. 1088.056. VOTING REQUIREMENT. A concurrence of four  
17 directors is sufficient in any matter relating to district  
18 business. (Acts 65th Leg., R.S., Ch. 29, Sec. 5(d) (part).)

19 Sec. 1088.057. DIRECTOR PARTICIPATION IN GROUP HEALTH  
20 INSURANCE. The directors may participate in any group health  
21 insurance plan sponsored by the district for district employees.  
22 (Acts 65th Leg., R.S., Ch. 29, Sec. 6(n).)

23 Sec. 1088.058. DISTRICT ADMINISTRATOR; ASSISTANT DISTRICT  
24 ADMINISTRATORS. (a) The board may appoint a qualified person as  
25 district administrator.

26 (b) The board may appoint assistant administrators.

27 (c) The district administrator and any assistant



1 administrator serve at the will of the board and are entitled to the  
2 compensation determined by the board.

3 (d) On assuming the duties of district administrator, the  
4 administrator shall execute a bond payable to the district in an  
5 amount set by the board of not less than \$5,000 that:

6 (1) is conditioned on the administrator performing the  
7 administrator's duties; and

8 (2) contains other conditions the board may require.

9 (e) The board may pay for the bond with district money.  
10 (Acts 65th Leg., R.S., Ch. 29, Sec. 6(d) (part).)

11 Sec. 1088.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
12 Subject to the limitations prescribed by the board, the district  
13 administrator shall:

14 (1) supervise the work and activities of the district;  
15 and

16 (2) direct the affairs of the district. (Acts 65th  
17 Leg., R.S., Ch. 29, Sec. 6(d) (part).)

18 Sec. 1088.060. APPOINTMENT AND DISMISSAL OF STAFF AND  
19 EMPLOYEES; CONTRACT WITH DOCTORS. (a) The board may appoint to or  
20 dismiss from the staff or contract with any doctors the board  
21 considers necessary for the efficient operation of the district and  
22 may make temporary appointments as necessary.

23 (b) The district may employ fiscal agents, accountants,  
24 architects, and attorneys the board considers proper.

25 (c) The board may delegate to the district administrator the  
26 authority to hire district employees, including technicians and  
27 nurses. (Acts 65th Leg., R.S., Ch. 29, Secs. 6(e), (f), 17.)

1           Sec. 1088.061. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES.

2   The board may spend district money, enter into agreements, and take  
3   other necessary action to recruit physicians and other persons to  
4   serve as medical staff members or district employees, including:

5           (1) advertising and marketing;

6           (2) paying travel, recruitment, and relocation  
7   expenses;

8           (3) providing a loan or scholarship to a physician or a  
9   person who:

10           (A) is currently enrolled in health care  
11   education courses at an institution of higher education; and

12           (B) contractually agrees to become a district  
13   employee or medical staff member; or

14           (4) paying the tuition or other expenses of a  
15   full-time medical student or other student in a health occupation  
16   who:

17           (A) is enrolled in and is in good standing at an  
18   accredited medical school, college, or university; and

19           (B) contractually agrees to become a district  
20   employee or independent contractor in return for that assistance.

21   (Acts 65th Leg., R.S., Ch. 29, Sec. 6(i).)

22           Sec. 1088.062. EDUCATIONAL PROGRAMS; COURSES. The board  
23   may provide or contract for the provision of educational programs  
24   or courses for district employees and medical staff. (Acts 65th  
25   Leg., R.S., Ch. 29, Sec. 6(k).)

26           Sec. 1088.063. SENIORITY; RETIREMENT BENEFITS. (a) The  
27   board may:

1           (1) adopt rules related to the seniority of district  
2 employees; and

3           (2) establish or administer a retirement program or  
4 elect to participate in any statewide retirement program in which  
5 the district is eligible to participate.

6           (b) The district may give effect to previous years of  
7 service for district employees continuously employed in the  
8 operation or management of the hospital facilities acquired from  
9 the county or a municipality when the district was created. (Acts  
10 65th Leg., R.S., Ch. 29, Secs. 6(b), (c) (part).)

11           [Sections 1088.064-1088.100 reserved for expansion]

12                               SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1088.101. DISTRICT RESPONSIBILITY. (a) The district  
14 has full responsibility for providing hospital care for the  
15 district's indigent residents.

16           (b) The district shall provide all necessary hospital and  
17 medical care for the district's needy inhabitants. (Acts 65th  
18 Leg., R.S., Ch. 29, Secs. 3(a) (part), 20 (part).)

19           Sec. 1088.102. RESTRICTION ON POLITICAL SUBDIVISION  
20 TAXATION AND DEBT. A political subdivision of this state, other  
21 than the district, may not impose a tax or issue bonds or other  
22 obligations for hospital purposes or to provide hospital service or  
23 medical care in the district. (Acts 65th Leg., R.S., Ch. 29, Secs.  
24 3(a) (part), 20 (part).)

25           Sec. 1088.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
26 The board shall manage, control, and administer the hospital system  
27 and the district's money and resources. (Acts 65th Leg., R.S., Ch.

1 29, Sec. 6(a) (part).)

2           Sec. 1088.104. HOSPITAL SYSTEM. (a) The district has the  
3 responsibility to establish a hospital or hospital system within  
4 its boundaries to provide hospital and medical care to the  
5 district's residents.

6           (b) The district shall provide for:

7                 (1) the establishment of a hospital system by:

8                         (A) purchasing, constructing, acquiring,  
9 repairing, or renovating buildings and equipment; and

10                        (B) equipping the buildings; and

11                 (2) the administration of the hospital system for  
12 hospital purposes and medical purposes.

13           (c) The hospital system may include:

14                 (1) facilities for domiciliary care of the sick,  
15 injured, or geriatric;

16                 (2) outpatient clinics;

17                 (3) dispensaries;

18                 (4) convalescent home facilities;

19                 (5) necessary nurses;

20                 (6) domiciliaries and training centers;

21                 (7) blood banks;

22                 (8) community mental health centers;

23                 (9) research centers or laboratories; and

24                 (10) any other facilities the board considers  
25 necessary for medical and hospital care. (Acts 65th Leg., R.S., Ch.  
26 29, Secs. 3(a) (part), (b) (part), 10 (part).)

27           Sec. 1088.105. RULES. The board may adopt rules governing

1 the operation of the hospital, the hospital system, and the  
2 district's staff and employees. (Acts 65th Leg., R.S., Ch. 29, Sec.  
3 6(c) (part).)

4 Sec. 1088.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
5 board may prescribe:

6 (1) the method and manner of making purchases and  
7 expenditures by and for the district; and

8 (2) all accounting and control procedures. (Acts 65th  
9 Leg., R.S., Ch. 29, Sec. 11 (part).)

10 Sec. 1088.107. DISTRICT PROPERTY, FACILITIES, AND  
11 EQUIPMENT. (a) The board shall determine the type, number, and  
12 location of buildings required to maintain an adequate hospital  
13 system.

14 (b) The board may:

15 (1) purchase or lease property, including facilities  
16 or equipment, for the district to use in the hospital system; and

17 (2) mortgage or pledge the property as security for  
18 the payment of the purchase price.

19 (c) The board may lease all or part of the district's  
20 buildings and other facilities on terms considered to be in the best  
21 interest of the district's inhabitants. The term of the lease may  
22 not exceed 25 years.

23 (d) The district may acquire equipment for use in the  
24 district's hospital system and mortgage or pledge the property as  
25 security for the payment of the purchase price. A contract entered  
26 into under this subsection must provide that the entire obligation  
27 be retired not later than the fifth anniversary of the date of the

1 contract.

2 (e) The district may sell or otherwise dispose of any  
3 property, including equipment, on terms the board finds are in the  
4 best interest of the district's inhabitants. (Acts 65th Leg.,  
5 R.S., Ch. 29, Secs. 6(h), 10 (part), 11 (part).)

6 Sec. 1088.108. EMINENT DOMAIN. (a) The district may  
7 exercise the power of eminent domain to acquire a fee simple or  
8 other interest in any type of property located in district  
9 territory if the interest is necessary or convenient for the  
10 district to exercise a power, right, or privilege conferred by this  
11 chapter.

12 (b) The district must exercise the power of eminent domain  
13 in the manner provided by Chapter 21, Property Code, except the  
14 district is not required to deposit in the trial court money or a  
15 bond as provided by Section 21.021, Property Code.

16 (c) In a condemnation proceeding brought by the district,  
17 the district is not required to:

18 (1) pay in advance or provide a bond or other security  
19 for costs in the trial court;

20 (2) provide a bond for the issuance of a temporary  
21 restraining order or a temporary injunction; or

22 (3) provide a bond for costs or a supersedeas bond on  
23 an appeal or petition for review. (Acts 65th Leg., R.S., Ch. 29,  
24 Sec. 15(a).)

25 Sec. 1088.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
26 exercising the power of eminent domain, if the board requires  
27 relocating, raising, lowering, rerouting, changing the grade of, or

1 altering the construction of any railroad, electric transmission  
2 and distribution, telegraph or telephone line, conduit, pole, or  
3 facility, or pipeline, the district must bear the actual cost of  
4 relocating, raising, lowering, rerouting, changing the grade, or  
5 altering the construction to provide comparable replacement  
6 without enhancement of facilities, after deducting the net salvage  
7 value derived from the old facility. (Acts 65th Leg., R.S., Ch. 29,  
8 Sec. 15(b).)

9       Sec. 1088.110. GIFTS AND ENDOWMENTS. The board may accept  
10 for the district a gift or endowment to be held in trust and  
11 administered by the board for the purposes and under the  
12 directions, limitations, or other provisions prescribed in writing  
13 by the donor that are not inconsistent with the proper management  
14 and objectives of the district. (Acts 65th Leg., R.S., Ch. 29, Sec.  
15 19.)

16       Sec. 1088.111. CONSTRUCTION CONTRACTS. A construction  
17 contract in excess of the amount provided by Section 271.024, Local  
18 Government Code, may be made only after competitive bidding as  
19 provided by Subchapter B, Chapter 271, Local Government Code.  
20 (Acts 65th Leg., R.S., Ch. 29, Sec. 11 (part).)

21       Sec. 1088.112. OPERATING AND MANAGEMENT CONTRACTS. The  
22 board may enter into an operating or management contract relating  
23 to a district facility. (Acts 65th Leg., R.S., Ch. 29, Sec. 10  
24 (part).)

25       Sec. 1088.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
26 HOSPITAL TREATMENT. (a) The board may contract with a county or  
27 municipality located outside the district's boundaries for the

1 hospitalization and treatment of a sick or injured person of that  
2 county or municipality.

3 (b) The board may contract with this state or a federal  
4 agency for the hospital treatment of a sick or injured person.  
5 (Acts 65th Leg., R.S., Ch. 29, Sec. 6(g) (part).)

6 Sec. 1088.114. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
7 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
8 political subdivision or governmental agency for the district to  
9 provide investigatory or other services for the medical, hospital,  
10 or welfare needs of district inhabitants. (Acts 65th Leg., R.S.,  
11 Ch. 29, Sec. 6(g) (part).)

12 Sec. 1088.115. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
13 When a patient who resides in the district is admitted to a district  
14 hospital facility, the district administrator may have an inquiry  
15 made into the financial circumstances of:

- 16 (1) the patient; and  
17 (2) relatives of the patient who are legally liable  
18 for the patient's support.

19 (b) If the district administrator determines that the  
20 patient or relatives cannot pay all or part of the costs of the  
21 patient's care and treatment in the hospital, the amount of the  
22 costs that cannot be paid becomes a charge against the district.

23 (c) If the district administrator determines that the  
24 patient or relatives can pay for all or part of the costs of the care  
25 and treatment, as determined by the district's indigent health care  
26 policy, the patient or relatives shall be ordered to pay the  
27 district a specified amount each week for the patient's care and



1 support. The amount ordered must be proportionate to the person's  
2 financial ability.

3 (d) The district administrator may collect the amount from  
4 the patient's estate, or from any relative who is legally liable for  
5 the patient's support, in the manner provided by law for the  
6 collection of expenses of the last illness of a deceased person.

7 (e) The board may institute a suit to collect an amount owed  
8 to the district by a patient who has not been determined to be  
9 unable to pay under this section.

10 (f) If there is a dispute as to the ability to pay, or doubt  
11 in the mind of the district administrator concerning the ability to  
12 pay, the board shall hold a hearing and, after calling witnesses,  
13 shall determine the issue. (Acts 65th Leg., R.S., Ch. 29, Secs.  
14 6(1), 18.)

15 Sec. 1088.116. NONPROFIT CORPORATION. (a) The district  
16 may create and sponsor a nonprofit corporation under the Business  
17 Organizations Code and may contribute money to or solicit money for  
18 the corporation.

19 (b) The corporation may use its money only to provide health  
20 care or other services the district is authorized to provide under  
21 this chapter.

22 (c) The corporation may invest the corporation's money in  
23 any manner in which the district may invest the district's money,  
24 including investing money as authorized by Chapter 2256, Government  
25 Code.

26 (d) The board shall establish controls to ensure that the  
27 corporation uses its money as required by this section. (Acts 65th

1 Leg., R.S., Ch. 29, Sec. 6(m).)

2 Sec. 1088.117. AUTHORITY TO SUE AND BE SUED. The district,  
3 through the board, may sue and be sued. (Acts 65th Leg., R.S., Ch.  
4 29, Sec. 6(c) (part).)

5 [Sections 1088.118-1088.150 reserved for expansion]

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Sec. 1088.151. BUDGET. (a) The district administrator  
8 shall prepare an annual budget for approval by the board.

9 (b) The proposed budget must contain a complete financial  
10 statement of:

11 (1) the outstanding obligations of the district;

12 (2) the cash on hand in each district fund;

13 (3) the money received by the district from all  
14 sources during the previous year;

15 (4) the money available to the district from all  
16 sources during the ensuing year;

17 (5) the balances expected at the end of the year in  
18 which the budget is being prepared;

19 (6) the estimated revenue and balances available to  
20 cover the proposed budget;

21 (7) the estimated tax rate required; and

22 (8) the proposed expenditures and disbursements and  
23 the estimated receipts and collections for the following fiscal  
24 year. (Acts 65th Leg., R.S., Ch. 29, Sec. 7(c) (part).)

25 Sec. 1088.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
26 The board shall hold a public hearing on the proposed annual budget.

27 (b) At least 10 days before the date of the hearing, notice

1 of the hearing shall be published one time in a newspaper of general  
2 circulation in the district.

3 (c) Any district resident is entitled to be present and  
4 participate at the hearing.

5 (d) At the conclusion of the hearing, the board shall adopt  
6 a budget by acting on the budget proposed by the district  
7 administrator. The board may make any changes in the proposed  
8 budget that the board judges to be in the interest of the taxpayers  
9 and that the law warrants. (Acts 65th Leg., R.S., Ch. 29, Sec. 7(c)  
10 (part).)

11 Sec. 1088.153. AMENDMENTS TO BUDGET. The budget may be  
12 amended as required by circumstances. The board must approve all  
13 amendments. (Acts 65th Leg., R.S., Ch. 29, Sec. 7(c) (part).)

14 Sec. 1088.154. RESTRICTION ON EXPENDITURES. Money may be  
15 spent only for an expense included in the budget or an amendment to  
16 the budget. (Acts 65th Leg., R.S., Ch. 29, Sec. 7(c) (part).)

17 Sec. 1088.155. FISCAL YEAR. (a) The district operates  
18 according to a fiscal year established by the board.

19 (b) The fiscal year may not be changed:

20 (1) during a period that revenue bonds of the district  
21 are outstanding; or

22 (2) more than once in a 24-month period. (Acts 65th  
23 Leg., R.S., Ch. 29, Sec. 7(a).)

24 Sec. 1088.156. ANNUAL AUDIT. The board annually shall have  
25 an independent audit made of the district's books and records.  
26 (Acts 65th Leg., R.S., Ch. 29, Sec. 7(b) (part).)

27 Sec. 1088.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.

1 The annual audit and other district records shall be open to  
2 inspection at the district's principal office. (Acts 65th Leg.,  
3 R.S., Ch. 29, Sec. 7(b) (part).)

4 Sec. 1088.158. FINANCIAL REPORT. As soon as practicable  
5 after the close of each fiscal year, the district administrator  
6 shall prepare for the board:

7 (1) a complete sworn statement of all district money;  
8 and

9 (2) a complete account of the disbursements of that  
10 money. (Acts 65th Leg., R.S., Ch. 29, Sec. 7(d).)

11 Sec. 1088.159. DEPOSITORY. (a) The board shall select one  
12 or more banks to serve as a depository for district money.

13 (b) District money, other than money invested as provided by  
14 Section 1088.160(b) and money transmitted to a bank for payment of  
15 bonds or obligations issued by the district, shall be deposited as  
16 received with the depository bank and shall remain on deposit.

17 (c) This chapter, including Subsection (b), does not limit  
18 the power of the board to place a part of district money on time  
19 deposit or to purchase certificates of deposit.

20 (d) The district may not deposit money with a bank in an  
21 amount that exceeds the maximum amount secured by the Federal  
22 Deposit Insurance Corporation unless the bank first executes  
23 treasury bonds in an amount sufficient to secure from loss the  
24 district money that exceeds the amount secured by the Federal  
25 Deposit Insurance Corporation. (Acts 65th Leg., R.S., Ch. 29, Sec.  
26 12.)

27 Sec. 1088.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)

1 Except as otherwise provided by this chapter, the district may not  
2 incur an obligation payable from district revenue other than the  
3 revenue on hand or to be on hand in the current and following  
4 district fiscal years.

5 (b) The board may invest operating, depreciation, or  
6 building reserves only in funds or securities specified by Chapter  
7 2256, Government Code. (Acts 65th Leg., R.S., Ch. 29, Secs. 6(a)  
8 (part), 11 (part).)

9 [Sections 1088.161-1088.200 reserved for expansion]

10 SUBCHAPTER E. BONDS

11 Sec. 1088.201. GENERAL OBLIGATION BONDS. The board may  
12 issue and sell general obligation bonds authorized by an election  
13 in the name and on the faith and credit of the district to:

14 (1) purchase, construct, acquire, repair, or renovate  
15 buildings or improvements;

16 (2) equip the buildings or improvements; and

17 (3) acquire sites to be used for district purposes.

18 (Acts 65th Leg., R.S., Ch. 29, Sec. 8(a) (part).)

19 Sec. 1088.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
20 the time general obligation bonds are issued by the district under  
21 Section 1088.201, the board shall impose an ad valorem tax at a rate  
22 sufficient to create an interest and sinking fund to pay the  
23 principal of and interest on the bonds as the bonds mature.

24 (b) The tax required by this section together with any other  
25 ad valorem tax the district imposes may not in any year exceed 75  
26 cents on each \$100 valuation of taxable property in the district.  
27 (Acts 65th Leg., R.S., Ch. 29, Sec. 8(a) (part).)

1           Sec. 1088.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
2 district may issue general obligation bonds only if the bonds are  
3 authorized by a majority of the district voters voting at an  
4 election called for that purpose.

5           (b) The election shall be conducted in accordance with  
6 Chapter 1251, Government Code. (Acts 65th Leg., R.S., Ch. 29, Sec.  
7 8(a) (part).)

8           Sec. 1088.204. MATURITY OF GENERAL OBLIGATION BONDS.  
9 District bonds must mature not later than 40 years after the date of  
10 issuance. (Acts 65th Leg., R.S., Ch. 29, Sec. 8(d) (part).)

11           Sec. 1088.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
12 The board president shall execute the district's bonds in the  
13 district's name.

14           (b) The board secretary shall countersign the bonds in the  
15 manner provided by Chapter 618, Government Code. (Acts 65th Leg.,  
16 R.S., Ch. 29, Sec. 8(d) (part).)

17           Sec. 1088.206. REVENUE BONDS. (a) The board may issue  
18 revenue bonds to:

19                   (1) purchase, construct, acquire, repair, equip, or  
20 renovate buildings or improvements for district purposes; or

21                   (2) acquire sites for those buildings or improvements.

22           (b) The bonds must be payable from and secured by a pledge of  
23 all or part of district revenue derived from the operation of the  
24 district's hospital system.

25           (c) The bonds may be additionally secured by a mortgage or  
26 deed of trust lien on all or part of district property.

27           (d) The bonds must be issued in the manner and in accordance

1 with the procedures and requirements prescribed by Sections  
2 264.042, 264.043, 264.044, 264.046, 264.047, 264.048, and 264.049,  
3 Health and Safety Code, for issuance of revenue bonds by a county  
4 hospital authority. (Acts 65th Leg., R.S., Ch. 29, Sec. 9 (part).)

5 Sec. 1088.207. BONDS EXEMPT FROM TAXATION. The following  
6 are exempt from taxation by this state or a political subdivision of  
7 this state:

- 8 (1) bonds issued or assumed by the district;
- 9 (2) the transfer and issuance of the bonds; and
- 10 (3) profits made in the sale of the bonds. (Acts 65th  
11 Leg., R.S., Ch. 29, Sec. 22 (part).)

12 [Sections 1088.208-1088.250 reserved for expansion]

13 SUBCHAPTER F. TAXES

14 Sec. 1088.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
15 shall impose a tax on all property in the district subject to  
16 district taxation.

17 (b) The board shall impose the tax to:

- 18 (1) pay the indebtedness issued or assumed by the  
19 district;
- 20 (2) provide for the operation and maintenance of the  
21 district and hospital system;
- 22 (3) make improvements and additions to the hospital  
23 system; and
- 24 (4) acquire necessary sites for those improvements and  
25 additions by purchase, lease, or condemnation.

26 (c) The board may not impose a tax to pay the principal of or  
27 interest on revenue bonds. (Acts 65th Leg., R.S., Ch. 29, Secs.

1 4(b) (part), 13(a) (part).)

2       Sec. 1088.252. TAX RATE. (a) The board may impose the tax  
3 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
4 property in the district.

5       (b) In setting the tax rate, the board shall consider the  
6 income of the district from sources other than taxation. (Acts 65th  
7 Leg., R.S., Ch. 29, Secs. 4(b) (part), 13(a) (part), (b) (part).)

8       Sec. 1088.253. TAX ASSESSOR-COLLECTOR. The board may  
9 provide for the appointment of a tax assessor-collector for the  
10 district or may contract for the assessment and collection of taxes  
11 as provided by the Tax Code. (Acts 65th Leg., R.S., Ch. 29, Sec. 16  
12 (part).)

13       [Sections 1088.254-1088.300 reserved for expansion]

14                   SUBCHAPTER G. DISSOLUTION

15       Sec. 1088.301. DISSOLUTION; ELECTION. (a) The district  
16 may be dissolved only on approval of a majority of the district  
17 voters voting in an election held for that purpose.

18       (b) The board may order an election on the question of  
19 dissolving the district and disposing of the district's assets and  
20 obligations.

21       (c) The board shall order an election if the board receives  
22 a petition requesting an election that is signed by at least 15  
23 percent of the registered voters of the district.

24       (d) The order calling the election must state:

25               (1) the nature of the election, including the  
26 proposition to appear on the ballot;

27               (2) the date of the election;



1 (3) the hours during which the polls will be open; and

2 (4) the location of the polling places.

3 (e) Section 41.001(a), Election Code, does not apply to an  
4 election ordered under this section. (Acts 65th Leg., R.S., Ch. 29,  
5 Secs. 18A(a), (b), (c) (part).)

6 Sec. 1088.302. NOTICE OF ELECTION. (a) The board shall  
7 give notice of an election under this subchapter by publishing once  
8 a week for two consecutive weeks a substantial copy of the election  
9 order in a newspaper with general circulation in the district.

10 (b) The first publication of the notice must appear not  
11 later than the 35th day before the date set for the election. (Acts  
12 65th Leg., R.S., Ch. 29, Sec. 18A(d) (part).)

13 Sec. 1088.303. BALLOT. The ballot for an election under  
14 this subchapter must be printed to permit voting for or against the  
15 proposition: "The dissolution of the Reagan Hospital District of  
16 Reagan County, Texas." (Acts 65th Leg., R.S., Ch. 29, Sec. 18A(d)  
17 (part).)

18 Sec. 1088.304. ELECTION RESULTS. (a) If a majority of the  
19 votes in an election under this subchapter favor dissolution, the  
20 board shall find that the district is dissolved.

21 (b) If a majority of the votes in the election do not favor  
22 dissolution, the board shall continue to administer the district  
23 and another election on the question of dissolution may not be held  
24 before the first anniversary of the date of the most recent election  
25 to dissolve the district. (Acts 65th Leg., R.S., Ch. 29, Sec.  
26 18A(e).)

27 Sec. 1088.305. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS.

1 (a) If a majority of the votes in an election held under this  
2 subchapter favor dissolution, the board shall:

3 (1) transfer the land, buildings, improvements,  
4 equipment, and other assets that belong to the district to Reagan  
5 County or to another governmental entity in Reagan County;

6 (2) sell the assets and liabilities to another person;  
7 or

8 (3) administer the property, assets, and debts until  
9 all money has been disposed of and all district debts have been paid  
10 or settled.

11 (b) If the board makes the transfer under Subsection (a)(1),  
12 the county or entity assumes all debts and obligations of the  
13 district at the time of the transfer, and the district is dissolved.

14 (c) If the board does not make the transfer under Subsection  
15 (a)(1), the board shall sell the assets and liabilities to another  
16 person under Subsection (a)(2) or administer the property, assets,  
17 and debts of the district under Subsection (a)(3), and the district  
18 is dissolved when all money has been disposed of and all district  
19 debts have been paid or settled. (Acts 65th Leg., R.S., Ch. 29,  
20 Secs. 18A(f), (g), (m) (part).)

21 Sec. 1088.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

22 (a) The dissolution of the district and the sale or transfer of the  
23 district's assets and liabilities to another person may not  
24 contravene a trust indenture or bond resolution relating to the  
25 district's outstanding bonds. The dissolution and sale or transfer  
26 does not diminish or impair the rights of a holder of an outstanding  
27 bond, warrant, or other obligation of the district.

1           (b) The sale or transfer of the district's assets and  
2 liabilities must satisfy the debt and bond obligations of the  
3 district in a manner that protects the interests of district  
4 residents, including the residents' collective property rights in  
5 the district's assets.

6           (c) The district may not transfer or dispose of the  
7 district's assets except for due compensation unless:

8                 (1) the transfer is made to another governmental  
9 entity that serves the district; and

10                (2) the transferred assets are to be used for the  
11 benefit of the district's residents.

12           (d) A grant from federal funds is an obligation to be repaid  
13 in satisfaction. (Acts 65th Leg., R.S., Ch. 29, Secs. 18A(m)  
14 (part), (n).)

15           Sec. 1088.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
16 TAXES. (a) After the board finds that the district is dissolved,  
17 the board shall:

18                 (1) determine the debt owed by the district; and

19                 (2) impose on the property included in the district's  
20 tax rolls a tax that is in proportion of the debt to the property  
21 value.

22           (b) On the payment of all outstanding debts and obligations  
23 of the district, the board shall order the secretary to return to  
24 each district taxpayer the taxpayer's pro rata share of all unused  
25 tax money.

26           (c) A taxpayer may request that the taxpayer's share of  
27 surplus tax money be credited to the taxpayer's county taxes. If a

1 taxpayer requests the credit, the board shall direct the secretary  
2 to transmit the money to the county tax assessor-collector. (Acts  
3 65th Leg., R.S., Ch. 29, Secs. 18A(h), (i), (j).)

4 Sec. 1088.308. REPORT; DISSOLUTION ORDER. (a) After the  
5 district has paid all district debts and has disposed of all  
6 district money and other assets as prescribed by this subchapter,  
7 the board shall file a written report with the Commissioners Court  
8 of Reagan County summarizing the board's actions in dissolving the  
9 district.

10 (b) Not later than the 10th day after the date the  
11 Commissioners Court of Reagan County receives the report and  
12 determines that the requirements of this subchapter have been  
13 fulfilled, the commissioners court shall enter an order dissolving  
14 the district and releasing the board from any further duty or  
15 obligation. (Acts 65th Leg., R.S., Ch. 29, Secs. 18A(k), (l).)

16 CHAPTER 1089. REEVES COUNTY HOSPITAL DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

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- 10   Sec. 1089.059.   DISTRICT ADMINISTRATOR
- 11   Sec. 1089.060.   GENERAL DUTIES OF DISTRICT
- 12                           ADMINISTRATOR
- 13   Sec. 1089.061.   ASSISTANT DISTRICT ADMINISTRATOR;
- 14                           ATTORNEY
- 15   Sec. 1089.062.   APPOINTMENT OF STAFF AND EMPLOYEES
- 16   Sec. 1089.063.   RETIREMENT BENEFITS
- 17                   [Sections 1089.064-1089.100 reserved for expansion]
- 18                           SUBCHAPTER C. POWERS AND DUTIES
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- 20   Sec. 1089.102.   RESTRICTION ON COUNTY TAXATION AND DEBT
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- 22   Sec. 1089.104.   RULES
- 23   Sec. 1089.105.   PURCHASING AND ACCOUNTING PROCEDURES
- 24   Sec. 1089.106.   MOBILE EMERGENCY MEDICAL SERVICE
- 25   Sec. 1089.107.   DISTRICT PROPERTY, FACILITIES, AND
- 26                           EQUIPMENT
- 27   Sec. 1089.108.   EMINENT DOMAIN

- 1 Sec. 1089.109. COST OF RELOCATING OR ALTERING PROPERTY  
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7 Sec. 1089.114. PAYMENT FOR TREATMENT; PROCEDURES  
8 Sec. 1089.115. REIMBURSEMENT FOR SERVICES  
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15 Sec. 1089.154. RESTRICTION ON EXPENDITURES  
16 Sec. 1089.155. FISCAL YEAR  
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21 Sec. 1089.159. DEPOSITORY  
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23 [Sections 1089.161-1089.200 reserved for expansion]  
24 SUBCHAPTER E. BONDS  
25 Sec. 1089.201. GENERAL OBLIGATION BONDS  
26 Sec. 1089.202. TAX TO PAY GENERAL OBLIGATION BONDS  
27 Sec. 1089.203. GENERAL OBLIGATION BOND ELECTION

1 Sec. 1089.204. REVENUE BONDS

2 Sec. 1089.205. REFUNDING BONDS

3 Sec. 1089.206. MATURITY OF BONDS

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5 Sec. 1089.208. BONDS EXEMPT FROM TAXATION

6 [Sections 1089.209-1089.250 reserved for expansion]

7 SUBCHAPTER F. TAXES

8 Sec. 1089.251. IMPOSITION OF AD VALOREM TAX

9 Sec. 1089.252. TAX RATE

10 Sec. 1089.253. CONTRACT FOR TAX ASSESSMENT AND

11 COLLECTION

12 CHAPTER 1089. REEVES COUNTY HOSPITAL DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 1089.001. DEFINITIONS. In this chapter:

15 (1) "Board" means the board of directors of the  
16 district.

17 (2) "Director" means a member of the board.

18 (3) "District" means the Reeves County Hospital  
19 District. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 1.01.)

20 Sec. 1089.002. AUTHORITY FOR OPERATION. The Reeves County  
21 Hospital District operates and is financed as provided by Section  
22 9, Article IX, Texas Constitution, and by this chapter. (Acts 70th  
23 Leg., 2nd C.S., Ch. 11, Sec. 1.02.)

24 Sec. 1089.003. ESSENTIAL PUBLIC FUNCTION. The district is  
25 a public entity performing an essential public function. (Acts  
26 70th Leg., 2nd C.S., Ch. 11, Sec. 7.11 (part).)

27 Sec. 1089.004. DISTRICT TERRITORY. The boundaries of the

1 district are coextensive with the boundaries of Reeves County.  
2 (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 1.03.)

3 Sec. 1089.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
4 OBLIGATION. This state may not become obligated for the support or  
5 maintenance of the district. (Acts 70th Leg., 2nd C.S., Ch. 11,  
6 Sec. 17.01 (part).)

7 Sec. 1089.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
8 The legislature may not make a direct appropriation for the  
9 construction, maintenance, or improvement of a district facility.  
10 (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 17.01 (part).)

11 [Sections 1089.007-1089.050 reserved for expansion]

12 SUBCHAPTER B. DISTRICT ADMINISTRATION

13 Sec. 1089.051. BOARD ELECTION; TERM. (a) The district is  
14 governed by a board of five directors.

15 (b) One director is elected from each commissioners  
16 precinct and one director is elected from the district at large.

17 (c) Unless four-year terms are established under Section  
18 285.081, Health and Safety Code:

19 (1) directors serve staggered two-year terms; and

20 (2) an election shall be held on the uniform election  
21 date in May of each year to elect the appropriate number of  
22 directors. (Acts 70th Leg., 2nd C.S., Ch. 11, Secs. 4.01(a),  
23 4.03(a), (d).)

24 Sec. 1089.052. NOTICE OF ELECTION. At least 35 days before  
25 the date of an election of directors, notice of the election shall  
26 be published one time in a newspaper with general circulation in the  
27 district. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 4.04.)



1           Sec. 1089.053. QUALIFICATIONS FOR OFFICE. (a) To be  
2 eligible to be a candidate for or to serve as a director, a person  
3 must be:

4                   (1) a resident of the district; and

5                   (2) a qualified voter.

6           (b) A person who is elected from a commissioners precinct or  
7 who is appointed to fill a vacancy for a commissioners precinct must  
8 be a resident of that commissioners precinct.

9           (c) A district employee may not serve as a director. (Acts  
10 70th Leg., 2nd C.S., Ch. 11, Sec. 4.06.)

11           Sec. 1089.054. BOND; RECORD OF BOND. (a) Before assuming  
12 the duties of office, each director must execute a bond for \$5,000  
13 that is:

14                   (1) payable to the district; and

15                   (2) conditioned on the faithful performance of the  
16 director's duties.

17           (b) The board may pay for a director's bond with district  
18 money.

19           (c) The bond shall be kept in the permanent records of the  
20 district. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 4.07.)

21           Sec. 1089.055. BOARD VACANCY. If a vacancy occurs in the  
22 office of director, the remaining directors shall appoint a  
23 director for the unexpired term. (Acts 70th Leg., 2nd C.S., Ch. 11,  
24 Sec. 4.08.)

25           Sec. 1089.056. OFFICERS. (a) The board shall elect a  
26 president and a vice president from among its members.

27           (b) The board shall appoint a secretary, who need not be a

1 director.

2 (c) Each officer of the board serves for a term of one year.

3 (d) The board shall fill a vacancy in a board office for the  
4 unexpired term. (Acts 70th Leg., 2nd C.S., Ch. 11, Secs. 4.09,  
5 4.10.)

6 Sec. 1089.057. COMPENSATION; EXPENSES. A director or  
7 officer serves without compensation but may be reimbursed for  
8 actual expenses incurred in the performance of official duties.  
9 The expenses must be:

10 (1) reported in the district's records; and

11 (2) approved by the board. (Acts 70th Leg., 2nd C.S.,  
12 Ch. 11, Sec. 4.11.)

13 Sec. 1089.058. VOTING REQUIREMENT. A concurrence of a  
14 majority of the directors voting is necessary in any matter  
15 relating to district business. (Acts 70th Leg., 2nd C.S., Ch. 11,  
16 Sec. 4.12.)

17 Sec. 1089.059. DISTRICT ADMINISTRATOR. (a) The board may  
18 appoint a qualified person as district administrator.

19 (b) The district administrator serves at the will of the  
20 board and is entitled to the compensation determined by the board.

21 (c) Before assuming the duties of district administrator,  
22 the administrator must execute a bond in the amount determined by  
23 the board of not less than \$5,000 that is:

24 (1) payable to the district; and

25 (2) conditioned on the faithful performance of the  
26 administrator's duties under this chapter.

27 (d) The board may pay for the bond with district money.

1 (Acts 70th Leg., 2nd C.S., Ch. 11, Secs. 4.13(a) (part), (b) (part),  
2 (c) (part), (d).)

3 Sec. 1089.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

4 Subject to the limitations prescribed by the board, the district  
5 administrator shall:

6 (1) supervise the work and activities of the district;  
7 and

8 (2) direct the general affairs of the district. (Acts  
9 70th Leg., 2nd C.S., Ch. 11, Sec. 4.16.)

10 Sec. 1089.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

11 (a) The board may appoint qualified persons as:

12 (1) the assistant district administrator; and

13 (2) the attorney for the district.

14 (b) The assistant district administrator and the attorney  
15 for the district serve at the will of the board and are entitled to  
16 the compensation determined by the board. (Acts 70th Leg., 2nd  
17 C.S., Ch. 11, Secs. 4.13(a) (part), (b) (part), (c) (part).)

18 Sec. 1089.062. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
19 board may appoint to the staff any doctors the board considers  
20 necessary for the efficient operation of the district and may make  
21 temporary appointments as necessary.

22 (b) The district may employ technicians, nurses, fiscal  
23 agents, accountants, architects, additional attorneys, and other  
24 necessary employees.

25 (c) The board may delegate to the district administrator the  
26 authority to employ persons for the district. (Acts 70th Leg., 2nd  
27 C.S., Ch. 11, Secs. 4.14, 4.15.)

1           Sec. 1089.063. RETIREMENT BENEFITS. The board may provide  
2 retirement benefits for district employees by:

3           (1) establishing or administering a retirement  
4 program; or

5           (2) participating in:

6           (A) the Texas County and District Retirement  
7 System; or

8           (B) another statewide retirement system in which  
9 the district is eligible to participate. (Acts 70th Leg., 2nd C.S.,  
10 Ch. 11, Sec. 4.17.)

11           [Sections 1089.064-1089.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1089.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for:

15           (1) operating hospital facilities; and

16           (2) providing medical and hospital care for the  
17 district's needy inhabitants. (Acts 70th Leg., 2nd C.S., Ch. 11,  
18 Sec. 5.02 (part).)

19           Sec. 1089.102. RESTRICTION ON COUNTY TAXATION AND DEBT.  
20 Reeves County may not impose a tax or issue bonds or other  
21 obligations for hospital purposes or to provide medical care for  
22 district residents. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec.  
23 5.01(b).)

24           Sec. 1089.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
25 The board shall manage, control, and administer the hospital system  
26 and the district's money and resources. (Acts 70th Leg., 2nd C.S.,  
27 Ch. 11, Sec. 5.03.)

1           Sec. 1089.104.   RULES.   The board may adopt rules governing:

2                   (1)   the operation of the hospital and hospital system;

3   and

4                   (2)   the duties, functions, and responsibilities of the  
5   district staff and employees.   (Acts 70th Leg., 2nd C.S., Ch. 11,  
6   Sec. 5.04.)

7           Sec. 1089.105.   PURCHASING AND ACCOUNTING PROCEDURES.   The  
8   board may prescribe:

9                   (1)   the method of making purchases and expenditures by  
10   and for the district; and

11                   (2)   accounting and control procedures for the  
12   district.   (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 5.05.)

13           Sec. 1089.106.   MOBILE EMERGENCY MEDICAL SERVICE.   The  
14   district may operate or provide for the operation of a mobile  
15   emergency medical service.   (Acts 70th Leg., 2nd C.S., Ch. 11, Sec.  
16   5.02 (part).)

17           Sec. 1089.107.   DISTRICT   PROPERTY,   FACILITIES,   AND  
18   EQUIPMENT.   (a)   The board shall determine:

19                   (1)   the type, number, and location of buildings  
20   required to maintain an adequate hospital system; and

21                   (2)   the type of equipment necessary for hospital care.

22           (b)   The board may:

23                   (1)   acquire property, including facilities and  
24   equipment, for the district for use in the hospital system; and

25                   (2)   mortgage or pledge the property as security for  
26   the payment of the purchase price.

27           (c)   The board may lease hospital facilities for the

1 district.

2 (d) The board may sell or otherwise dispose of the property,  
3 including facilities or equipment, for the district. (Acts 70th  
4 Leg., 2nd C.S., Ch. 11, Sec. 5.06.)

5 Sec. 1089.108. EMINENT DOMAIN. (a) The district may  
6 exercise the power of eminent domain to acquire a fee simple or  
7 other interest in property located in district territory if the  
8 property interest is necessary for the district to exercise a right  
9 or authority conferred by this chapter.

10 (b) The district may exercise the power of eminent domain in  
11 the manner provided by Chapter 21, Property Code, except that the  
12 district is not required to deposit in the trial court money or a  
13 bond as provided by Section 21.021(a), Property Code.

14 (c) In a condemnation proceeding brought by the district,  
15 the district is not required to:

16 (1) pay in advance or provide a bond or other security  
17 for costs in the trial court;

18 (2) provide a bond for the issuance of a temporary  
19 restraining order or a temporary injunction; or

20 (3) provide a bond for costs or a supersedeas bond on  
21 an appeal or petition for review. (Acts 70th Leg., 2nd C.S., Ch.  
22 11, Sec. 5.09.)

23 Sec. 1089.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
24 exercising the power of eminent domain, if the board requires  
25 relocating, raising, lowering, rerouting, changing the grade of, or  
26 altering the construction of any railroad, highway, pipeline,  
27 electric transmission and electric distribution, telegraph, or

1 telephone line, conduit, pole, or facility, the district must bear  
2 the actual cost of relocating, raising, lowering, rerouting,  
3 changing the grade, or altering the construction to provide  
4 comparable replacement, without enhancement of facilities, after  
5 deducting the net salvage value derived from the old facility.  
6 (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 5.10.)

7       Sec. 1089.110. GIFTS AND ENDOWMENTS. The board may accept  
8 for the district a gift or endowment to be held in trust for any  
9 purpose and under any direction, limitation, or other provision  
10 prescribed in writing by the donor that is consistent with the  
11 proper management of the district. (Acts 70th Leg., 2nd C.S., Ch.  
12 11, Sec. 5.14.)

13       Sec. 1089.111. CONSTRUCTION CONTRACTS. (a) The board may  
14 enter into construction contracts for the district.

15       (b) The board may enter into a construction contract that  
16 involves an expenditure of more than the amount prescribed by  
17 Section 271.024, Local Government Code, only after competitive  
18 bidding as provided by Subchapter B, Chapter 271, Local Government  
19 Code. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 5.07(a).)

20       Sec. 1089.112. OPERATING AND MANAGEMENT CONTRACTS. The  
21 board may enter into an operating or management contract relating  
22 to a hospital facility for the district. (Acts 70th Leg., 2nd C.S.,  
23 Ch. 11, Sec. 5.08.)

24       Sec. 1089.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
25 SERVICES. The board may contract with a political subdivision of  
26 this state or with a state or federal agency for the district to:

27               (1) furnish a mobile emergency medical service; or

1           (2) provide for the investigatory or welfare needs of  
2 district inhabitants. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec.  
3 5.13.)

4           Sec. 1089.114. PAYMENT FOR TREATMENT; PROCEDURES. (a) The  
5 district administrator may have an inquiry made into the financial  
6 circumstances of:

7           (1) a person who resides in the district and is  
8 admitted as a patient to a district facility; and

9           (2) a relative of the patient who is legally  
10 responsible for the patient's support.

11           (b) To the extent that the patient or a relative of the  
12 patient who is legally responsible for the patient's support cannot  
13 pay for care and treatment provided by the district, the district  
14 shall supply the care and treatment without charging the patient or  
15 the patient's relative.

16           (c) On determining that the patient or a relative legally  
17 responsible for the patient's support can pay for all or part of the  
18 care and treatment provided by the district, the district  
19 administrator shall report that determination to the board and the  
20 board shall issue an order directing the patient or the relative to  
21 pay the district a specified amount each week. The amount must be  
22 based on the individual's ability to pay.

23           (d) The district administrator may collect the money owed to  
24 the district from the patient's estate or from that of a relative  
25 legally responsible for the patient's support in the manner  
26 provided by law for collection of expenses in the last illness of a  
27 deceased person.



1 (e) If there is a dispute relating to a person's ability to  
2 pay or if the district administrator has any doubt concerning a  
3 person's ability to pay, the board shall:

- 4 (1) call witnesses;  
5 (2) hear and resolve the question; and  
6 (3) issue a final order.

7 (f) The final order of the board may be appealed to a  
8 district court in Reeves County. The substantial evidence rule  
9 applies to the appeal. (Acts 70th Leg., 2nd C.S., Ch. 11, Secs.  
10 5.11(b), (c), (d), (e), (f).)

11 Sec. 1089.115. REIMBURSEMENT FOR SERVICES. (a) The board  
12 shall require a county, municipality, or public hospital located  
13 outside the district to reimburse the district for the district's  
14 care and treatment of a sick or injured person of that county,  
15 municipality, or public hospital as provided by Chapter 61, Health  
16 and Safety Code.

17 (b) The board shall require the sheriff of Reeves County to  
18 reimburse the district for the district's care and treatment of a  
19 person who is confined in a jail facility of Reeves County and is  
20 not a district resident.

21 (c) On behalf of the district, the board may contract with  
22 the state or federal government for that government to reimburse  
23 the district for treatment of a sick or injured person. (Acts 70th  
24 Leg., 2nd C.S., Ch. 11, Sec. 5.12.)

25 Sec. 1089.116. AUTHORITY TO SUE AND BE SUED. The board may  
26 sue and be sued on behalf of the district. (Acts 70th Leg., 2nd  
27 C.S., Ch. 11, Sec. 5.15.)

1 [Sections 1089.117-1089.150 reserved for expansion]

2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3 Sec. 1089.151. BUDGET. (a) The district administrator  
4 shall prepare a proposed annual budget for the district.

5 (b) The proposed budget must contain a complete financial  
6 statement, including a statement of:

7 (1) the outstanding obligations of the district;

8 (2) the amount of cash on hand in each district fund;

9 (3) the amount of money received by the district from  
10 all sources during the previous year;

11 (4) the amount of money available to the district from  
12 all sources during the ensuing year;

13 (5) the amount of the balances expected at the end of  
14 the year in which the budget is being prepared;

15 (6) the estimated amount of revenue and balances  
16 available to cover the proposed budget; and

17 (7) the estimated tax rate required. (Acts 70th Leg.,  
18 2nd C.S., Ch. 11, Sec. 6.04.)

19 Sec. 1089.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
20 The board shall hold a public hearing on the proposed annual budget.

21 (b) The board shall publish notice of the hearing in a  
22 newspaper with general circulation in the district not later than  
23 the 10th day before the date of the hearing.

24 (c) Any district resident is entitled to be present and  
25 participate at the hearing.

26 (d) At the conclusion of the hearing, the board shall adopt  
27 a budget by acting on the budget proposed by the district

1 administrator. The board may make any changes in the proposed  
2 budget that the board judges to be in the interests of the  
3 taxpayers.

4 (e) The budget is effective only after adoption by the  
5 board. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 6.05.)

6 Sec. 1089.153. AMENDMENT OF BUDGET. After the annual  
7 budget is adopted, the budget may be amended on the board's  
8 approval. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 6.06.)

9 Sec. 1089.154. RESTRICTION ON EXPENDITURES. Money may be  
10 spent only for an expense included in the budget or an amendment to  
11 the budget. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 6.07.)

12 Sec. 1089.155. FISCAL YEAR. (a) The district operates  
13 according to a fiscal year established by the board.

14 (b) The fiscal year may not be changed:

15 (1) during a period that revenue bonds of the district  
16 are outstanding; or

17 (2) more than once in a 24-month period. (Acts 70th  
18 Leg., 2nd C.S., Ch. 11, Sec. 6.01.)

19 Sec. 1089.156. ANNUAL AUDIT. The board annually shall have  
20 an audit made of the district's financial condition. (Acts 70th  
21 Leg., 2nd C.S., Ch. 11, Sec. 6.02.)

22 Sec. 1089.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
23 RECORDS. The annual audit and other district records shall be open  
24 to inspection during regular business hours at the district's  
25 principal office. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 6.03.)

26 Sec. 1089.158. FINANCIAL REPORT. As soon as practicable  
27 after the close of the fiscal year, the district administrator

1 shall prepare for the board:

2 (1) a sworn statement of the amount of district money;  
3 and

4 (2) an account of the disbursements of that money.  
5 (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 6.08.)

6 Sec. 1089.159. DEPOSITORY. (a) The board shall select at  
7 least one bank to serve as a depository for district money.

8 (b) District money, other than money invested as provided by  
9 Section 1089.160(b) and money transmitted to a bank for payment of  
10 bonds or obligations issued or assumed by the district, shall be  
11 deposited as received with the depository bank and must remain on  
12 deposit. This subsection does not limit the power of the board to  
13 place a part of district money on time deposit or to purchase  
14 certificates of deposit.

15 (c) The district may not deposit money with a bank in an  
16 amount that exceeds the maximum amount secured by the Federal  
17 Deposit Insurance Corporation unless the bank first executes a bond  
18 or other security in an amount sufficient to secure from loss the  
19 district money that exceeds the amount secured by the Federal  
20 Deposit Insurance Corporation. (Acts 70th Leg., 2nd C.S., Ch. 11,  
21 Sec. 6.10.)

22 Sec. 1089.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
23 Except as provided by Sections 1089.111, 1089.201, 1089.204, and  
24 1089.205, the district may not incur a debt payable from district  
25 revenue other than the revenue on hand or to be on hand in the  
26 current and the immediately following district fiscal years.

27 (b) The board may invest operating, depreciation, or

1 building reserves only in funds or securities specified by Chapter  
2 2256, Government Code. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec.  
3 6.09.)

4 [Sections 1089.161-1089.200 reserved for expansion]

5 SUBCHAPTER E. BONDS

6 Sec. 1089.201. GENERAL OBLIGATION BONDS. If authorized by  
7 an election, the board may issue and sell general obligation bonds  
8 in the name and on the faith and credit of the district to:

9 (1) purchase, construct, acquire, repair, or renovate  
10 buildings or improvements;

11 (2) equip buildings or improvements for hospital  
12 purposes; or

13 (3) acquire and operate a mobile emergency medical  
14 service. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 7.01.)

15 Sec. 1089.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
16 the time general obligation bonds are issued by the district under  
17 Section 1089.201, the board shall impose an ad valorem tax at a rate  
18 sufficient to create an interest and sinking fund to pay the  
19 principal of and interest on the bonds as the bonds mature.

20 (b) The tax required by this section together with any other  
21 ad valorem tax the district imposes may not in any year exceed the  
22 limit approved by the voters at the election authorizing the  
23 imposition of the tax. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec.  
24 7.02.)

25 Sec. 1089.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
26 district may issue general obligation bonds only if the bonds are  
27 authorized by a majority of the district voters voting at an

1 election held for that purpose.

2 (b) The board may order a bond election.

3 (c) The order calling the election must specify:

4 (1) the nature and date of the election;

5 (2) the hours during which the polls will be open;

6 (3) the location of the polling places;

7 (4) the amount of the bonds to be authorized; and

8 (5) the maximum maturity of the bonds.

9 (d) Notice of a bond election shall be given as provided by  
10 Section 1251.003, Government Code.

11 (e) The board shall declare the results of the election.  
12 (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 7.03.)

13 Sec. 1089.204. REVENUE BONDS. (a) The board may issue  
14 revenue bonds to:

15 (1) purchase, construct, acquire, repair, renovate,  
16 or equip buildings or improvements for hospital purposes;

17 (2) acquire sites to be used for hospital purposes; or

18 (3) acquire and operate a mobile emergency medical  
19 service to assist the district in carrying out its hospital  
20 purposes.

21 (b) The bonds must be payable from and secured by a pledge of  
22 all or part of the revenue derived from the operation of the  
23 district's hospital system.

24 (c) The bonds may be additionally secured by a mortgage or  
25 deed of trust lien on all or part of district property.

26 (d) The bonds must be issued in the manner provided by  
27 Sections 264.042, 264.043, and 264.046-264.049, Health and Safety

1 Code, for issuance of revenue bonds by a county hospital authority.  
2 (Acts 70th Leg., 2nd C.S., Ch. 11, Sec. 7.04.)

3 Sec. 1089.205. REFUNDING BONDS. (a) The board may issue  
4 refunding bonds to refund an outstanding indebtedness issued or  
5 assumed by the district.

6 (b) Refunding bonds may be:

7 (1) sold, with the proceeds of the refunding bonds  
8 applied to the payment of the outstanding indebtedness; or

9 (2) exchanged wholly or partly for not less than a  
10 similar principal amount of outstanding indebtedness. (Acts 70th  
11 Leg., 2nd C.S., Ch. 11, Secs. 7.05(a), (c) (part).)

12 Sec. 1089.206. MATURITY OF BONDS. District bonds must  
13 mature not later than 50 years after the date of issuance. (Acts  
14 70th Leg., 2nd C.S., Ch. 11, Sec. 7.06 (part).)

15 Sec. 1089.207. EXECUTION OF BONDS. (a) The board president  
16 shall execute district bonds in the district's name.

17 (b) The board secretary shall countersign the bonds in the  
18 manner provided by Chapter 618, Government Code. (Acts 70th Leg.,  
19 2nd C.S., Ch. 11, Sec. 7.07.)

20 Sec. 1089.208. BONDS EXEMPT FROM TAXATION. The following  
21 are exempt from taxation by this state or a political subdivision of  
22 this state:

23 (1) bonds issued by the district;

24 (2) any transaction relating to the bonds; and

25 (3) profits made in the sale of the bonds. (Acts 70th  
26 Leg., 2nd C.S., Ch. 11, Sec. 7.11 (part).)

27 [Sections 1089.209-1089.250 reserved for expansion]

SUBCHAPTER F. TAXES

1  
2           Sec. 1089.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
3 may impose a tax on all property in the district subject to district  
4 taxation.

5           (b) The tax may be used to pay:

- 6                 (1) indebtedness issued or assumed by the district;  
7 and  
8                 (2) the maintenance and operating expenses of the  
9 district.

10          (c) The district may not impose a tax to pay the principal of  
11 or interest on revenue bonds issued under this chapter. (Acts 70th  
12 Leg., 2nd C.S., Ch. 11, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

13          Sec. 1089.252. TAX RATE. (a) The board may impose the tax  
14 at a rate not to exceed the limit approved by the voters at the  
15 election authorizing the imposition of the tax.

16          (b) The tax rate for all purposes may not exceed 75 cents on  
17 each \$100 valuation of all taxable property in the district.

18          (c) In setting the tax rate, the board shall consider the  
19 income of the district from sources other than taxation. (Acts 70th  
20 Leg., 2nd C.S., Ch. 11, Secs. 8.01(a) (part), (b), 8.03 (part).)

21          Sec. 1089.253. CONTRACT FOR TAX ASSESSMENT AND COLLECTION.  
22 The board shall contract for the assessment and collection of taxes  
23 as provided by the Tax Code. (Acts 70th Leg., 2nd C.S., Ch. 11, Sec.  
24 8.04(b).)



1                   CHAPTER 1090. REFUGIO COUNTY  
2                   MEMORIAL HOSPITAL DISTRICT  
3                   SUBCHAPTER A. GENERAL PROVISIONS  
4 Sec. 1090.001. DEFINITIONS  
5 Sec. 1090.002. AUTHORITY FOR OPERATION  
6 Sec. 1090.003. ESSENTIAL PUBLIC FUNCTION  
7 Sec. 1090.004. DISTRICT TERRITORY  
8 Sec. 1090.005. CORRECTION OF INVALID PROCEDURES  
9 Sec. 1090.006. DISTRICT SUPPORT AND MAINTENANCE NOT  
10                   STATE OBLIGATION  
11 Sec. 1090.007. RESTRICTION ON STATE FINANCIAL  
12                   ASSISTANCE  
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14                   SUBCHAPTER B. DISTRICT ADMINISTRATION  
15 Sec. 1090.051. BOARD ELECTION; TERM  
16 Sec. 1090.052. NOTICE OF ELECTION  
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20 Sec. 1090.056. COMPENSATION; EXPENSES  
21 Sec. 1090.057. VOTING REQUIREMENT  
22 Sec. 1090.058. INSURANCE FOR DIRECTORS AND OFFICERS  
23 Sec. 1090.059. DISTRICT ADMINISTRATOR; ASSISTANT  
24                   ADMINISTRATOR  
25 Sec. 1090.060. GENERAL DUTIES OF DISTRICT  
26                   ADMINISTRATOR

- 1 Sec. 1090.061. APPOINTMENT AND RECRUITMENT OF STAFF  
2 AND EMPLOYEES  
3 Sec. 1090.062. HEALTH EDUCATION  
4 Sec. 1090.063. RETIREMENT BENEFITS  
5 [Sections 1090.064-1090.100 reserved for expansion]  
6 SUBCHAPTER C. POWERS AND DUTIES  
7 Sec. 1090.101. DISTRICT RESPONSIBILITY  
8 Sec. 1090.102. RESTRICTION ON POLITICAL SUBDIVISION  
9 TAXATION AND DEBT  
10 Sec. 1090.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
11 Sec. 1090.104. HOSPITAL SYSTEM  
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14 Sec. 1090.107. DISTRICT PROPERTY, FACILITIES, AND  
15 EQUIPMENT  
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17 Sec. 1090.109. COST OF RELOCATING OR ALTERING PROPERTY  
18 Sec. 1090.110. GIFTS AND ENDOWMENTS  
19 Sec. 1090.111. CONSTRUCTION CONTRACTS  
20 Sec. 1090.112. OPERATING AND MANAGEMENT CONTRACTS  
21 Sec. 1090.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
22 FOR CARE AND TREATMENT  
23 Sec. 1090.114. CONTRACTS WITH GOVERNMENTAL ENTITIES  
24 FOR INVESTIGATORY OR OTHER SERVICES  
25 Sec. 1090.115. PAYMENT FOR TREATMENT; PROCEDURES  
26 Sec. 1090.116. AUTHORITY TO SUE AND BE SUED  
27 [Sections 1090.117-1090.150 reserved for expansion]

1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2   Sec. 1090.151.   BUDGET

3   Sec. 1090.152.   NOTICE; HEARING; ADOPTION OF BUDGET

4   Sec. 1090.153.   AMENDMENTS TO BUDGET

5   Sec. 1090.154.   RESTRICTION ON EXPENDITURES

6   Sec. 1090.155.   FISCAL YEAR

7   Sec. 1090.156.   AUDIT

8   Sec. 1090.157.   INSPECTION OF AUDIT AND DISTRICT

9                   RECORDS

10   Sec. 1090.158.   FINANCIAL REPORT

11   Sec. 1090.159.   DEPOSITORY

12   Sec. 1090.160.   SPENDING RESTRICTIONS

13   Sec. 1090.161.   AUTHORITY TO BORROW MONEY; SECURITY

14           [Sections 1090.162-1090.200 reserved for expansion]

15                   SUBCHAPTER E. BONDS

16   Sec. 1090.201.   GENERAL OBLIGATION BONDS

17   Sec. 1090.202.   TAX TO PAY GENERAL OBLIGATION BONDS

18   Sec. 1090.203.   GENERAL OBLIGATION BOND ELECTION

19   Sec. 1090.204.   MATURITY OF GENERAL OBLIGATION BONDS

20   Sec. 1090.205.   EXECUTION OF GENERAL OBLIGATION BONDS

21   Sec. 1090.206.   REVENUE BONDS

22   Sec. 1090.207.   REFUNDING BONDS

23   Sec. 1090.208.   BONDS EXEMPT FROM TAXATION

24           [Sections 1090.209-1090.250 reserved for expansion]

25                   SUBCHAPTER F. TAXES

26   Sec. 1090.251.   IMPOSITION OF AD VALOREM TAX

27   Sec. 1090.252.   TAX RATE

1 Sec. 1090.253. ASSESSMENT AND COLLECTION BY COUNTY TAX

2 ASSESSOR-COLLECTOR

3 Sec. 1090.254. ASSESSMENT AND COLLECTION BY DISTRICT

4 TAX ASSESSOR-COLLECTOR

5 [Sections 1090.255-1090.300 reserved for expansion]

6 SUBCHAPTER G. DISSOLUTION

7 Sec. 1090.301. DISSOLUTION; ELECTION

8 Sec. 1090.302. NOTICE OF ELECTION ON DISSOLUTION

9 Sec. 1090.303. BALLOT

10 Sec. 1090.304. ELECTION RESULTS

11 Sec. 1090.305. TRANSFER OF ASSETS AND LIABILITIES

12 CHAPTER 1090. REFUGIO COUNTY

13 MEMORIAL HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1090.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the  
17 district.

18 (2) "Director" means a member of the board.

19 (3) "District" means the Refugio County Memorial  
20 Hospital District. (New.)

21 Sec. 1090.002. AUTHORITY FOR OPERATION. The Refugio County  
22 Memorial Hospital District operates and is administered and  
23 financed in accordance with Section 9, Article IX, Texas  
24 Constitution, and has the rights, powers, and duties provided by  
25 this chapter. (Acts 65th Leg., R.S., Ch. 6, Sec. 1 (part).)

26 Sec. 1090.003. ESSENTIAL PUBLIC FUNCTION. The district  
27 performs an essential public function in carrying out the purposes

1 of this chapter. (Acts 65th Leg., R.S., Ch. 6, Sec. 22 (part).)

2       Sec. 1090.004. DISTRICT TERRITORY. The boundaries of the  
3 district are coextensive with the boundaries of Refugio County.  
4 (Acts 65th Leg., R.S., Ch. 6, Sec. 1 (part).)

5       Sec. 1090.005. CORRECTION OF INVALID PROCEDURES. If a  
6 court holds that any procedure under this chapter violates the  
7 constitution of this state or of the United States, the district by  
8 resolution may provide an alternative procedure that conforms with  
9 the constitution. (Acts 65th Leg., R.S., Ch. 6, Sec. 23 (part).)

10       Sec. 1090.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
11 OBLIGATION. The support and maintenance of the district may not  
12 become a charge against or obligation of this state. (Acts 65th  
13 Leg., R.S., Ch. 6, Sec. 21 (part).)

14       Sec. 1090.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
15 The legislature may not make a direct appropriation for the  
16 construction, maintenance, or improvement of a district facility.  
17 (Acts 65th Leg., R.S., Ch. 6, Sec. 21 (part).)

18       [Sections 1090.008-1090.050 reserved for expansion]

19                   SUBCHAPTER B. DISTRICT ADMINISTRATION

20       Sec. 1090.051. BOARD ELECTION; TERM. (a) The board  
21 consists of seven directors elected from the district at large by  
22 place.

23       (b) Directors serve staggered two-year terms unless  
24 four-year terms are established under Section 285.081, Health and  
25 Safety Code. (Acts 65th Leg., R.S., Ch. 6, Sec. 4(c) (part).)

26       Sec. 1090.052. NOTICE OF ELECTION. At least 10 days before  
27 the date of an election of directors, notice of the election shall

1 be published one time in a newspaper of general circulation in  
2 Refugio County. (Acts 65th Leg., R.S., Ch. 6, Sec. 4(c) (part).)

3 Sec. 1090.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
4 not be elected or appointed as a director unless the person is:

- 5 (1) a resident of the district;
- 6 (2) a qualified voter; and
- 7 (3) a freeholder.

8 (b) A person is not eligible to serve as a director if the  
9 person is:

- 10 (1) the district administrator; or
- 11 (2) a district employee. (Acts 65th Leg., R.S., Ch. 6,  
12 Sec. 4(d).)

13 Sec. 1090.054. BOARD VACANCY. If a vacancy occurs in the  
14 office of director, the remaining directors shall appoint a  
15 director for the unexpired term. (Acts 65th Leg., R.S., Ch. 6, Sec.  
16 4(c) (part).)

17 Sec. 1090.055. OFFICERS. (a) The board shall elect:

- 18 (1) a president and a vice president from among its  
19 members; and
- 20 (2) a secretary, who need not be a director.

21 (b) Each officer of the board serves for a term of one year.

22 (c) The board shall fill a vacancy in a board office for the  
23 unexpired term. (Acts 65th Leg., R.S., Ch. 6, Sec. 4(e) (part).)

24 Sec. 1090.056. COMPENSATION; EXPENSES. A director or  
25 officer serves without compensation but may be reimbursed for  
26 actual expenses incurred in the performance of official duties.  
27 The expenses must be:

- 1           (1) reported in the district's records; and  
2           (2) approved by the board. (Acts 65th Leg., R.S., Ch.  
3 6, Sec. 4(e) (part).)

4           Sec. 1090.057. VOTING REQUIREMENT. A concurrence of four  
5 directors is sufficient in any matter relating to district  
6 business. (Acts 65th Leg., R.S., Ch. 6, Sec. 4(e) (part).)

7           Sec. 1090.058. INSURANCE FOR DIRECTORS AND OFFICERS.  
8 Directors and officers may be included in the same insurance plan  
9 provided to district employees. (Acts 65th Leg., R.S., Ch. 6, Sec.  
10 4(e) (part).)

11          Sec. 1090.059. DISTRICT ADMINISTRATOR; ASSISTANT  
12 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
13 district administrator.

14           (b) The board may appoint an assistant administrator.

15           (c) The district administrator and any assistant  
16 administrator serve at the will of the board and are entitled to the  
17 compensation determined by the board.

18           (d) On assuming the duties of district administrator, the  
19 administrator shall execute a bond payable to the district in an  
20 amount set by the board of not less than \$5,000 that:

21           (1) is conditioned on the administrator performing the  
22 administrator's duties; and

23           (2) contains other conditions the board may require.  
24 (Acts 65th Leg., R.S., Ch. 6, Sec. 5 (part).)

25          Sec. 1090.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
26 Subject to the limitations prescribed by the board, the district  
27 administrator shall:

1           (1) supervise the work and activities of the district;  
2 and

3           (2) direct the affairs of the district. (Acts 65th  
4 Leg., R.S., Ch. 6, Sec. 5 (part).)

5           Sec. 1090.061. APPOINTMENT AND RECRUITMENT OF STAFF AND  
6 EMPLOYEES. (a) The board may appoint to the medical staff any  
7 physicians the board considers necessary and may make temporary  
8 appointments as warranted.

9           (b) The district may employ fiscal agents, accountants,  
10 architects, and attorneys the board considers proper.

11          (c) The board may delegate to the district administrator the  
12 authority to hire district employees, including technicians and  
13 nurses.

14          (d) The board may spend district money to recruit to the  
15 hospital staff any physicians that are required to meet the medical  
16 needs of district residents. (Acts 65th Leg., R.S., Ch. 6, Secs. 5  
17 (part), 11(b) (part), 17.)

18          Sec. 1090.062. HEALTH EDUCATION. The board may use  
19 district money to provide scholarships and student loans for the  
20 education of county residents in health care-related fields. (Acts  
21 65th Leg., R.S., Ch. 6, Sec. 11(b) (part).)

22          Sec. 1090.063. RETIREMENT BENEFITS. The board may provide  
23 retirement benefits for district employees by:

24           (1) establishing or administering a retirement  
25 program; or

26           (2) participating in:

27           (A) the Texas County and District Retirement



1 System; or

2 (B) another statewide retirement system in which  
3 the district is eligible to participate. (Acts 65th Leg., R.S., Ch.  
4 6, Sec. 6.)

5 [Sections 1090.064-1090.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 1090.101. DISTRICT RESPONSIBILITY. The district has  
8 full responsibility for operating all hospital facilities for  
9 providing medical and hospital care for the district's needy  
10 inhabitants. (Acts 65th Leg., R.S., Ch. 6, Sec. 20(a) (part).)

11 Sec. 1090.102. RESTRICTION ON POLITICAL SUBDIVISION  
12 TAXATION AND DEBT. Refugio County or any municipality or nonprofit  
13 hospital in the district may not impose a tax or issue bonds or  
14 other obligations for hospital purposes or to provide medical care.  
15 (Acts 65th Leg., R.S., Ch. 6, Sec. 20(a) (part).)

16 Sec. 1090.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
17 The board shall manage, control, and administer the hospital system  
18 and the district's money and resources. (Acts 65th Leg., R.S., Ch.  
19 6, Sec. 5 (part).)

20 Sec. 1090.104. HOSPITAL SYSTEM. (a) The district shall  
21 provide for the establishment and administration for hospital  
22 purposes of a hospital system by:

- 23 (1) purchasing, constructing, acquiring by gift or  
24 otherwise, repairing, or renovating buildings and equipment; and  
25 (2) equipping the buildings.

26 (b) The hospital system may include:

- 27 (1) facilities for domiciliary care and treatment of

1 the sick, injured, or geriatric;  
2 (2) outpatient clinics;  
3 (3) dispensaries;  
4 (4) convalescent home facilities;  
5 (5) necessary nurses;  
6 (6) domiciliaries and training centers;  
7 (7) blood banks;  
8 (8) community mental health centers;  
9 (9) research centers or laboratories; and  
10 (10) any other facilities the board considers  
11 necessary for hospital care. (Acts 65th Leg., R.S., Ch. 6, Secs. 2  
12 (part), 11(a) (part).)

13 Sec. 1090.105. RULES. The board may adopt rules governing  
14 the operation of the hospital, the hospital system, and the  
15 district's staff and employees. (Acts 65th Leg., R.S., Ch. 6, Sec.  
16 5 (part).)

17 Sec. 1090.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
18 board may prescribe:

19 (1) the method and manner of making purchases and  
20 expenditures by and for the district; and

21 (2) all accounting and control procedures. (Acts 65th  
22 Leg., R.S., Ch. 6, Sec. 11(b) (part).)

23 Sec. 1090.107. DISTRICT PROPERTY, FACILITIES, AND  
24 EQUIPMENT. (a) The board shall determine the type, number, and  
25 location of buildings required to maintain an adequate hospital  
26 system.

27 (b) The board may lease all or part of the district's

1 buildings and other facilities on terms considered to be in the best  
2 interest of the district's inhabitants. The term of the lease may  
3 not exceed 25 years.

4 (c) The district may acquire equipment for use in the  
5 district's hospital system and mortgage or pledge the property as  
6 security for the payment of the purchase price. A contract entered  
7 into under this subsection must provide that the entire obligation  
8 be retired not later than the fifth anniversary of the date of the  
9 contract.

10 (d) The district may sell or otherwise dispose of any  
11 property, including equipment, on terms the board finds are in the  
12 best interest of the district's inhabitants. (Acts 65th Leg.,  
13 R.S., Ch. 6, Secs. 11(a) (part), (b) (part).)

14 Sec. 1090.108. EMINENT DOMAIN. (a) The district may  
15 exercise the power of eminent domain to acquire a fee simple or  
16 other interest in any type of property located in district  
17 territory if the interest is necessary or convenient for the  
18 district to exercise a power, right, or privilege conferred by this  
19 chapter.

20 (b) The district must exercise the power of eminent domain  
21 in the manner provided by Chapter 21, Property Code, except the  
22 district is not required to deposit in the trial court money or a  
23 bond as provided by Section 21.021(a), Property Code.

24 (c) In a condemnation proceeding brought by the district,  
25 the district is not required to:

26 (1) pay in advance or provide a bond or other security  
27 for costs in the trial court;

1           (2) provide a bond for the issuance of a temporary  
2 restraining order or a temporary injunction; or

3           (3) provide a bond for costs or a supersedeas bond on  
4 an appeal or petition for review. (Acts 65th Leg., R.S., Ch. 6,  
5 Sec. 15(a).)

6           Sec. 1090.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
7 exercising the power of eminent domain, if the board requires  
8 relocating, raising, lowering, rerouting, changing the grade, or  
9 altering the construction of any railroad, electric transmission,  
10 telegraph or telephone line, conduit, pole, or facility, or  
11 pipeline, the board must bear the actual cost of relocating,  
12 raising, lowering, rerouting, changing the grade, or altering the  
13 construction to provide comparable replacement without enhancement  
14 of facilities, after deducting the net salvage value derived from  
15 the old facility. (Acts 65th Leg., R.S., Ch. 6, Sec. 15(b).)

16           Sec. 1090.110. GIFTS AND ENDOWMENTS. The board may accept  
17 for the district a gift or endowment to be held in trust and  
18 administered by the board for the purposes and under the  
19 directions, limitations, or other provisions prescribed in writing  
20 by the donor that are not inconsistent with the proper management  
21 and objectives of the district. (Acts 65th Leg., R.S., Ch. 6, Sec.  
22 19.)

23           Sec. 1090.111. CONSTRUCTION CONTRACTS. A construction  
24 contract that involves the expenditure of more than \$10,000 may be  
25 made only after advertising in the manner provided by Chapter 252  
26 and Subchapter C, Chapter 262, Local Government Code. (Acts 65th  
27 Leg., R.S., Ch. 6, Sec. 11(b) (part).)

1           Sec. 1090.112. OPERATING AND MANAGEMENT CONTRACTS. The  
2 board may enter into an operating or management contract relating  
3 to a district facility. (Acts 65th Leg., R.S., Ch. 6, Sec. 11(a)  
4 (part).)

5           Sec. 1090.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
6 CARE AND TREATMENT. (a) The board may contract with a county or  
7 municipality located outside the district's boundaries to  
8 reimburse the district for the care and treatment of a sick or  
9 injured person of that county or municipality.

10           (b) The board may contract with this state or a federal  
11 agency for reimbursement for the treatment of a sick or injured  
12 person. (Acts 65th Leg., R.S., Ch. 6, Sec. 5 (part).)

13           Sec. 1090.114. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
14 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
15 political subdivision or governmental agency for the district to  
16 provide investigatory or other services for the medical, hospital,  
17 or welfare needs of district inhabitants. (Acts 65th Leg., R.S.,  
18 Ch. 6, Sec. 5 (part).)

19           Sec. 1090.115. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
20 When a patient who resides in the district is admitted to a district  
21 facility, the district administrator may have an inquiry made into  
22 the circumstances of:

- 23                   (1) the patient; and  
24                   (2) the patient's relatives who are legally liable for  
25 the patient's support.

26           (b) If the district administrator determines that the  
27 patient or those relatives cannot pay all or part of the costs of

1 the care and treatment in the hospital, the amount of the costs that  
2 cannot be paid becomes a charge against the district.

3 (c) If the district administrator determines that the  
4 patient or those relatives can pay for all or part of the costs of  
5 the patient's care and treatment, the patient or those relatives  
6 shall be ordered to pay the district a specified amount each week  
7 for the patient's care and support. The amount ordered must be  
8 proportionate to the person's financial ability.

9 (d) The district administrator may collect the amount from  
10 the patient's estate, or from any relative who is legally liable for  
11 the patient's support, in the manner provided by law for the  
12 collection of expenses of the last illness of a deceased person.

13 (e) If there is a dispute as to the ability to pay, or doubt  
14 in the mind of the district administrator, the board shall hold a  
15 hearing and, after calling witnesses, shall:

16 (1) resolve the dispute or doubt; and

17 (2) issue any appropriate orders.

18 (f) A final order of the board may be appealed to the  
19 district court. The substantial evidence rule applies to the  
20 appeal. (Acts 65th Leg., R.S., Ch. 6, Sec. 18.)

21 Sec. 1090.116. AUTHORITY TO SUE AND BE SUED. The district,  
22 through the board, may sue and be sued. (Acts 65th Leg., R.S., Ch.  
23 6, Sec. 5 (part).)

24 [Sections 1090.117-1090.150 reserved for expansion]

25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26 Sec. 1090.151. BUDGET. (a) The district administrator  
27 shall prepare an annual budget for approval by the board.

1 (b) The proposed budget must contain a complete financial  
2 statement of:

3 (1) the outstanding obligations of the district;

4 (2) the cash on hand in each district fund;

5 (3) the money received by the district from all  
6 sources during the previous year;

7 (4) the money available to the district from all  
8 sources during the ensuing year;

9 (5) the balances expected at the end of the year in  
10 which the budget is being prepared;

11 (6) the estimated revenue and balances available to  
12 cover the proposed budget; and

13 (7) the estimated tax rate required. (Acts 65th Leg.,  
14 R.S., Ch. 6, Sec. 7 (part).)

15 Sec. 1090.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
16 The board shall hold a public hearing on the proposed annual budget.

17 (b) Notice of the hearing must be published one time at  
18 least 10 days before the date of the hearing.

19 (c) Any district resident is entitled to be present and  
20 participate at the hearing.

21 (d) At the conclusion of the hearing, the board shall adopt  
22 a budget by acting on the budget proposed by the district  
23 administrator. The board may make any changes in the proposed  
24 budget that the board judges to be in the interests of the taxpayers  
25 and that the law warrants. (Acts 65th Leg., R.S., Ch. 6, Sec. 7  
26 (part).)

27 Sec. 1090.153. AMENDMENTS TO BUDGET. The budget may be

1 amended as required by circumstances. The board must approve all  
2 amendments. (Acts 65th Leg., R.S., Ch. 6, Sec. 7 (part).)

3 Sec. 1090.154. RESTRICTION ON EXPENDITURES. Money may be  
4 spent only for an expense included in the budget or an amendment to  
5 the budget. (Acts 65th Leg., R.S., Ch. 6, Sec. 7 (part).)

6 Sec. 1090.155. FISCAL YEAR. (a) The district operates  
7 according to a fiscal year established by the board.

8 (b) The fiscal year may not be changed:

9 (1) during a period that revenue bonds of the district  
10 are outstanding; or

11 (2) more than once in a 24-month period. (Acts 65th  
12 Leg., R.S., Ch. 6, Sec. 7 (part).)

13 Sec. 1090.156. AUDIT. The board shall have an audit made of  
14 the district's financial condition. (Acts 65th Leg., R.S., Ch. 6,  
15 Sec. 7 (part).)

16 Sec. 1090.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
17 The audit and other district records shall be open to inspection at  
18 the district's principal office. (Acts 65th Leg., R.S., Ch. 6, Sec.  
19 7 (part).)

20 Sec. 1090.158. FINANCIAL REPORT. As soon as practicable  
21 after the close of each fiscal year, the district administrator  
22 shall prepare for the board:

23 (1) a complete sworn statement of all district money;  
24 and

25 (2) a complete account of the disbursements of that  
26 money. (Acts 65th Leg., R.S., Ch. 6, Sec. 7 (part).)

27 Sec. 1090.159. DEPOSITORY. (a) The board shall select one



1 or more financial institutions to serve as a depository for  
2 district money.

3 (b) District money, other than money transmitted to a bank  
4 for payment of bonds or obligations issued by the district, shall be  
5 deposited as received with the depository bank and shall remain on  
6 deposit.

7 (c) This chapter, including Subsection (b), does not limit  
8 the power of the board to place a part of district money on time  
9 deposit or to purchase certificates of deposit.

10 (d) The district may not deposit money with a bank in an  
11 amount that exceeds the maximum amount secured by the Federal  
12 Deposit Insurance Corporation unless the bank first executes a bond  
13 or other security in an amount sufficient to secure from loss the  
14 district money that exceeds the amount secured by the Federal  
15 Deposit Insurance Corporation. (Acts 65th Leg., R.S., Ch. 6, Sec.  
16 12.)

17 Sec. 1090.160. SPENDING RESTRICTIONS. Except as otherwise  
18 provided by Section 1090.107(c) and by Subchapter E, the district  
19 may not incur an obligation payable from district revenue other  
20 than the revenue on hand or to be on hand in the current and  
21 following district fiscal years. (Acts 65th Leg., R.S., Ch. 6, Sec.  
22 11(b) (part).)

23 Sec. 1090.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
24 The board may borrow money at a rate of not more than 10 percent a  
25 year on district notes to pay the obligations if the board declares  
26 that money is not available to meet authorized district  
27 obligations, which creates an emergency.

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

2 (1) district revenue that is not pledged to pay the  
3 district's bonded indebtedness;

4 (2) a district tax to be imposed by the district in the  
5 next 12-month period that is not pledged to pay the principal of or  
6 interest on district bonds; or

7 (3) district bonds that have been authorized but not  
8 sold.

9 (c) A loan for which taxes or bonds are pledged must mature  
10 not later than the first anniversary of the date the loan is made. A  
11 loan for which district revenue is pledged must mature not later  
12 than the fifth anniversary of the date the loan is made.

13 (d) Money obtained from a loan under this section may be  
14 spent only for:

15 (1) a purpose for which the board declared an  
16 emergency; and

17 (2) the purposes for which the taxes were imposed or  
18 the bonds were authorized, if district taxes or bonds are pledged to  
19 pay the loan. (Acts 65th Leg., R.S., Ch. 6, Sec. 10A.)

20 [Sections 1090.162-1090.200 reserved for expansion]

21 SUBCHAPTER E. BONDS

22 Sec. 1090.201. GENERAL OBLIGATION BONDS. The board may  
23 issue and sell general obligation bonds in the name and on the faith  
24 and credit of the district for any purpose relating to:

25 (1) the purchase, construction, acquisition, repair,  
26 or renovation of buildings or improvements; and

27 (2) equipping buildings or improvements for hospital

1 purposes. (Acts 65th Leg., R.S., Ch. 6, Sec. 8(a) (part).)

2       Sec. 1090.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
3 the time general obligation bonds are issued by the district under  
4 Section 1090.201, the board shall impose an ad valorem tax at a rate  
5 sufficient to create an interest and sinking fund to pay the  
6 principal of and interest on the bonds as the bonds mature.

7       (b) The tax required by this section together with any other  
8 ad valorem tax the district imposes may not in any year exceed 75  
9 cents on each \$100 valuation of all taxable property in the  
10 district. (Acts 65th Leg., R.S., Ch. 6, Sec. 8(a) (part).)

11       Sec. 1090.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
12 district may issue general obligation bonds only if the bonds are  
13 authorized by a majority of the district voters.

14       (b) The order calling the election shall provide for clerks  
15 as in county elections and must specify:

- 16               (1) the date of the election;  
17               (2) the location of the polling places;  
18               (3) the presiding and alternate election judges for  
19 each polling place;  
20               (4) the amount of the bonds to be authorized; and  
21               (5) the maximum maturity of the bonds.

22       (c) Notice of a bond election shall be given as provided by  
23 Section 1251.003, Government Code. (Acts 65th Leg., R.S., Ch. 6,  
24 Sec. 8(a) (part).)

25       Sec. 1090.204. MATURITY OF GENERAL OBLIGATION BONDS.  
26 District general obligation bonds must mature not later than 40  
27 years after the date of issuance. (Acts 65th Leg., R.S., Ch. 6,

1 Sec. 8(c) (part).)

2 Sec. 1090.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
3 The board president shall execute the general obligation bonds in  
4 the district's name.

5 (b) The board secretary shall countersign the bonds in the  
6 manner provided by Chapter 618, Government Code. (Acts 65th Leg.,  
7 R.S., Ch. 6, Sec. 8(c) (part).)

8 Sec. 1090.206. REVENUE BONDS. (a) The board may issue  
9 revenue bonds to:

10 (1) purchase, construct, acquire, repair, renovate,  
11 or equip buildings or improvements for hospital purposes; or

12 (2) acquire sites to be used for hospital purposes.

13 (b) The bonds must be payable from and secured by a pledge of  
14 all or part of the revenue derived from the operation of the  
15 district's hospitals.

16 (c) The bonds may be additionally secured by a mortgage or  
17 deed of trust lien on all or part of district property.

18 (d) The bonds must be issued in the manner and in accordance  
19 with the procedures and requirements prescribed by Sections  
20 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
21 and Safety Code, for issuance of revenue bonds by a county hospital  
22 authority. (Acts 65th Leg., R.S., Ch. 6, Sec. 10 (part).)

23 Sec. 1090.207. REFUNDING BONDS. (a) The board may, without  
24 an election, issue refunding bonds to refund outstanding  
25 indebtedness issued by the district.

26 (b) A refunding bond may be:

27 (1) sold, with the proceeds of the refunding bonds

1 applied to the payment of the outstanding indebtedness; or

2 (2) exchanged wholly or partly for not less than a  
3 similar principal amount of outstanding indebtedness. (Acts 65th  
4 Leg., R.S., Ch. 6, Secs. 8(a) (part), (b) (part), 10 (part).)

5 Sec. 1090.208. BONDS EXEMPT FROM TAXATION. The following  
6 are exempt from taxation by this state or a political subdivision of  
7 this state:

8 (1) bonds issued by the district;

9 (2) the transfer and issuance of the bonds; or

10 (3) profits made in the sale of the bonds. (Acts 65th  
11 Leg., R.S., Ch. 6, Sec. 22 (part).)

12 [Sections 1090.209-1090.250 reserved for expansion]

13 SUBCHAPTER F. TAXES

14 Sec. 1090.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
15 shall impose a tax on all property in the district subject to  
16 district taxation.

17 (b) The board shall impose the tax to pay:

18 (1) indebtedness issued by the district; and

19 (2) the maintenance and operating expenses of the  
20 district.

21 (c) The board may not impose a tax to pay the principal of or  
22 interest on revenue bonds issued under this chapter. (Acts 65th  
23 Leg., R.S., Ch. 6, Secs. 13 (part), 16(a) (part).)

24 Sec. 1090.252. TAX RATE. (a) The board may impose the tax  
25 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
26 property in the district.

27 (b) In setting the tax rate, the board shall consider the

1 income of the district from sources other than taxation. (Acts 65th  
2 Leg., R.S., Ch. 6, Secs. 3(b) (part), 13 (part).)

3 Sec. 1090.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
4 ASSESSOR-COLLECTOR. (a) This section applies unless the board  
5 elects to have taxes assessed and collected under Section 1090.254.

6 (b) The tax assessor-collector of Refugio County shall  
7 assess and collect taxes imposed by the district. (Acts 65th Leg.,  
8 R.S., Ch. 6, Secs. 16(a) (part), (b) (part).)

9 Sec. 1090.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
10 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes  
11 assessed and collected by a tax assessor-collector appointed by the  
12 board. An election under this subsection must be made by December 1  
13 and governs the manner in which taxes are assessed and collected,  
14 until changed by a similar resolution.

15 (b) The district tax assessor-collector must:

16 (1) reside in the district; and

17 (2) own real property subject to district taxation.

18 (c) The board shall set for the district tax  
19 assessor-collector:

20 (1) the term of employment; and

21 (2) compensation. (Acts 65th Leg., R.S., Ch. 6, Secs.  
22 16(a) (part), (c) (part).)

23 [Sections 1090.255-1090.300 reserved for expansion]

24 SUBCHAPTER G. DISSOLUTION

25 Sec. 1090.301. DISSOLUTION; ELECTION. (a) The district  
26 may be dissolved as provided by this subchapter.

27 (b) The district may be dissolved and the district's assets

1 or facilities may be acquired by Refugio County only on approval of  
2 a majority of district voters who vote on the question of the  
3 district's dissolution and transfer of assets and facilities at an  
4 election.

5 (c) The board shall order the election if the board receives  
6 a petition calling for submission of the question that is signed by  
7 at least 15 percent of the district's registered voters. Each voter  
8 signing the petition must write next to the voter's name the date of  
9 the voter's signature.

10 (d) The petition must be filed within 45 days of the  
11 earliest date on which a voter signed the petition.

12 (e) The board shall order the question of the district's  
13 dissolution submitted at the first directors' election held after  
14 the date the board receives a petition under Subsection (d) that  
15 occurs after the time required by Section 3.005, Election Code.  
16 (Acts 65th Leg., R.S., Ch. 6, Secs. 26(a), (c) (part).)

17 Sec. 1090.302. NOTICE OF ELECTION ON DISSOLUTION. Notice  
18 of a directors' election at which the question of the district's  
19 dissolution will be submitted to the voters must include notice  
20 that the question of dissolution and the transfer of hospital  
21 facilities to and the assumption of debts and bond obligations by  
22 Refugio County will be submitted at the election. (Acts 65th Leg.,  
23 R.S., Ch. 6, Sec. 26(c) (part).)

24 Sec. 1090.303. BALLOT. Beneath the names of the candidates  
25 for director of the district, the ballot for an election under this  
26 subchapter must provide for voting for or against the following  
27 proposition: "The dissolution of the Refugio County Memorial

1 Hospital District and the transfer of the existing hospital  
2 facilities to and the assumption of the debts and bond obligations  
3 by Refugio County." (Acts 65th Leg., R.S., Ch. 6, Sec. 26(d).)

4       Sec. 1090.304. ELECTION RESULTS. (a) If a majority of the  
5 votes in an election under this subchapter favor dissolution, the  
6 board shall find that the proposition was approved and shall  
7 declare the district dissolved.

8       (b) If a majority of the votes in the election do not favor  
9 dissolution, the board shall find that the proposition was not  
10 approved and shall declare that the district will continue to  
11 operate. Another election on the question of dissolution may not be  
12 held within 48 months after the anniversary of the date of any  
13 preceding election held for the same purpose. (Acts 65th Leg.,  
14 R.S., Ch. 6, Secs. 26(e) (part), (f).)

15       Sec. 1090.305. TRANSFER OF ASSETS AND LIABILITIES. If the  
16 proposition for the dissolution of the district and the transfer of  
17 the existing hospital facilities to and the assumption of the debts  
18 and bond obligations by Refugio County is approved as provided by  
19 this subchapter:

20             (1) the land, buildings, improvements, and equipment  
21 that are part of the hospital or hospital system owned by the  
22 district shall be transferred to Refugio County;

23             (2) any debts and bond obligations of the district  
24 shall be assumed by Refugio County; and

25             (3) the Refugio County Commissioners Court shall  
26 provide for:

27                 (A) establishing and administering a hospital



1 system by purchasing, constructing, acquiring by gift or otherwise,  
2 repairing, or renovating buildings and equipment; and

3 (B) equipping the hospital system. (Acts 65th  
4 Leg., R.S., Ch. 6, Sec. 26(b).)

5 CHAPTER 1091. RICE HOSPITAL DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 1091.001. DEFINITIONS

8 Sec. 1091.002. AUTHORITY FOR OPERATION

9 Sec. 1091.003. ESSENTIAL PUBLIC FUNCTION

10 Sec. 1091.004. DISTRICT TERRITORY

11 Sec. 1091.005. DISTRICT SUPPORT OR MAINTENANCE NOT

12 STATE OBLIGATION

13 Sec. 1091.006. RESTRICTION ON STATE FINANCIAL

14 ASSISTANCE

15 [Sections 1091.007-1091.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1091.051. BOARD ELECTION; TERM

18 Sec. 1091.052. NOTICE OF ELECTION

19 Sec. 1091.053. BALLOT PETITION

20 Sec. 1091.054. QUALIFICATIONS FOR OFFICE

21 Sec. 1091.055. BOND; RECORD OF BOND

22 Sec. 1091.056. BOARD VACANCY

23 Sec. 1091.057. OFFICERS

24 Sec. 1091.058. COMPENSATION; EXPENSES

25 Sec. 1091.059. VOTING REQUIREMENT

26 Sec. 1091.060. DISTRICT ADMINISTRATOR

- 1 Sec. 1091.061. GENERAL DUTIES OF DISTRICT  
2 ADMINISTRATOR
- 3 Sec. 1091.062. ASSISTANT DISTRICT ADMINISTRATOR;  
4 ATTORNEY
- 5 Sec. 1091.063. APPOINTMENT AND RECRUITMENT OF STAFF  
6 AND EMPLOYEES
- 7 Sec. 1091.064. RETIREMENT BENEFITS
- 8 [Sections 1091.065-1091.100 reserved for expansion]
- 9 SUBCHAPTER C. POWERS AND DUTIES
- 10 Sec. 1091.101. DISTRICT RESPONSIBILITY
- 11 Sec. 1091.102. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 12 Sec. 1091.103. RULES
- 13 Sec. 1091.104. PURCHASING AND ACCOUNTING PROCEDURES
- 14 Sec. 1091.105. DISTRICT PROPERTY, FACILITIES, AND  
15 EQUIPMENT
- 16 Sec. 1091.106. EMINENT DOMAIN
- 17 Sec. 1091.107. COST OF RELOCATING OR ALTERING PROPERTY
- 18 Sec. 1091.108. GIFTS AND ENDOWMENTS
- 19 Sec. 1091.109. CONSTRUCTION CONTRACTS
- 20 Sec. 1091.110. OPERATING AND MANAGEMENT CONTRACTS
- 21 Sec. 1091.111. CONTRACTS FOR SERVICES
- 22 Sec. 1091.112. PROVISION OF CERTAIN HEALTH SERVICES
- 23 Sec. 1091.113. PAYMENT FOR TREATMENT; PROCEDURES
- 24 Sec. 1091.114. REIMBURSEMENT FOR SERVICES
- 25 Sec. 1091.115. AUTHORITY TO SUE AND BE SUED
- 26 [Sections 1091.116-1091.150 reserved for expansion]

1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2   Sec. 1091.151.   BUDGET

3   Sec. 1091.152.   NOTICE; HEARING; ADOPTION OF BUDGET

4   Sec. 1091.153.   AMENDMENTS TO BUDGET

5   Sec. 1091.154.   FISCAL YEAR

6   Sec. 1091.155.   ANNUAL AUDIT

7   Sec. 1091.156.   INSPECTION OF ANNUAL AUDIT AND DISTRICT

8                   RECORDS

9   Sec. 1091.157.   FINANCIAL REPORT

10  Sec. 1091.158.   SHORT-TERM FINANCING

11  Sec. 1091.159.   DEPOSITORY

12  Sec. 1091.160.   SPENDING AND INVESTMENT RESTRICTIONS

13           [Sections 1091.161-1091.200 reserved for expansion]

14                   SUBCHAPTER E. BONDS

15  Sec. 1091.201.   GENERAL OBLIGATION BONDS

16  Sec. 1091.202.   TAX TO PAY GENERAL OBLIGATION BONDS

17  Sec. 1091.203.   GENERAL OBLIGATION BOND ELECTION

18  Sec. 1091.204.   REVENUE BONDS

19  Sec. 1091.205.   REFUNDING BONDS

20  Sec. 1091.206.   MATURITY OF BONDS

21  Sec. 1091.207.   EXECUTION OF BONDS

22  Sec. 1091.208.   BONDS EXEMPT FROM TAXATION

23           [Sections 1091.209-1091.250 reserved for expansion]

24                   SUBCHAPTER F. TAXES

25  Sec. 1091.251.   IMPOSITION OF AD VALOREM TAX

26  Sec. 1091.252.   TAX RATE

27  Sec. 1091.253.   TAX ASSESSOR-COLLECTOR

1 [Sections 1091.254-1091.300 reserved for expansion]

2 SUBCHAPTER G. DISSOLUTION

3 Sec. 1091.301. DISSOLUTION; ELECTION

4 Sec. 1091.302. NOTICE OF ELECTION

5 Sec. 1091.303. BALLOT

6 Sec. 1091.304. ELECTION RESULTS

7 Sec. 1091.305. SALE OR TRANSFER OF ASSETS AND

8 LIABILITIES

9 CHAPTER 1091. RICE HOSPITAL DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 1091.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "Director" means a member of the board.

15 (3) "District" means the Rice Hospital District.

16 (Acts 71st Leg., R.S., Ch. 199, Sec. 1.01.)

17 Sec. 1091.002. AUTHORITY FOR OPERATION. The Rice Hospital  
18 District operates and is financed as provided by Section 9, Article  
19 IX, Texas Constitution, and by this chapter. (Acts 71st Leg., R.S.,  
20 Ch. 199, Sec. 1.02.)

21 Sec. 1091.003. ESSENTIAL PUBLIC FUNCTION. The district is  
22 a public entity performing an essential public function. (Acts  
23 71st Leg., R.S., Ch. 199, Sec. 7.11 (part).)

24 Sec. 1091.004. DISTRICT TERRITORY. The boundaries of the  
25 district are coextensive with the boundaries of Rice Consolidated  
26 Independent School District of Colorado County, Texas, as those  
27 boundaries existed on May 26, 1989. (Acts 71st Leg., R.S., Ch. 199,

1 Sec. 1.03.)

2 Sec. 1091.005. DISTRICT SUPPORT OR MAINTENANCE NOT STATE  
3 OBLIGATION. The state may not become obligated for the support or  
4 maintenance of the district. (Acts 71st Leg., R.S., Ch. 199, Sec.  
5 10.01 (part).)

6 Sec. 1091.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
7 The legislature may not make a direct appropriation for the  
8 construction, maintenance, or improvement of a district facility.  
9 (Acts 71st Leg., R.S., Ch. 199, Sec. 10.01 (part).)

10 [Sections 1091.007-1091.050 reserved for expansion]

11 SUBCHAPTER B. DISTRICT ADMINISTRATION

12 Sec. 1091.051. BOARD ELECTION; TERM. (a) The district is  
13 governed by a board of nine directors elected from the district at  
14 large.

15 (b) Unless four-year terms are established under Section  
16 285.081, Health and Safety Code:

17 (1) directors serve staggered two-year terms; and

18 (2) an election shall be held on the uniform election  
19 date in May of each year to elect the appropriate number of  
20 directors. (Acts 71st Leg., R.S., Ch. 199, Secs. 4.01(a), 4.03(a),  
21 (c) (part).)

22 Sec. 1091.052. NOTICE OF ELECTION. At least 35 days before  
23 the date of an election of directors, notice of the election shall  
24 be published one time in a newspaper with general circulation in the  
25 district. (Acts 71st Leg., R.S., Ch. 199, Sec. 4.04.)

26 Sec. 1091.053. BALLOT PETITION. A person seeking to have  
27 the person's name printed on the ballot as a candidate for director

1 must file with the board secretary a petition requesting that  
2 action. The petition must be:

3 (1) signed by at least 10 registered voters of the  
4 district as determined by the most recent official list of  
5 registered voters; and

6 (2) filed not later than the 31st day before the date  
7 of the election. (Acts 71st Leg., R.S., Ch. 199, Sec. 4.05.)

8 Sec. 1091.054. QUALIFICATIONS FOR OFFICE. (a) To be  
9 eligible to be a candidate for or to serve as a director, a person  
10 must be:

11 (1) a resident of the district; and

12 (2) a qualified voter.

13 (b) A district employee may not serve as a director. (Acts  
14 71st Leg., R.S., Ch. 199, Sec. 4.06.)

15 Sec. 1091.055. BOND; RECORD OF BOND. (a) Before assuming  
16 the duties of office, each director must execute a bond for \$5,000  
17 that is:

18 (1) payable to the district; and

19 (2) conditioned on the faithful performance of the  
20 director's duties.

21 (b) The board may pay for directors' bonds with district  
22 money.

23 (c) Each director's bond shall be kept in the district's  
24 permanent records. (Acts 71st Leg., R.S., Ch. 199, Sec. 4.07.)

25 Sec. 1091.056. BOARD VACANCY. If a vacancy occurs in the  
26 office of director, the remaining directors shall appoint a  
27 director for the unexpired term. (Acts 71st Leg., R.S., Ch. 199,

1 Sec. 4.08.)

2 Sec. 1091.057. OFFICERS. (a) The board shall elect a  
3 president and a vice president from among its members.

4 (b) The board shall appoint a secretary, who need not be a  
5 director.

6 (c) Each officer of the board serves for a term of one year.

7 (d) The board shall fill a vacancy in a board office for the  
8 unexpired term. (Acts 71st Leg., R.S., Ch. 199, Secs. 4.09, 4.10.)

9 Sec. 1091.058. COMPENSATION; EXPENSES. A director or  
10 officer serves without compensation but may be reimbursed for  
11 actual expenses incurred in the performance of official duties.  
12 The expenses must be:

13 (1) reported in the district's records; and

14 (2) approved by the board. (Acts 71st Leg., R.S., Ch.  
15 199, Sec. 4.11.)

16 Sec. 1091.059. VOTING REQUIREMENT. A concurrence of a  
17 majority of the directors voting is necessary in any matter  
18 relating to district business. (Acts 71st Leg., R.S., Ch. 199, Sec.  
19 4.12.)

20 Sec. 1091.060. DISTRICT ADMINISTRATOR. (a) The board may  
21 appoint a qualified person as district administrator.

22 (b) The district administrator serves at the will of the  
23 board and is entitled to compensation as determined by the board.

24 (c) Before assuming the duties of district administrator,  
25 the administrator must execute a bond in an amount determined by the  
26 board of not less than \$5,000 that is:

27 (1) payable to the district; and

1           (2) conditioned on the faithful performance of the  
2 administrator's duties under this chapter.

3           (d) The board may pay for the bond with district money.  
4 (Acts 71st Leg., R.S., Ch. 199, Secs. 4.13(a) (part), (b) (part),  
5 (c) (part), (d).)

6           Sec. 1091.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
7 Subject to the limitations prescribed by the board, the district  
8 administrator shall:

9           (1) supervise the work and activities of the district;  
10 and

11           (2) direct the general affairs of the district. (Acts  
12 71st Leg., R.S., Ch. 199, Sec. 4.16.)

13           Sec. 1091.062. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

14 (a) The board may appoint qualified persons as:

15           (1) the assistant district administrator; and

16           (2) the attorney for the district.

17           (b) The assistant district administrator and the attorney  
18 for the district serve at the will of the board and are entitled to  
19 compensation as determined by the board. (Acts 71st Leg., R.S., Ch.  
20 199, Secs. 4.13(a) (part), (b) (part), (c) (part).)

21           Sec. 1091.063. APPOINTMENT AND RECRUITMENT OF STAFF AND  
22 EMPLOYEES. (a) The board may:

23           (1) appoint to the staff any doctors whose appointment  
24 the board considers necessary for the efficient operation of the  
25 district;

26           (2) make temporary appointments as the board considers  
27 necessary; and



1           (3) after due process remove from the medical staff  
2 any doctor whose removal the board considers necessary for the  
3 efficient operation of the district.

4           (b) The district may employ technicians, nurses, fiscal  
5 agents, accountants, architects, additional attorneys, and other  
6 necessary employees.

7           (c) The board may delegate to the district administrator the  
8 authority to employ persons for the district.

9           (d) Except as prohibited by applicable law, the board may  
10 spend money to recruit physicians, nurses, and other personnel.  
11 (Acts 71st Leg., R.S., Ch. 199, Secs. 4.14, 4.15, 5.04(c).)

12           Sec. 1091.064. RETIREMENT BENEFITS. The board may provide  
13 retirement benefits for district employees by:

14           (1) establishing or administering a retirement  
15 program; or

16           (2) participating in:

17                   (A) the Texas County and District Retirement  
18 System; or

19                   (B) another statewide retirement system in which  
20 the district is eligible to participate. (Acts 71st Leg., R.S., Ch.  
21 199, Sec. 4.17.)

22           [Sections 1091.065-1091.100 reserved for expansion]

23                   SUBCHAPTER C. POWERS AND DUTIES

24           Sec. 1091.101. DISTRICT RESPONSIBILITY. The district has  
25 full responsibility for:

26           (1) operating hospital facilities; and

27           (2) providing medical and hospital care for the

1 district's needy inhabitants. (Acts 71st Leg., R.S., Ch. 199, Sec.  
2 5.01 (part).)

3 Sec. 1091.102. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
4 The board shall manage, control, and administer the hospital system  
5 and the money and resources of the district. (Acts 71st Leg., R.S.,  
6 Ch. 199, Sec. 5.02.)

7 Sec. 1091.103. RULES. The board may adopt rules governing:

8 (1) the operation of the hospital and hospital system;  
9 and

10 (2) the duties, functions, and responsibilities of  
11 district staff and employees. (Acts 71st Leg., R.S., Ch. 199, Sec.  
12 5.03.)

13 Sec. 1091.104. PURCHASING AND ACCOUNTING PROCEDURES. The  
14 board may prescribe:

15 (1) the method of making purchases and expenditures by  
16 and for the district; and

17 (2) accounting and control procedures for the  
18 district. (Acts 71st Leg., R.S., Ch. 199, Secs. 5.04(a), (b).)

19 Sec. 1091.105. DISTRICT PROPERTY, FACILITIES, AND  
20 EQUIPMENT. (a) The board shall determine:

21 (1) the type, number, and location of buildings  
22 required to maintain an adequate hospital system; and

23 (2) the type of equipment necessary for hospital care.

24 (b) The board may:

25 (1) acquire property, including facilities and  
26 equipment, for the district for use in the hospital system; and

27 (2) mortgage or pledge the property as security for

1 payment of the purchase price.

2 (c) The board may lease hospital facilities for the  
3 district.

4 (d) The board may sell or otherwise dispose of property,  
5 including facilities or equipment, for the district. (Acts 71st  
6 Leg., R.S., Ch. 199, Sec. 5.05.)

7 Sec. 1091.106. EMINENT DOMAIN. (a) The district may  
8 exercise the power of eminent domain to acquire a fee simple or  
9 other interest in property located in district territory if the  
10 interest is necessary for the district to exercise a right or  
11 authority conferred by this chapter.

12 (b) The district must exercise the power of eminent domain  
13 in the manner provided by Chapter 21, Property Code, except the  
14 district is not required to deposit in the trial court money or a  
15 bond as provided by Section 21.021(a), Property Code.

16 (c) In a condemnation proceeding brought by the district,  
17 the district is not required to:

18 (1) pay in advance or provide a bond or other security  
19 for costs in the trial court;

20 (2) provide a bond for the issuance of a temporary  
21 restraining order or a temporary injunction; or

22 (3) provide a bond for costs or a supersedeas bond on  
23 an appeal or petition for review. (Acts 71st Leg., R.S., Ch. 199,  
24 Sec. 5.08.)

25 Sec. 1091.107. COST OF RELOCATING OR ALTERING PROPERTY. In  
26 exercising the power of eminent domain, if the board requires  
27 relocating, raising, lowering, rerouting, changing the grade of, or

1 altering the construction of any railroad, highway, pipeline, or  
2 electric transmission and electric distribution, telegraph, or  
3 telephone line, conduit, pole, or facility, the district must bear  
4 the actual cost of relocating, raising, lowering, rerouting,  
5 changing the grade, or altering the construction to provide  
6 comparable replacement, without enhancement of facilities, after  
7 deducting the net salvage value derived from the old facility.  
8 (Acts 71st Leg., R.S., Ch. 199, Sec. 5.09.)

9       Sec. 1091.108. GIFTS AND ENDOWMENTS. The board may accept  
10 for the district a gift or endowment to be held in trust for any  
11 purpose and under any direction, limitation, or other provision  
12 prescribed in writing by the donor that is consistent with the  
13 proper management of the district. (Acts 71st Leg., R.S., Ch. 199,  
14 Sec. 5.13.)

15       Sec. 1091.109. CONSTRUCTION CONTRACTS. (a) The board may  
16 enter into construction contracts for the district.

17       (b) The board may enter into a construction contract that  
18 involves the expenditure of more than the amount provided by  
19 Section 271.024, Local Government Code, only after competitive  
20 bidding as provided by Subchapter B, Chapter 271, Local Government  
21 Code. (Acts 71st Leg., R.S., Ch. 199, Sec. 5.06(a).)

22       Sec. 1091.110. OPERATING AND MANAGEMENT CONTRACTS. The  
23 board may enter into an operating or management contract for the  
24 district relating to a hospital facility. (Acts 71st Leg., R.S.,  
25 Ch. 199, Sec. 5.07.)

26       Sec. 1091.111. CONTRACTS FOR SERVICES. (a) The board may  
27 contract with a public or private hospital, a political subdivision

1 of this state, or a state or federal agency for the district to  
2 provide a mobile emergency medical service or other health care  
3 services needed to provide for the investigatory or welfare needs  
4 of district inhabitants.

5 (b) The board may contract with any person to receive or  
6 supply the services the board considers necessary for the effective  
7 operation of the district. (Acts 71st Leg., R.S., Ch. 199, Sec.  
8 5.12.)

9 Sec. 1091.112. PROVISION OF CERTAIN HEALTH SERVICES. The  
10 district may:

11 (1) operate or provide for the operation of a mobile  
12 emergency medical service; and

13 (2) operate or provide for home health services,  
14 long-term care, skilled nursing care, intermediate nursing care,  
15 hospice care, or any other reasonable or appropriate medical care  
16 or medical services. (Acts 71st Leg., R.S., Ch. 199, Sec. 5.01  
17 (part).)

18 Sec. 1091.113. PAYMENT FOR TREATMENT; PROCEDURES. (a) If  
19 an individual who resides in the district is admitted as a patient  
20 to a district facility, the district administrator may have an  
21 inquiry made into the financial circumstances of:

22 (1) the patient; and

23 (2) a relative of the patient who is legally  
24 responsible for the patient's support.

25 (b) To the extent that the patient or a relative of the  
26 patient who is legally responsible for the patient's support cannot  
27 pay for care and treatment provided by the district, the district

1 shall supply the care and treatment without charging the patient or  
2 the patient's relative.

3 (c) On determining that the patient or a relative legally  
4 responsible for the patient's support can pay for all or part of the  
5 care and treatment provided by the district, the district  
6 administrator shall report that determination to the board, and the  
7 board shall issue an order directing the patient or the relative to  
8 pay the district a specified amount each week. The amount must be  
9 based on the individual's ability to pay.

10 (d) The district administrator may collect money owed to the  
11 district from the patient's estate or from that of a relative  
12 legally responsible for the patient's support in the manner  
13 provided by law for the collection of expenses in the last illness  
14 of a deceased person.

15 (e) If there is a dispute relating to an individual's  
16 ability to pay or if the district administrator has any doubt  
17 concerning an individual's ability to pay, the board shall:

- 18 (1) call witnesses;  
19 (2) hear and resolve the question; and  
20 (3) issue a final order.

21 (f) A final order of the board may be appealed only to a  
22 district court in Colorado County. The substantial evidence rule  
23 applies to the appeal. (Acts 71st Leg., R.S., Ch. 199, Secs.  
24 5.10(b), (c), (d), (e), (f).)

25 Sec. 1091.114. REIMBURSEMENT FOR SERVICES. (a) The board  
26 shall require a county, municipality, or public hospital located  
27 outside the district to reimburse the district for the district's

1 care and treatment of a sick or injured person of that county,  
2 municipality, or public hospital, as provided by Chapter 61, Health  
3 and Safety Code.

4 (b) The board shall require the sheriff of Colorado County  
5 or the police chief of the City of Eagle Lake, as applicable, to  
6 reimburse the district for the district's care and treatment of a  
7 person who is confined in a jail facility of Colorado County or the  
8 City of Eagle Lake and is not a district resident.

9 (c) The board may contract with the state or federal  
10 government for that government to reimburse the district for  
11 treatment of a sick or injured person. (Acts 71st Leg., R.S., Ch.  
12 199, Sec. 5.11.)

13 Sec. 1091.115. AUTHORITY TO SUE AND BE SUED. The board may  
14 sue and be sued on behalf of the district. (Acts 71st Leg., R.S.,  
15 Ch. 199, Sec. 5.14.)

16 [Sections 1091.116-1091.150 reserved for expansion]

17 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

18 Sec. 1091.151. BUDGET. (a) The district administrator  
19 shall prepare a proposed annual budget for the district.

20 (b) The proposed budget must contain a complete financial  
21 statement, including a statement of:

22 (1) the outstanding obligations of the district;

23 (2) the amount of cash on hand to the credit of each  
24 district fund;

25 (3) the amount of money received by the district from  
26 all sources during the previous year;

27 (4) the amount of money available to the district from

1 all sources during the ensuing year;

2 (5) the amount of the balances expected at the end of  
3 the year in which the budget is being prepared;

4 (6) the estimated amount of revenue and balances  
5 available to cover the proposed budget; and

6 (7) the estimated tax rate to be required. (Acts 71st  
7 Leg., R.S., Ch. 199, Sec. 6.04.)

8 Sec. 1091.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)

9 The board shall hold a public hearing on the proposed annual budget.

10 (b) Not later than the 10th day before the date of the  
11 hearing the board shall publish notice of the hearing in a newspaper  
12 of general circulation in the district.

13 (c) Any district resident is entitled to be present and  
14 participate at the hearing.

15 (d) At the conclusion of the hearing, the board shall adopt  
16 a budget by acting on the budget proposed by the district  
17 administrator. The board may make any changes in the proposed  
18 budget that the board judges to be in the interests of the  
19 taxpayers.

20 (e) The budget is effective only after adoption by the  
21 board. (Acts 71st Leg., R.S., Ch. 199, Sec. 6.05.)

22 Sec. 1091.153. AMENDMENTS TO BUDGET. After the annual  
23 budget is adopted, the budget may be amended on the board's  
24 approval. (Acts 71st Leg., R.S., Ch. 199, Sec. 6.06.)

25 Sec. 1091.154. FISCAL YEAR. (a) The district operates  
26 according to a fiscal year established by the board.

27 (b) The fiscal year may not be changed:



1           (1) during a period that revenue bonds of the district  
2 are outstanding; or

3           (2) more than once in a 24-month period. (Acts 71st  
4 Leg., R.S., Ch. 199, Sec. 6.01.)

5           Sec. 1091.155. ANNUAL AUDIT. The board annually shall have  
6 an audit made of the district's financial condition. (Acts 71st  
7 Leg., R.S., Ch. 199, Sec. 6.02.)

8           Sec. 1091.156. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
9 RECORDS. The annual audit and other district records are open to  
10 inspection during regular business hours at the district's  
11 principal office. (Acts 71st Leg., R.S., Ch. 199, Sec. 6.03.)

12          Sec. 1091.157. FINANCIAL REPORT. As soon as practicable  
13 after the close of the fiscal year, the district administrator  
14 shall prepare for the board:

15           (1) a sworn statement of the amount of district money;  
16 and

17           (2) an account of the disbursements of that money.  
18 (Acts 71st Leg., R.S., Ch. 199, Sec. 6.08.)

19          Sec. 1091.158. SHORT-TERM FINANCING. The district may  
20 borrow money through short-term financing. (Acts 71st Leg., R.S.,  
21 Ch. 199, Sec. 6.07.)

22          Sec. 1091.159. DEPOSITORY. (a) The board shall select at  
23 least one bank to serve as a depository for district money.

24          (b) District money, other than money invested as provided by  
25 Section 1091.160(b) and money transmitted to a bank for payment of  
26 bonds or obligations issued or assumed by the district, shall be  
27 deposited as received with the depository bank and must remain on

1 deposit. This subsection does not limit the power of the board to  
2 place a part of district money on time deposit or to purchase  
3 certificates of deposit.

4 (c) The district may not deposit money with a bank in an  
5 amount that exceeds the maximum amount secured by the Federal  
6 Deposit Insurance Corporation unless the bank first executes a bond  
7 or other security in an amount sufficient to secure from loss the  
8 district money that exceeds the amount secured by the Federal  
9 Deposit Insurance Corporation. (Acts 71st Leg., R.S., Ch. 199,  
10 Sec. 6.10.)

11 Sec. 1091.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
12 Except as provided by Sections 1091.109, 1091.201, 1091.204, and  
13 1091.205, the district may not incur a debt payable from district  
14 revenue other than the revenue on hand or to be on hand in the  
15 current fiscal year and the immediately following fiscal year of  
16 the district.

17 (b) The board may invest operating, depreciation, or  
18 building reserves only in funds or securities specified by Chapter  
19 2256, Government Code. (Acts 71st Leg., R.S., Ch. 199, Sec. 6.09.)

20 [Sections 1091.161-1091.200 reserved for expansion]

21 SUBCHAPTER E. BONDS

22 Sec. 1091.201. GENERAL OBLIGATION BONDS. If authorized by  
23 an election, the board may issue and sell general obligation bonds  
24 in the name and on the faith and credit of the district to:

25 (1) purchase, construct, acquire, repair, or renovate  
26 buildings or improvements;

27 (2) equip buildings or improvements for hospital

1 purposes; or

2 (3) acquire and operate a mobile emergency medical  
3 service. (Acts 71st Leg., R.S., Ch. 199, Sec. 7.01.)

4 Sec. 1091.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
5 the time general obligation bonds are issued by the district under  
6 Section 1091.201, the board shall impose an ad valorem tax at a rate  
7 sufficient to create an interest and sinking fund to pay the  
8 principal of and interest on the bonds as the bonds mature.

9 (b) The tax required by this section together with any other  
10 ad valorem tax the district imposes may not in any year exceed the  
11 limit approved by the voters at the election authorizing the  
12 imposition of the tax. (Acts 71st Leg., R.S., Ch. 199, Sec. 7.02.)

13 Sec. 1091.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
14 district may issue general obligation bonds only if the bonds are  
15 authorized by a majority of the district voters voting at an  
16 election held for that purpose.

17 (b) The board may order a bond election. The order calling  
18 the election must specify:

- 19 (1) the nature and date of the election;  
20 (2) the hours during which the polls will be open;  
21 (3) the location of the polling places;  
22 (4) the amount of the bonds to be authorized; and  
23 (5) the maximum maturity of the bonds.

24 (c) Notice of a bond election shall be given as provided by  
25 Section 1251.003, Government Code.

26 (d) The board shall declare the results of the election.  
27 (Acts 71st Leg., R.S., Ch. 199, Sec. 7.03.)

1           Sec. 1091.204. REVENUE BONDS. (a) The board may issue  
2 revenue bonds to:

3                   (1) purchase, construct, acquire, repair, equip, or  
4 renovate buildings or improvements for hospital purposes;

5                   (2) acquire sites to be used for hospital purposes; or

6                   (3) acquire and operate a mobile emergency medical  
7 service to assist the district in carrying out its hospital  
8 purposes.

9           (b) The bonds must be payable from and secured by a pledge of  
10 all or part of the revenue derived from the operation of the  
11 district's hospital system.

12           (c) The bonds may be additionally secured by a mortgage or  
13 deed of trust lien on all or part of district property.

14           (d) The bonds must be issued in the manner provided by  
15 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
16 Health and Safety Code, for issuance of revenue bonds by a county  
17 hospital authority. (Acts 71st Leg., R.S., Ch. 199, Sec. 7.04.)

18           Sec. 1091.205. REFUNDING BONDS. (a) The board may issue  
19 refunding bonds to refund outstanding indebtedness issued or  
20 assumed by the district.

21           (b) Refunding bonds may be:

22                   (1) sold, with the proceeds of the refunding bonds  
23 applied to the payment of the outstanding indebtedness; or

24                   (2) exchanged wholly or partly for not less than a  
25 similar principal amount of outstanding indebtedness. (Acts 71st  
26 Leg., R.S., Ch. 199, Secs. 7.05(a), (c) (part).)

27           Sec. 1091.206. MATURITY OF BONDS. District bonds must

1 mature not later than 50 years after the date of issuance. (Acts  
2 71st Leg., R.S., Ch. 199, Sec. 7.06 (part).)

3 Sec. 1091.207. EXECUTION OF BONDS. (a) The board president  
4 shall execute the district's bonds in the district's name.

5 (b) The board secretary shall countersign the bonds in the  
6 manner provided by Chapter 618, Government Code. (Acts 71st Leg.,  
7 R.S., Ch. 199, Sec. 7.07.)

8 Sec. 1091.208. BONDS EXEMPT FROM TAXATION. The following  
9 are exempt from taxation by this state or a political subdivision of  
10 this state:

- 11 (1) bonds issued by the district;
- 12 (2) any transaction relating to the bonds; and
- 13 (3) profits made in the sale of the bonds. (Acts 71st  
14 Leg., R.S., Ch. 199, Sec. 7.11 (part).)

15 [Sections 1091.209-1091.250 reserved for expansion]

16 SUBCHAPTER F. TAXES

17 Sec. 1091.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
18 may impose a tax on all property in the district subject to district  
19 taxation.

20 (b) The tax may be used to pay:

- 21 (1) indebtedness issued or assumed by the district;
- 22 and

23 (2) the maintenance and operating expenses of the  
24 district. (Acts 71st Leg., R.S., Ch. 199, Secs. 8.01(a) (part),  
25 (c), 8.02(b).)

26 Sec. 1091.252. TAX RATE. (a) The board may impose the tax  
27 at a rate not to exceed the limit approved by the voters at the

1 election authorizing the imposition of the tax.

2 (b) The tax rate for all purposes may not exceed 75 cents on  
3 each \$100 valuation of all taxable property in the district.

4 (c) In setting the tax rate, the board shall consider the  
5 income of the district from sources other than taxation. (Acts 71st  
6 Leg., R.S., Ch. 199, Secs. 8.01(a) (part), (b), 8.03 (part).)

7 Sec. 1091.253. TAX ASSESSOR-COLLECTOR. The board may  
8 provide for the appointment of a tax assessor-collector for the  
9 district or may contract for the assessment and collection of taxes  
10 as provided by the Tax Code. (Acts 71st Leg., R.S., Ch. 199, Sec.  
11 8.04(b).)

12 [Sections 1091.254-1091.300 reserved for expansion]

13 SUBCHAPTER G. DISSOLUTION

14 Sec. 1091.301. DISSOLUTION; ELECTION. (a) The district  
15 may be dissolved and the district's assets and liabilities sold or  
16 transferred to another person only on approval of a majority of the  
17 district voters voting in an election held for that purpose.

18 (b) A majority of the directors of the district may order an  
19 election on the question of dissolution of the district and the  
20 transfer of the district's assets and liabilities.

21 (c) The board shall order an election under this section if  
22 the board receives a petition requesting an election that is signed  
23 by at least 300 registered district voters according to the most  
24 recent official list of registered voters. The board shall call the  
25 election not later than the 60th day after the date the petition is  
26 presented to the district.

27 (d) An order calling an election under this section must

1 state:

2 (1) the nature of the election, including the  
3 proposition to appear on the ballot;

4 (2) the date of the election;

5 (3) the hours during which the polls will be open; and

6 (4) the location of the polling places.

7 (e) Section 41.001(a), Election Code, does not apply to an  
8 election ordered under this section. (Acts 71st Leg., R.S., Ch.  
9 199, Secs. 9.01, 9.02, 9.03, 9.05(b).)

10 Sec. 1091.302. NOTICE OF ELECTION. (a) The board shall  
11 give notice of an election under this subchapter by publishing once  
12 a week for two consecutive weeks a substantial copy of the election  
13 order in a newspaper with general circulation in the district.

14 (b) The first publication of the notice must appear at least  
15 35 days before the date set for the election. (Acts 71st Leg.,  
16 R.S., Ch. 199, Sec. 9.04.)

17 Sec. 1091.303. BALLOT. The ballot for an election under  
18 this subchapter must be printed to permit voting for or against the  
19 proposition: "The dissolution of the Rice Hospital District and  
20 the sale or transfer of its assets and liabilities in the following  
21 manner: \_\_\_\_\_ (insert provisions for transfer)." (Acts  
22 71st Leg., R.S., Ch. 199, Sec. 9.06.)

23 Sec. 1091.304. ELECTION RESULTS. (a) If the board finds  
24 that the election results favor the proposition to dissolve the  
25 district, the board shall:

26 (1) issue an order declaring the district dissolved;

27 and

1           (2) proceed with the sale or transfer of the district's  
2 assets and liabilities according to the plan proposed on the  
3 ballot.

4           (b) If the board finds that the election results do not  
5 favor the proposition to dissolve the district, another dissolution  
6 election may not be held before the first anniversary of the date of  
7 the election in which the voters disapproved the proposition.  
8 (Acts 71st Leg., R.S., Ch. 199, Secs. 9.07(b), (c).)

9           Sec. 1091.305. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

10          (a) Notwithstanding any other provision of this subchapter, the  
11 district may not be dissolved unless the board provides for the sale  
12 or transfer of the district's assets and liabilities to another  
13 person.

14          (b) The dissolution of the district and the sale or transfer  
15 of the district's assets or liabilities may not:

16               (1) contravene a trust indenture or bond resolution  
17 relating to the district's outstanding bonds; or

18               (2) diminish or impair the rights of a holder of an  
19 outstanding bond, warrant, or other obligation of the district.

20          (c) The sale or transfer of the district's assets and  
21 liabilities must satisfy the debt and bond obligations of the  
22 district in a manner that protects the interests of district  
23 citizens, including the citizens' collective property rights in the  
24 district's assets.

25          (d) The district may transfer or sell the district's assets  
26 only for due compensation, unless the transfer is made to another  
27 governmental agency embracing the district and using the



1 transferred assets for the benefit of the citizens formerly in the  
2 district.

3 (e) A grant from federal funds is an obligation to be repaid  
4 in satisfaction. (Acts 71st Leg., R.S., Ch. 199, Sec. 9.08.)

5 CHAPTER 1092. SABINE COUNTY HOSPITAL DISTRICT OF SABINE COUNTY,  
6 TEXAS

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 1092.001. DEFINITIONS

9 Sec. 1092.002. AUTHORITY FOR CREATION

10 Sec. 1092.003. DISTRICT TERRITORY

11 Sec. 1092.004. DISTRICT SUPPORT AND MAINTENANCE NOT  
12 STATE OBLIGATION

13 Sec. 1092.005. RESTRICTION ON STATE FINANCIAL  
14 ASSISTANCE

15 [Sections 1092.006-1092.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1092.051. BOARD ELECTION; TERM

18 Sec. 1092.052. QUALIFICATIONS FOR OFFICE

19 Sec. 1092.053. BOND; RECORD OF BOND AND OATH OR  
20 AFFIRMATION OF OFFICE

21 Sec. 1092.054. BOARD VACANCY

22 Sec. 1092.055. OFFICERS

23 Sec. 1092.056. COMPENSATION; EXPENSES

24 Sec. 1092.057. DISTRICT ADMINISTRATOR

25 Sec. 1092.058. EMPLOYEES

26 Sec. 1092.059. MAINTENANCE OF RECORDS; PUBLIC  
27 INSPECTION

1 [Sections 1092.060-1092.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 1092.101. DISTRICT RESPONSIBILITY

4 Sec. 1092.102. RESTRICTION ON POLITICAL SUBDIVISION

5 TAXATION AND DEBT

6 Sec. 1092.103. MANAGEMENT AND CONTROL OF DISTRICT

7 Sec. 1092.104. HOSPITAL SYSTEM

8 Sec. 1092.105. RULES

9 Sec. 1092.106. PURCHASING AND ACCOUNTING PROCEDURES

10 Sec. 1092.107. EMINENT DOMAIN

11 Sec. 1092.108. GIFTS AND ENDOWMENTS

12 Sec. 1092.109. CONTRACTS FOR HOSPITAL AND MEDICAL CARE

13 Sec. 1092.110. PAYMENT FOR TREATMENT; PROCEDURES

14 [Sections 1092.111-1092.150 reserved for expansion]

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. 1092.151. BUDGET

17 Sec. 1092.152. PROPOSED BUDGET: NOTICE AND HEARING

18 Sec. 1092.153. FISCAL YEAR

19 Sec. 1092.154. ANNUAL AUDIT

20 Sec. 1092.155. DEPOSITORY

21 [Sections 1092.156-1092.200 reserved for expansion]

22 SUBCHAPTER E. BONDS

23 Sec. 1092.201. BONDS

24 Sec. 1092.202. TAX TO PAY BONDS

25 Sec. 1092.203. BOND ELECTION

26 Sec. 1092.204. MATURITY OF BONDS

27 Sec. 1092.205. EXECUTION OF BONDS

1 [Sections 1092.206-1092.250 reserved for expansion]

2 SUBCHAPTER F. TAXES

3 Sec. 1092.251. IMPOSITION OF AD VALOREM TAX

4 Sec. 1092.252. TAX RATE

5 Sec. 1092.253. TAX ASSESSOR-COLLECTOR

6 CHAPTER 1092. SABINE COUNTY HOSPITAL DISTRICT OF SABINE COUNTY,  
7 TEXAS

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 1092.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the board of directors of the  
11 district.

12 (2) "Director" means a member of the board.

13 (3) "District" means the Sabine County Hospital  
14 District of Sabine County, Texas. (New.)

15 Sec. 1092.002. AUTHORITY FOR CREATION. The Sabine County  
16 Hospital District of Sabine County, Texas, is created under the  
17 authority of Section 9, Article IX, Texas Constitution. (Acts 64th  
18 Leg., R.S., Ch. 565, Sec. 1.)

19 Sec. 1092.003. DISTRICT TERRITORY. The boundaries of the  
20 district are coextensive with the boundaries of Sabine County,  
21 Texas. (Acts 64th Leg., R.S., Ch. 565, Sec. 2.)

22 Sec. 1092.004. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
23 OBLIGATION. The support and maintenance of the district's hospital  
24 system and any indebtedness incurred by the district under this  
25 chapter may not become a charge against or obligation of this state.  
26 (Acts 64th Leg., R.S., Ch. 565, Sec. 18 (part).)

27 Sec. 1092.005. RESTRICTION ON STATE FINANCIAL ASSISTANCE.

1 The legislature may not make a direct appropriation for the  
2 construction, maintenance, or improvement of a district facility.  
3 (Acts 64th Leg., R.S., Ch. 565, Sec. 18 (part).)

4 [Sections 1092.006-1092.050 reserved for expansion]

5 SUBCHAPTER B. DISTRICT ADMINISTRATION

6 Sec. 1092.051. BOARD ELECTION; TERM. (a) The board  
7 consists of five directors.

8 (b) One director is elected from each county commissioners  
9 precinct and one director is elected from the district at large.

10 (c) Unless four-year terms are established under Section  
11 285.081, Health and Safety Code:

12 (1) directors serve staggered two-year terms;

13 (2) a directors' election shall be held each year to  
14 elect the appropriate number of directors; and

15 (3) the terms of directors elected from county  
16 commissioners precincts one and three expire in even-numbered years  
17 and the terms of directors elected from county commissioners  
18 precincts two and four and from the district at large expire in  
19 odd-numbered years. (Acts 64th Leg., R.S., Ch. 565, Secs. 5(a),  
20 (e), (f) (part), (g).)

21 Sec. 1092.052. QUALIFICATIONS FOR OFFICE. To qualify for  
22 election to the board, a person must:

23 (1) be at least 21 years of age;

24 (2) have been a resident of the district for at least  
25 two years;

26 (3) have been a resident of the county commissioners  
27 precinct for at least six months if the person seeks to represent a

1 county commissioners precinct position; and

2 (4) be a qualified voter of the district. (Acts 64th  
3 Leg., R.S., Ch. 565, Sec. 5(b).)

4 Sec. 1092.053. BOND; RECORD OF BOND AND OATH OR AFFIRMATION  
5 OF OFFICE. (a) Each director shall qualify for office by executing  
6 a good and sufficient commercial bond for \$1,000 that is:

7 (1) payable to the district; and

8 (2) conditioned on the faithful performance of the  
9 director's duties.

10 (b) The district shall pay for a director's bond.

11 (c) Each director's bond and constitutional oath or  
12 affirmation of office shall be deposited with the district's  
13 depository for safekeeping. (Acts 64th Leg., R.S., Ch. 565, Sec.  
14 6(a).)

15 Sec. 1092.054. BOARD VACANCY. If a vacancy occurs in the  
16 office of director, a majority of the directors shall appoint a  
17 director for the unexpired term. (Acts 64th Leg., R.S., Ch. 565,  
18 Sec. 5(h).)

19 Sec. 1092.055. OFFICERS. The board shall elect from among  
20 its members a president, a secretary, and a treasurer at the first  
21 board meeting held after a directors' election. (Acts 64th Leg.,  
22 R.S., Ch. 565, Sec. 6(b).)

23 Sec. 1092.056. COMPENSATION; EXPENSES. A director serves  
24 without compensation but is entitled to reimbursement for necessary  
25 expenses incurred in the performance of official duties. (Acts  
26 64th Leg., R.S., Ch. 565, Sec. 6(c).)

27 Sec. 1092.057. DISTRICT ADMINISTRATOR. (a) The board may

1 employ a district administrator to manage the operations of the  
2 hospital system.

3 (b) The district administrator may employ necessary  
4 personnel to perform the services provided by the hospital system.  
5 (Acts 64th Leg., R.S., Ch. 565, Sec. 12(e) (part).)

6 Sec. 1092.058. EMPLOYEES. The board may employ an  
7 attorney, a general manager, a bookkeeper, an architect, and other  
8 employees necessary for the efficient operation of the district.  
9 (Acts 64th Leg., R.S., Ch. 565, Sec. 12(e) (part).)

10 Sec. 1092.059. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
11 The board shall:

12 (1) maintain all district records, including books,  
13 accounts, notices, minutes, and other matters of the district and  
14 its operations, at the district office; and

15 (2) make those records available for public inspection  
16 at reasonable times. (Acts 64th Leg., R.S., Ch. 565, Sec. 12(b).)

17 [Sections 1092.060-1092.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 1092.101. DISTRICT RESPONSIBILITY. The district shall  
20 provide all necessary hospital and medical care for the district's  
21 needy inhabitants. (Acts 64th Leg., R.S., Ch. 565, Sec. 3 (part).)

22 Sec. 1092.102. RESTRICTION ON POLITICAL SUBDIVISION  
23 TAXATION AND DEBT. A political subdivision of this state, other  
24 than the district, may not impose a tax or issue bonds or other  
25 obligations to provide hospital service or medical care in the  
26 district. (Acts 64th Leg., R.S., Ch. 565, Sec. 3 (part).)

27 Sec. 1092.103. MANAGEMENT AND CONTROL OF DISTRICT. The

1 board has full power to manage and control the district. (Acts 64th  
2 Leg., R.S., Ch. 565, Sec. 12(a) (part).)

3       Sec. 1092.104. HOSPITAL SYSTEM. The district has the  
4 responsibility to establish a hospital or hospital system within  
5 its boundaries to provide hospital and medical care to the  
6 district's residents. (Acts 64th Leg., R.S., Ch. 565, Sec. 3  
7 (part).)

8       Sec. 1092.105. RULES. (a) The board shall adopt rules for  
9 the efficient operation of the district, including district  
10 facilities.

11       (b) The board shall:

12           (1) publish the rules in book form; and

13           (2) provide copies to interested persons on request at  
14 district expense. (Acts 64th Leg., R.S., Ch. 565, Sec. 12(c).)

15       Sec. 1092.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
16 board may prescribe the method of making purchases and expenditures  
17 and the manner of accounting and control used by the district.  
18 (Acts 64th Leg., R.S., Ch. 565, Sec. 12(e) (part).)

19       Sec. 1092.107. EMINENT DOMAIN. (a) The district may  
20 exercise the power of eminent domain to acquire a fee simple or  
21 other interest in real, personal, or mixed property located in  
22 district territory if the interest is necessary or convenient for  
23 the district to exercise a power or duty conferred on the district  
24 by this chapter.

25       (b) The district must exercise the power of eminent domain  
26 in the manner provided by Chapter 21, Property Code, except the  
27 district is not required to deposit in the trial court money or a

1 bond as provided by Section 21.021(a), Property Code.

2 (c) In a condemnation proceeding, the district is not  
3 required to:

4 (1) pay in advance or provide a bond or other security  
5 for costs in the trial court; or

6 (2) provide a bond for costs or a supersedeas bond on  
7 an appeal or petition for review. (Acts 64th Leg., R.S., Ch. 565,  
8 Sec. 15.)

9 Sec. 1092.108. GIFTS AND ENDOWMENTS. The board may accept  
10 for the district a gift or endowment to be held in trust and  
11 administered by the board under the directions, limitations, or  
12 other provisions prescribed in writing by the donor that are not  
13 inconsistent with the proper management of the district. (Acts  
14 64th Leg., R.S., Ch. 565, Sec. 12(f).)

15 Sec. 1092.109. CONTRACTS FOR HOSPITAL AND MEDICAL CARE.  
16 The board may contract with another political subdivision to  
17 provide hospital and medical care for needy persons who reside  
18 outside the district. (Acts 64th Leg., R.S., Ch. 565, Sec. 12(g).)

19 Sec. 1092.110. PAYMENT FOR TREATMENT; PROCEDURES. (a) A  
20 person who resides in the district is entitled to receive necessary  
21 medical and hospital care regardless of whether the person has the  
22 ability to pay for the care and may apply to receive this care  
23 without cost.

24 (b) The board or the district administrator shall employ a  
25 person to investigate the ability of the patient and any relative  
26 who is liable for the patient's support to pay for the medical and  
27 hospital care received by the patient.



1 (c) If the investigator determines that the patient or  
2 relative legally liable for the patient's support cannot pay all or  
3 part of the costs of the patient's care, the expense of the care  
4 becomes a charge against the district.

5 (d) If the patient or a relative legally liable for the  
6 patient's support can pay for all or part of the costs of the  
7 patient's care, the board shall order the patient or relative to pay  
8 the treasurer each week an amount specified in the order, which must  
9 be proportionate to the person's ability to pay.

10 (e) The district may collect the amount from the patient's  
11 estate, or from any relative who is liable for the patient's  
12 support, in the manner provided by law for the collection of  
13 expenses of the last illness of a deceased person.

14 (f) If there is a dispute as to the ability to pay, or doubt  
15 in the mind of the investigator, the board shall hold a hearing and,  
16 after calling witnesses, shall:

- 17 (1) determine the question; and  
18 (2) make the proper order based on the board's  
19 findings.

20 (g) A party to the hearing who is not satisfied with the  
21 result of the order may appeal to the district court. The appeal is  
22 de novo. (Acts 64th Leg., R.S., Ch. 565, Sec. 14.)

23 [Sections 1092.111-1092.150 reserved for expansion]

24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

25 Sec. 1092.151. BUDGET. The board shall prepare a budget  
26 that includes:

- 27 (1) proposed expenditures and disbursements;

1           (2) estimated receipts and collections for the next  
2 fiscal year; and

3           (3) the amount of taxes required to be imposed to meet  
4 the proposed budget. (Acts 64th Leg., R.S., Ch. 565, Sec. 13(b).)

5           Sec. 1092.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
6 The board shall hold a public hearing on the proposed budget.

7           (b) Notice of the hearing must be published at least once in  
8 a newspaper of general circulation in the district not later than  
9 the 11th day before the date of the hearing.

10          (c) Any person who owns taxable property in the district and  
11 has duly rendered that property for taxation is entitled to:

12           (1) appear at the hearing; and

13           (2) be heard regarding any item in the proposed  
14 budget. (Acts 64th Leg., R.S., Ch. 565, Secs. 13(c), (d).)

15          Sec. 1092.153. FISCAL YEAR. The district's fiscal year is  
16 from January 1 to December 31. (Acts 64th Leg., R.S., Ch. 565, Sec.  
17 13(a).)

18          Sec. 1092.154. ANNUAL AUDIT. (a) The board annually shall  
19 require an independent audit of the district's books and records.

20          (b) Not later than December 1 of each year, the board shall  
21 file a copy of the audit with:

22           (1) the comptroller; and

23           (2) the district. (Acts 64th Leg., R.S., Ch. 565, Sec.  
24 12(d).)

25          Sec. 1092.155. DEPOSITORY. (a) The board by resolution  
26 shall designate a bank in Sabine County as the district's  
27 depository. A designated bank serves for two years and until a

1 successor is designated.

2 (b) All district money shall be deposited in the depository  
3 and secured in the manner provided for securing county funds. (Acts  
4 64th Leg., R.S., Ch. 565, Sec. 16.)

5 [Sections 1092.156-1092.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 1092.201. BONDS. The district may issue bonds to:

8 (1) purchase, construct, acquire, repair, or renovate  
9 buildings and improvements; and

10 (2) equip buildings for hospital purposes. (Acts 64th  
11 Leg., R.S., Ch. 565, Secs. 9(a) (part), 10(a) (part).)

12 Sec. 1092.202. TAX TO PAY BONDS. The board may issue bonds  
13 under Section 1092.201 only if the board imposes an ad valorem tax  
14 at a rate sufficient to create an interest and sinking fund to pay  
15 the principal of and interest on the bonds as the bonds mature.  
16 (Acts 64th Leg., R.S., Ch. 565, Sec. 10(c).)

17 Sec. 1092.203. BOND ELECTION. (a) The board may issue  
18 bonds under Section 1092.201 only if the bonds are authorized by a  
19 majority of qualified voters voting in an election held for that  
20 purpose. The total face value of the bonds may not exceed the  
21 amount specified in the election order.

22 (b) The board may order a bond election at any time.

23 (c) The order calling the election must include:

24 (1) the time of the election;

25 (2) the location of the polling places;

26 (3) the form of the ballots;

27 (4) the presiding judge for each polling place;

- 1 (5) the purpose of the bond issuance;
- 2 (6) the amount of the bonds to be authorized;
- 3 (7) the maximum interest rate of the bonds; and
- 4 (8) the maximum maturity date of the bonds.

5 (d) A substantial copy of the election order shall be  
6 published in a newspaper of general circulation in the district  
7 once a week for two consecutive weeks before the date of the  
8 election. The first notice must be published not later than the  
9 15th day before the date of the election.

10 (e) A copy of the election results must be filed with the  
11 county clerk and become a public record. (Acts 64th Leg., R.S., Ch.  
12 565, Secs. 4(b), (c), (d) (part), 9(a) (part), (b), (d), 10(a)  
13 (part).)

14 Sec. 1092.204. MATURITY OF BONDS. District bonds must  
15 mature not later than 40 years after the date of issuance. (Acts  
16 64th Leg., R.S., Ch. 565, Sec. 9(c).)

17 Sec. 1092.205. EXECUTION OF BONDS. (a) The board president  
18 shall execute the district's bonds in the district's name.

19 (b) The board secretary shall countersign the bonds. (Acts  
20 64th Leg., R.S., Ch. 565, Sec. 10(b) (part).)

21 [Sections 1092.206-1092.250 reserved for expansion]

22 SUBCHAPTER F. TAXES

23 Sec. 1092.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
24 shall impose a tax on all property in the district subject to  
25 district taxation.

26 (b) The tax may be used only to:

- 27 (1) pay the interest on and create a sinking fund for

1 bonds issued under this chapter;

2 (2) provide for the operation and maintenance of the  
3 district and hospital system;

4 (3) make improvements and additions to the hospital  
5 system; or

6 (4) acquire sites for additions to the hospital  
7 system. (Acts 64th Leg., R.S., Ch. 565, Secs. 8(a) (part), (c).)

8 Sec. 1092.252. TAX RATE. The board may impose the tax at a  
9 rate not to exceed 75 cents on each \$100 valuation. (Acts 64th  
10 Leg., R.S., Ch. 565, Sec. 8(a) (part).)

11 Sec. 1092.253. TAX ASSESSOR-COLLECTOR. The Sabine County  
12 tax assessor-collector shall collect taxes for the district. (Acts  
13 64th Leg., R.S., Ch. 565, Sec. 8(d) (part).)

14 CHAPTER 1093. SAN AUGUSTINE CITY-COUNTY HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1093.001. DEFINITIONS

17 Sec. 1093.002. AUTHORITY FOR OPERATION

18 Sec. 1093.003. ESSENTIAL PUBLIC FUNCTION

19 Sec. 1093.004. DISTRICT TERRITORY

20 Sec. 1093.005. CORRECTION OF INVALID PROCEDURES

21 Sec. 1093.006. DISTRICT SUPPORT AND MAINTENANCE NOT

22 STATE OBLIGATION

23 Sec. 1093.007. RESTRICTION ON STATE FINANCIAL

24 ASSISTANCE

25 [Sections 1093.008-1093.050 reserved for expansion]

26 SUBCHAPTER B. DISTRICT ADMINISTRATION

27 Sec. 1093.051. BOARD APPOINTMENT; TERM

- 1 Sec. 1093.052. QUALIFICATIONS FOR OFFICE
- 2 Sec. 1093.053. BOND
- 3 Sec. 1093.054. BOARD VACANCY
- 4 Sec. 1093.055. OFFICERS
- 5 Sec. 1093.056. COMPENSATION; EXPENSES
- 6 Sec. 1093.057. VOTING REQUIREMENT
- 7 Sec. 1093.058. DISTRICT ADMINISTRATOR; ASSISTANT
- 8 ADMINISTRATOR
- 9 Sec. 1093.059. GENERAL DUTIES OF DISTRICT
- 10 ADMINISTRATOR
- 11 Sec. 1093.060. APPOINTMENT AND DISMISSAL OF STAFF AND
- 12 EMPLOYEES
- 13 Sec. 1093.061. SENIORITY; RETIREMENT BENEFITS
- 14 [Sections 1093.062-1093.100 reserved for expansion]
- 15 SUBCHAPTER C. POWERS AND DUTIES
- 16 Sec. 1093.101. DISTRICT RESPONSIBILITY
- 17 Sec. 1093.102. RESTRICTION ON POLITICAL SUBDIVISION
- 18 TAXATION AND DEBT
- 19 Sec. 1093.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 20 Sec. 1093.104. HOSPITAL SYSTEM
- 21 Sec. 1093.105. RULES
- 22 Sec. 1093.106. PURCHASING AND ACCOUNTING PROCEDURES
- 23 Sec. 1093.107. DISTRICT PROPERTY, FACILITIES, AND
- 24 EQUIPMENT
- 25 Sec. 1093.108. EMINENT DOMAIN
- 26 Sec. 1093.109. GIFTS AND ENDOWMENTS
- 27 Sec. 1093.110. CONSTRUCTION OR PURCHASE CONTRACTS

- 1 Sec. 1093.111. OPERATING AND MANAGEMENT CONTRACTS  
2 Sec. 1093.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
3 FOR CARE AND TREATMENT  
4 Sec. 1093.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
5 FOR INVESTIGATORY OR OTHER SERVICES  
6 Sec. 1093.114. PAYMENT FOR TREATMENT; PROCEDURES  
7 Sec. 1093.115. AUTHORITY TO SUE AND BE SUED  
8 [Sections 1093.116-1093.150 reserved for expansion]  
9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
10 Sec. 1093.151. BUDGET  
11 Sec. 1093.152. NOTICE; HEARING; ADOPTION OF BUDGET  
12 Sec. 1093.153. AMENDMENTS TO BUDGET  
13 Sec. 1093.154. RESTRICTION ON EXPENDITURES  
14 Sec. 1093.155. FISCAL YEAR  
15 Sec. 1093.156. AUDIT  
16 Sec. 1093.157. INSPECTION OF AUDIT AND DISTRICT  
17 RECORDS  
18 Sec. 1093.158. FINANCIAL REPORT  
19 Sec. 1093.159. DEPOSITORY  
20 Sec. 1093.160. SPENDING AND INVESTMENT RESTRICTIONS  
21 [Sections 1093.161-1093.200 reserved for expansion]  
22 SUBCHAPTER E. BONDS  
23 Sec. 1093.201. GENERAL OBLIGATION BONDS  
24 Sec. 1093.202. TAX TO PAY GENERAL OBLIGATION BONDS  
25 Sec. 1093.203. GENERAL OBLIGATION BOND ELECTION  
26 Sec. 1093.204. MATURITY OF GENERAL OBLIGATION BONDS  
27 Sec. 1093.205. EXECUTION OF GENERAL OBLIGATION BONDS

1 Sec. 1093.206. REVENUE BONDS

2 Sec. 1093.207. REFUNDING BONDS

3 Sec. 1093.208. BONDS EXEMPT FROM TAXATION

4 [Sections 1093.209-1093.250 reserved for expansion]

5 SUBCHAPTER F. TAXES

6 Sec. 1093.251. IMPOSITION OF AD VALOREM TAX

7 Sec. 1093.252. TAX RATE

8 Sec. 1093.253. ASSESSMENT AND COLLECTION BY COUNTY TAX

9 ASSESSOR-COLLECTOR

10 Sec. 1093.254. ASSESSMENT AND COLLECTION BY DISTRICT

11 TAX ASSESSOR-COLLECTOR

12 CHAPTER 1093. SAN AUGUSTINE CITY-COUNTY HOSPITAL DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 1093.001. DEFINITIONS. In this chapter:

15 (1) "Board" means the board of directors of the  
16 district.

17 (2) "Director" means a member of the board.

18 (3) "District" means the San Augustine City-County  
19 Hospital District. (New.)

20 Sec. 1093.002. AUTHORITY FOR OPERATION. The San Augustine  
21 City-County Hospital District operates in accordance with and has  
22 the rights, powers, and duties provided by Section 9, Article IX,  
23 Texas Constitution, and by this chapter. (Acts 62nd Leg., R.S., Ch.  
24 5, Sec. 1 (part).)

25 Sec. 1093.003. ESSENTIAL PUBLIC FUNCTION. The district  
26 performs an essential public function in carrying out the purposes  
27 of this chapter. (Acts 62nd Leg., R.S., Ch. 5, Sec. 21 (part).)



1           Sec. 1093.004. DISTRICT TERRITORY. The boundaries of the  
2 district are coextensive with the boundaries of San Augustine  
3 County, Texas. (Acts 62nd Leg., R.S., Ch. 5, Sec. 1 (part).)

4           Sec. 1093.005. CORRECTION OF INVALID PROCEDURES. If a  
5 court holds that any procedure under this chapter violates the  
6 constitution of this state or of the United States, the district by  
7 resolution may provide an alternative procedure that conforms with  
8 the constitution. (Acts 62nd Leg., R.S., Ch. 5, Sec. 22 (part).)

9           Sec. 1093.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
10 OBLIGATION. The support and maintenance of the district may not  
11 become a charge against or obligation of this state. (Acts 62nd  
12 Leg., R.S., Ch. 5, Sec. 20 (part).)

13           Sec. 1093.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
14 The legislature may not make a direct appropriation for  
15 construction, maintenance, or improvement of a district facility.  
16 (Acts 62nd Leg., R.S., Ch. 5, Sec. 20 (part).)

17           [Sections 1093.008-1093.050 reserved for expansion]

18                           SUBCHAPTER B. DISTRICT ADMINISTRATION

19           Sec. 1093.051. BOARD APPOINTMENT; TERM. (a) The board  
20 consists of seven directors appointed as follows:

21                           (1) three directors appointed by the governing body of  
22 the City of San Augustine;

23                           (2) three directors appointed by the Commissioners  
24 Court of San Augustine County; and

25                           (3) one director jointly appointed by the City of San  
26 Augustine and the Commissioners Court of San Augustine County.

27           (b) Directors serve staggered two-year terms. (Acts 62nd

1 Leg., R.S., Ch. 5, Sec. 3(d) (part).)

2 Sec. 1093.052. QUALIFICATIONS FOR OFFICE. (a) A person may  
3 not be appointed as a director unless the person is:

- 4 (1) a resident of the district;
- 5 (2) a freeholder; and
- 6 (3) a qualified voter.

7 (b) A person is not eligible to serve as a director if the  
8 person is:

- 9 (1) the district administrator;
- 10 (2) a district employee; or
- 11 (3) a member of the hospital staff. (Acts 62nd Leg.,  
12 R.S., Ch. 5, Sec. 3(e).)

13 Sec. 1093.053. BOND. (a) Each director shall execute a  
14 good and sufficient bond for \$1,000 that is:

- 15 (1) payable to the district; and
- 16 (2) conditioned on the faithful performance of the  
17 director's duties.

18 (b) The district shall pay for the directors' bonds. (Acts  
19 62nd Leg., R.S., Ch. 5, Sec. 3(d) (part).)

20 Sec. 1093.054. BOARD VACANCY. If a director resigns or  
21 dies, the body that appointed the resigning or deceased director  
22 shall fill the vacancy for the unexpired term. (Acts 62nd Leg.,  
23 R.S., Ch. 5, Sec. 3(d) (part).)

24 Sec. 1093.055. OFFICERS. (a) The board shall elect:

- 25 (1) a president and a vice president from among its  
26 members; and
- 27 (2) a secretary, who need not be a director.

1 (b) Each officer of the board serves for a term of one year.

2 (c) The board shall fill a vacancy in a board office for the  
3 unexpired term. (Acts 62nd Leg., R.S., Ch. 5, Sec. 3(f) (part).)

4 Sec. 1093.056. COMPENSATION; EXPENSES. A director or  
5 officer serves without compensation but may be reimbursed for  
6 actual expenses incurred in the performance of official duties.  
7 The expenses must be:

8 (1) reported in the district's records; and

9 (2) approved by the board. (Acts 62nd Leg., R.S., Ch.  
10 5, Sec. 3(f) (part).)

11 Sec. 1093.057. VOTING REQUIREMENT. A concurrence of four  
12 directors is sufficient in any matter relating to district  
13 business. (Acts 62nd Leg., R.S., Ch. 5, Sec. 3(f) (part).)

14 Sec. 1093.058. DISTRICT ADMINISTRATOR; ASSISTANT  
15 ADMINISTRATOR. (a) The board may appoint a qualified person as a  
16 district administrator.

17 (b) The board may appoint one or more assistant  
18 administrators.

19 (c) The district administrator and any assistant  
20 administrator serve at the will of the board and are entitled to the  
21 compensation determined by the board.

22 (d) On assuming the duties of district administrator, the  
23 administrator shall execute a bond payable to the district in an  
24 amount set by the board of not less than \$5,000 that:

25 (1) is conditioned on the administrator performing the  
26 administrator's duties; and

27 (2) contains other conditions the board may require.

1 (Acts 62nd Leg., R.S., Ch. 5, Sec. 5 (part).)

2 Sec. 1093.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

3 Subject to the limitations prescribed by the board, the district  
4 administrator shall:

5 (1) supervise the work and activities of the district;  
6 and

7 (2) direct the affairs of the district. (Acts 62nd  
8 Leg., R.S., Ch. 5, Sec. 5 (part).)

9 Sec. 1093.060. APPOINTMENT AND DISMISSAL OF STAFF AND  
10 EMPLOYEES. (a) The board may appoint to or dismiss from the staff  
11 any doctors the board considers necessary for the efficient  
12 operation of the district and may make temporary appointments as  
13 warranted.

14 (b) The district may employ fiscal agents, accountants,  
15 architects, and attorneys the board considers proper.

16 (c) The board may delegate to the district administrator the  
17 authority to hire district employees, including technicians and  
18 nurses. (Acts 62nd Leg., R.S., Ch. 5, Secs. 5 (part), 16.)

19 Sec. 1093.061. SENIORITY; RETIREMENT BENEFITS. The board  
20 may:

21 (1) adopt rules related to the seniority of district  
22 employees, including rules for a retirement plan based on  
23 seniority; and

24 (2) give effect to previous years of service for  
25 district employees continuously employed in the operation or  
26 management of hospital facilities:

27 (A) constructed by the district; or

1 (B) acquired by the district, including  
2 facilities acquired when the district was created. (Acts 62nd  
3 Leg., R.S., Ch. 5, Sec. 5 (part).)

4 [Sections 1093.062-1093.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 1093.101. DISTRICT RESPONSIBILITY. The district has  
7 full responsibility for:

8 (1) providing medical and hospital care for the  
9 district's needy residents; and

10 (2) operating all hospital facilities for providing  
11 medical and hospital care for the district's needy inhabitants.  
12 (Acts 62nd Leg., R.S., Ch. 5, Secs. 4(a) (part), 19 (part).)

13 Sec. 1093.102. RESTRICTION ON POLITICAL SUBDIVISION  
14 TAXATION AND DEBT. A political subdivision located within the  
15 district or that has the same boundaries as the district may not  
16 impose a tax on district residents or issue bonds or other  
17 obligations for hospital purposes or to provide medical care.  
18 (Acts 62nd Leg., R.S., Ch. 5, Sec. 19 (part).)

19 Sec. 1093.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
20 The board shall manage, control, and administer the hospital system  
21 and the district's money and resources. (Acts 62nd Leg., R.S., Ch.  
22 5, Sec. 5 (part).)

23 Sec. 1093.104. HOSPITAL SYSTEM. (a) The district shall  
24 provide for the establishment of a hospital system by:

25 (1) purchasing, constructing, acquiring, repairing,  
26 or renovating buildings and equipment;

27 (2) equipping the buildings; and

1           (3) administering the buildings and equipment for  
2 hospital purposes.

3           (b) The hospital system may include:

4           (1) facilities for domiciliary care of the sick,  
5 injured, or geriatric;

6           (2) facilities for outpatient clinics;

7           (3) dispensaries;

8           (4) convalescent home facilities;

9           (5) necessary nurses' domiciliaries and training  
10 centers;

11           (6) blood banks;

12           (7) community mental health centers;

13           (8) research centers or laboratories; and

14           (9) any other facilities the board considers necessary  
15 for hospital care. (Acts 62nd Leg., R.S., Ch. 5, Secs. 2 (part), 10  
16 (part).)

17           Sec. 1093.105. RULES. The board may adopt rules governing  
18 the operation of the hospital, the hospital system, and the  
19 district's staff and employees. (Acts 62nd Leg., R.S., Ch. 5, Sec.  
20 5 (part).)

21           Sec. 1093.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
22 board may prescribe:

23           (1) the method and manner of making purchases and  
24 expenditures by and for the district; and

25           (2) all accounting and control procedures. (Acts 62nd  
26 Leg., R.S., Ch. 5, Sec. 11 (part).)

27           Sec. 1093.107. DISTRICT PROPERTY, FACILITIES, AND

1 EQUIPMENT. (a) The board shall determine the type, number, and  
2 location of buildings required to maintain an adequate hospital  
3 system.

4 (b) The board may lease all or part of the district's  
5 buildings or other facilities on terms considered to be in the best  
6 interest of the district's inhabitants. The term of the lease may  
7 not exceed 25 years.

8 (c) The district may acquire equipment for use in the  
9 district's hospital system and mortgage or pledge the property as  
10 security for the payment of the purchase price. A contract entered  
11 into under this subsection must provide that the entire obligation  
12 be retired not later than the fifth anniversary of the date of the  
13 contract.

14 (d) The district may sell or otherwise dispose of any  
15 property, including equipment, on terms the board finds are in the  
16 best interest of the district's inhabitants. (Acts 62nd Leg.,  
17 R.S., Ch. 5, Secs. 10 (part), 11 (part).)

18 Sec. 1093.108. EMINENT DOMAIN. (a) The district may  
19 exercise the power of eminent domain to acquire a fee simple or  
20 other interest in any type of property located in district  
21 territory if the interest is necessary for the district to exercise  
22 a power, right, or privilege conferred by this chapter.

23 (b) The district must exercise the power of eminent domain  
24 in the manner provided by Chapter 21, Property Code, except the  
25 district is not required to deposit in the trial court money or a  
26 bond as provided by Section 21.021(a), Property Code.

27 (c) In a condemnation proceeding brought by the district,

1 the district is not required to:

2 (1) pay in advance or provide a bond or other security  
3 for costs in the trial court;

4 (2) provide a bond for the issuance of a temporary  
5 restraining order or a temporary injunction; or

6 (3) provide a bond for costs or a supersedeas bond on  
7 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 5,  
8 Sec. 15.)

9 Sec. 1093.109. GIFTS AND ENDOWMENTS. The board may accept  
10 for the district a gift or endowment to be held in trust and  
11 administered by the board for the purposes and under the  
12 directions, limitations, or other provisions prescribed in writing  
13 by the donor that are not inconsistent with the proper management  
14 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 5, Sec.  
15 18.)

16 Sec. 1093.110. CONSTRUCTION OR PURCHASE CONTRACTS. A  
17 construction or purchase contract that involves the expenditure of  
18 more than \$2,000 may be made only after advertising in the manner  
19 provided by Chapter 252 and Subchapter C, Chapter 262, Local  
20 Government Code. (Acts 62nd Leg., R.S., Ch. 5, Sec. 11 (part).)

21 Sec. 1093.111. OPERATING AND MANAGEMENT CONTRACTS. The  
22 board may enter into an operating or management contract relating  
23 to a district facility. (Acts 62nd Leg., R.S., Ch. 5, Sec. 10  
24 (part).)

25 Sec. 1093.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
26 CARE AND TREATMENT. (a) The board may contract with a county or  
27 municipality located outside the district's boundaries for the



1 hospitalization of a sick or injured person of that county or  
2 municipality.

3 (b) The board may contract with this state or a federal  
4 agency for the hospital treatment of a sick or injured person.  
5 (Acts 62nd Leg., R.S., Ch. 5, Sec. 5 (part).)

6 Sec. 1093.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
7 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
8 political subdivision or governmental agency for the district to  
9 provide investigatory or other services for the hospital or welfare  
10 needs of district inhabitants. (Acts 62nd Leg., R.S., Ch. 5, Sec. 5  
11 (part).)

12 Sec. 1093.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
13 When a patient who resides in the district is admitted to a district  
14 facility, the district administrator may have an inquiry made into  
15 the circumstances of:

- 16 (1) the patient; and  
17 (2) the patient's relatives who are legally liable for  
18 the patient's support.

19 (b) If the district administrator determines that the  
20 patient or those relatives can pay for all or part of the costs of  
21 the patient's care and treatment, the patient or those relatives  
22 shall be ordered to pay the district a specified amount each day or  
23 week for the patient's care and support. The amount ordered must be  
24 proportionate to the person's financial ability.

25 (c) The district administrator may collect the amount from  
26 the patient's estate, or from any relative who is legally liable for  
27 the patient's support, in the manner provided by law for the

1 collection of expenses of the last illness of a deceased person.  
2 (Acts 62nd Leg., R.S., Ch. 5, Sec. 17.)

3 Sec. 1093.115. AUTHORITY TO SUE AND BE SUED. (a) The  
4 district, through the board, may sue and be sued.

5 (b) The district is entitled to all causes of action and  
6 defenses to which similar authorities are entitled. (Acts 62nd  
7 Leg., R.S., Ch. 5, Sec. 5 (part).)

8 [Sections 1093.116-1093.150 reserved for expansion]

9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

10 Sec. 1093.151. BUDGET. (a) The district administrator  
11 shall prepare an annual budget for approval by the board.

12 (b) The proposed budget must contain a complete financial  
13 statement of:

14 (1) the outstanding obligations of the district;

15 (2) the cash on hand in each district fund;

16 (3) the money received by the district from all  
17 sources during the previous year;

18 (4) the money available to the district from all  
19 sources during the ensuing year;

20 (5) the balances expected at the end of the year in  
21 which the budget is being prepared;

22 (6) the estimated revenue and balances available to  
23 cover the proposed budget;

24 (7) the estimated tax rate required; and

25 (8) the proposed expenditures and disbursements and  
26 the estimated receipts and collections for the following fiscal  
27 year. (Acts 62nd Leg., R.S., Ch. 5, Sec. 6 (part).)

1           Sec. 1093.152. NOTICE; HEARING; ADOPTION OF BUDGET.

2   (a) The board shall hold a public hearing on the proposed annual  
3 budget.

4           (b) At least 10 days before the date of the hearing, notice  
5 of the hearing shall be published one time in a newspaper or  
6 newspapers that individually or collectively have general  
7 circulation in the district.

8           (c) Any property taxpayer of the district is entitled to be  
9 present and participate at the hearing.

10          (d) At the conclusion of the hearing, the board shall adopt  
11 a budget by acting on the budget proposed by the district  
12 administrator. The board may make any changes in the proposed  
13 budget that the board judges to be in the interests of the taxpayers  
14 and that the law warrants. (Acts 62nd Leg., R.S., Ch. 5, Sec. 6  
15 (part).)

16          Sec. 1093.153. AMENDMENTS TO BUDGET. The budget may be  
17 amended as required by circumstances. The board must approve all  
18 amendments. (Acts 62nd Leg., R.S., Ch. 5, Sec. 6 (part).)

19          Sec. 1093.154. RESTRICTION ON EXPENDITURES. Money may be  
20 spent only for an expense included in the budget or an amendment to  
21 the budget. (Acts 62nd Leg., R.S., Ch. 5, Sec. 6 (part).)

22          Sec. 1093.155. FISCAL YEAR. The district operates  
23 according to a fiscal year that begins on July 1 and ends on June 30.  
24 (Acts 62nd Leg., R.S., Ch. 5, Sec. 6 (part).)

25          Sec. 1093.156. AUDIT. (a) The district shall have an  
26 independent audit made of the district's financial condition for  
27 the fiscal year.

1 (b) As soon as the audit is completed, the audit shall be  
2 filed at the district's office. (Acts 62nd Leg., R.S., Ch. 5, Sec.  
3 6 (part).)

4 Sec. 1093.157. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
5 The audit and other district records shall be open to inspection at  
6 the district's principal office. (Acts 62nd Leg., R.S., Ch. 5, Sec.  
7 6 (part).)

8 Sec. 1093.158. FINANCIAL REPORT. As soon as practicable  
9 after the close of each fiscal year, the district administrator  
10 shall prepare for the board:

11 (1) a complete sworn statement of all district money;  
12 and

13 (2) a complete account of the disbursements of that  
14 money. (Acts 62nd Leg., R.S., Ch. 5, Sec. 6 (part).)

15 Sec. 1093.159. DEPOSITORY. (a) The board shall select one  
16 or more banks in the district to serve as a depository for district  
17 money.

18 (b) District money, other than money invested as provided by  
19 Section 1093.160, and money transmitted to a bank for payment of  
20 bonds or obligations issued by the district, shall be deposited as  
21 received with the depository bank and shall remain on deposit.

22 (c) This chapter, including Subsection (b), does not limit  
23 the power of the board to place a part of district money on time  
24 deposit or to purchase certificates of deposit. (Acts 62nd Leg.,  
25 R.S., Ch. 5, Sec. 12.)

26 Sec. 1093.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
27 Except as otherwise provided by Section 1093.107(c) and by

1 Subchapter E, the district may not incur an obligation payable from  
2 district revenue other than the revenue on hand or to be on hand in  
3 the current and following district fiscal years.

4 (b) The board may invest operating, depreciation, or  
5 building reserves only in funds or securities specified by Chapter  
6 2256, Government Code. (Acts 62nd Leg., R.S., Ch. 5, Secs. 5  
7 (part), 11 (part).)

8 [Sections 1093.161-1093.200 reserved for expansion]

9 SUBCHAPTER E. BONDS

10 Sec. 1093.201. GENERAL OBLIGATION BONDS. The board may  
11 issue and sell general obligation bonds in the name and on the faith  
12 and credit of the district for any purpose relating to:

13 (1) the purchase, construction, acquisition, repair,  
14 or renovation of buildings or improvements; and

15 (2) the equipment of buildings and improvements for  
16 hospital purposes. (Acts 62nd Leg., R.S., Ch. 5, Sec. 7(a) (part).)

17 Sec. 1093.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
18 the time general obligation bonds are issued under Section  
19 1093.201, the board shall impose an ad valorem tax at a rate  
20 sufficient to create an interest and sinking fund to pay the  
21 principal of and interest on the bonds as the bonds mature.

22 (b) The tax required by this section together with any other  
23 ad valorem tax the district imposes may not in any year exceed the  
24 tax rate approved by the voters at the election authorizing the  
25 imposition of the tax. (Acts 62nd Leg., R.S., Ch. 5, Sec. 7(a)  
26 (part).)

27 Sec. 1093.203. GENERAL OBLIGATION BOND ELECTION. (a) The

1 district may issue general obligation bonds only if the bonds are  
2 authorized by a majority of the district voters voting at an  
3 election held for that purpose.

4 (b) The order calling the election shall provide for clerks  
5 as in county elections and must specify:

6 (1) the date of the election;

7 (2) the location of the polling places;

8 (3) the presiding and alternate election judges for  
9 each polling place;

10 (4) the amount of the bonds to be authorized; and

11 (5) the maximum interest rate of the bonds.

12 (c) Notice of a bond election shall be given as provided by  
13 Section 1251.003, Government Code. (Acts 62nd Leg., R.S., Ch. 5,  
14 Sec. 7(a) (part).)

15 Sec. 1093.204. MATURITY OF GENERAL OBLIGATION BONDS.  
16 District general obligation bonds must mature not later than 40  
17 years after the date of issuance. (Acts 62nd Leg., R.S., Ch. 5,  
18 Sec. 7(d) (part).)

19 Sec. 1093.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
20 The board president shall execute the general obligation bonds in  
21 the district's name.

22 (b) The board secretary shall countersign the bonds in the  
23 manner provided by Chapter 618, Government Code. (Acts 62nd Leg.,  
24 R.S., Ch. 5, Sec. 7(d) (part).)

25 Sec. 1093.206. REVENUE BONDS. (a) The board may issue  
26 revenue bonds to:

27 (1) purchase, construct, acquire, repair, renovate,

1 or equip buildings or improvements for hospital purposes; or

2 (2) acquire sites to be used for hospital purposes.

3 (b) The bonds must be payable from and secured by a pledge of  
4 all or part of the revenue derived from the operation of the  
5 district's hospitals.

6 (c) The bonds may be additionally secured by a mortgage or  
7 deed of trust lien on all or part of district property.

8 (d) The bonds must be issued in the manner and in accordance  
9 with the procedures and requirements prescribed by Sections  
10 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
11 and Safety Code, for issuance of revenue bonds by a county hospital  
12 authority. (Acts 62nd Leg., R.S., Ch. 5, Sec. 8 (part).)

13 Sec. 1093.207. REFUNDING BONDS. (a) The board may, without  
14 an election, issue refunding bonds to refund outstanding  
15 indebtedness issued by the district.

16 (b) A refunding bond may be:

17 (1) sold, with the proceeds of the refunding bond  
18 applied to the payment of the indebtedness to be refunded; or

19 (2) exchanged wholly or partly for not less than a  
20 similar principal amount of outstanding indebtedness. (Acts 62nd  
21 Leg., R.S., Ch. 5, Secs. 7(a) (part), (c) (part), 8 (part).)

22 Sec. 1093.208. BONDS EXEMPT FROM TAXATION. The following  
23 are exempt from taxation by this state or a political subdivision of  
24 this state:

25 (1) bonds issued by the district;

26 (2) the transfer and issuance of the bonds; or

27 (3) profits made in the sale of the bonds. (Acts 62nd

1 Leg., R.S., Ch. 5, Sec. 21 (part).)

2 [Sections 1093.209-1093.250 reserved for expansion]

3 SUBCHAPTER F. TAXES

4 Sec. 1093.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
5 shall impose a tax on all property in the district subject to  
6 district taxation.

7 (b) The board shall impose the tax to:

8 (1) pay the interest on and create a sinking fund for  
9 bonds or other obligations issued or assumed by the district for  
10 hospital purposes;

11 (2) provide for the operation and maintenance of the  
12 district and hospital system;

13 (3) make improvements and additions to the hospital  
14 system; and

15 (4) acquire necessary sites for the hospital system by  
16 purchase, lease, or condemnation. (Acts 62nd Leg., R.S., Ch. 5,  
17 Secs. 4(b) (part), 13 (part).)

18 Sec. 1093.252. TAX RATE. (a) The board may impose the tax  
19 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
20 property in the district.

21 (b) In setting the tax rate, the board shall consider the  
22 income of the district from sources other than taxation. (Acts 62nd  
23 Leg., R.S., Ch. 5, Secs. 4(b) (part), 13 (part).)

24 Sec. 1093.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
25 ASSESSOR-COLLECTOR. (a) This section applies unless the board by  
26 majority vote elects to have taxes assessed and collected under  
27 Section 1093.254.



1 (b) The tax assessor-collector of San Augustine County  
2 shall assess and collect taxes imposed by the district. (Acts 62nd  
3 Leg., R.S., Ch. 5, Sec. 14 (part).)

4 Sec. 1093.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
5 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes  
6 assessed and collected by a tax assessor-collector appointed by the  
7 board. An election under this subsection must be made by December 1  
8 and governs the manner in which taxes are assessed and collected,  
9 until changed by a similar resolution.

10 (b) The district tax assessor-collector must:

11 (1) reside in the district; and

12 (2) own real property subject to district taxation.

13 (c) The board shall set for the district tax  
14 assessor-collector:

15 (1) the term of employment; and

16 (2) compensation. (Acts 62nd Leg., R.S., Ch. 5, Sec.  
17 14 (part).)

18 CHAPTER 1094. SEMINOLE HOSPITAL DISTRICT OF GAINES COUNTY, TEXAS

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 1094.001. DEFINITIONS

21 Sec. 1094.002. AUTHORITY FOR CREATION

22 Sec. 1094.003. ESSENTIAL PUBLIC FUNCTION

23 Sec. 1094.004. DISTRICT TERRITORY

24 Sec. 1094.005. CORRECTION OF INVALID PROCEDURES

25 Sec. 1094.006. DISTRICT SUPPORT AND MAINTENANCE NOT

26 STATE OBLIGATION

- 1 Sec. 1094.007. RESTRICTION ON STATE FINANCIAL  
2 ASSISTANCE  
3 [Sections 1094.008-1094.050 reserved for expansion]  
4 SUBCHAPTER B. DISTRICT ADMINISTRATION  
5 Sec. 1094.051. BOARD ELECTION; TERM  
6 Sec. 1094.052. NOTICE OF ELECTION  
7 Sec. 1094.053. BALLOT PETITION  
8 Sec. 1094.054. QUALIFICATIONS FOR OFFICE  
9 Sec. 1094.055. BOARD VACANCY  
10 Sec. 1094.056. OFFICERS  
11 Sec. 1094.057. VOTING REQUIREMENT  
12 Sec. 1094.058. DISTRICT ADMINISTRATOR; ASSISTANT  
13 ADMINISTRATOR  
14 Sec. 1094.059. GENERAL DUTIES OF DISTRICT  
15 ADMINISTRATOR  
16 Sec. 1094.060. APPOINTMENT AND DISMISSAL OF STAFF AND  
17 EMPLOYEES  
18 Sec. 1094.061. SENIORITY; RETIREMENT BENEFITS  
19 [Sections 1094.062-1094.100 reserved for expansion]  
20 SUBCHAPTER C. POWERS AND DUTIES  
21 Sec. 1094.101. DISTRICT RESPONSIBILITY  
22 Sec. 1094.102. RESTRICTION ON POLITICAL SUBDIVISION  
23 TAXATION AND DEBT  
24 Sec. 1094.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
25 Sec. 1094.104. HOSPITAL SYSTEM  
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27 Sec. 1094.106. PURCHASING AND ACCOUNTING PROCEDURES

- 1 Sec. 1094.107. DISTRICT PROPERTY, FACILITIES, AND  
2 EQUIPMENT
- 3 Sec. 1094.108. EMINENT DOMAIN
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- 5 Sec. 1094.110. CONSTRUCTION OR PURCHASE CONTRACTS
- 6 Sec. 1094.111. OPERATING AND MANAGEMENT CONTRACTS
- 7 Sec. 1094.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
8 FOR HOSPITALIZATION
- 9 Sec. 1094.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
10 FOR INVESTIGATORY OR OTHER SERVICES
- 11 Sec. 1094.114. PAYMENT FOR TREATMENT; PROCEDURES
- 12 Sec. 1094.115. AUTHORITY TO SUE AND BE SUED
- 13 [Sections 1094.116-1094.150 reserved for expansion]
- 14 SUBCHAPTER D. CHANGE IN BOUNDARIES
- 15 Sec. 1094.151. ELECTION ON EXPANSION OF BOUNDARIES
- 16 Sec. 1094.152. BALLOT
- 17 Sec. 1094.153. ELECTION RESULTS
- 18 [Sections 1094.154-1094.200 reserved for expansion]
- 19 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
- 20 Sec. 1094.201. BUDGET
- 21 Sec. 1094.202. NOTICE; HEARING; ADOPTION OF BUDGET
- 22 Sec. 1094.203. AMENDMENTS TO BUDGET
- 23 Sec. 1094.204. RESTRICTION ON EXPENDITURES
- 24 Sec. 1094.205. FISCAL YEAR
- 25 Sec. 1094.206. AUDIT
- 26 Sec. 1094.207. INSPECTION OF AUDIT AND DISTRICT  
27 RECORDS

1 Sec. 1094.208. FINANCIAL REPORT

2 Sec. 1094.209. DEPOSITORY

3 Sec. 1094.210. SPENDING AND INVESTMENT RESTRICTIONS

4 [Sections 1094.211-1094.250 reserved for expansion]

5 SUBCHAPTER F. BONDS

6 Sec. 1094.251. GENERAL OBLIGATION BONDS

7 Sec. 1094.252. TAX TO PAY GENERAL OBLIGATION BONDS

8 Sec. 1094.253. GENERAL OBLIGATION BOND ELECTION

9 Sec. 1094.254. MATURITY OF GENERAL OBLIGATION BONDS

10 Sec. 1094.255. EXECUTION OF GENERAL OBLIGATION BONDS

11 Sec. 1094.256. REVENUE BONDS

12 Sec. 1094.257. REFUNDING BONDS

13 Sec. 1094.258. BONDS EXEMPT FROM TAXATION

14 [Sections 1094.259-1094.300 reserved for expansion]

15 SUBCHAPTER G. TAXES

16 Sec. 1094.301. IMPOSITION OF AD VALOREM TAX

17 Sec. 1094.302. TAX RATE

18 Sec. 1094.303. ASSESSMENT AND COLLECTION BY COUNTY TAX

19 ASSESSOR-COLLECTOR

20 Sec. 1094.304. ASSESSMENT AND COLLECTION BY DISTRICT

21 TAX ASSESSOR-COLLECTOR

22 CHAPTER 1094. SEMINOLE HOSPITAL DISTRICT OF GAINES COUNTY, TEXAS

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 1094.001. DEFINITIONS. In this chapter:

25 (1) "Board" means the board of directors of the  
26 district.

27 (2) "Director" means a member of the board.

1           (3) "District" means the Seminole Hospital District of  
2 Gaines County, Texas. (New.)

3           Sec. 1094.002. AUTHORITY FOR CREATION. The Seminole  
4 Hospital District of Gaines County, Texas, is created under the  
5 authority of Section 9, Article IX, Texas Constitution. (Acts 62nd  
6 Leg., R.S., Ch. 102, Sec. 1.)

7           Sec. 1094.003. ESSENTIAL PUBLIC FUNCTION. The district  
8 performs an essential public function in carrying out the purposes  
9 of this chapter. (Acts 62nd Leg., R.S., Ch. 102, Sec. 22 (part).)

10          Sec. 1094.004. DISTRICT TERRITORY. The district is  
11 composed of the territory in the boundaries of the Seminole Common  
12 Consolidated School District No. 1 located in Gaines County as  
13 those boundaries existed on April 29, 1971, unless the district's  
14 boundaries are expanded under Subchapter D. (Acts 62nd Leg., R.S.,  
15 Ch. 102, Sec. 2.)

16          Sec. 1094.005. CORRECTION OF INVALID PROCEDURES. If a  
17 court holds that any procedure under this chapter violates the  
18 constitution of this state or of the United States, the district by  
19 resolution may provide an alternative procedure that conforms with  
20 the constitution. (Acts 62nd Leg., R.S., Ch. 102, Sec. 23 (part).)

21          Sec. 1094.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
22 OBLIGATION. The support and maintenance of the district may not  
23 become a charge against or obligation of this state. (Acts 62nd  
24 Leg., R.S., Ch. 102, Sec. 21 (part).)

25          Sec. 1094.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
26 The legislature may not make a direct appropriation for the  
27 construction, maintenance, or improvement of a district facility.

1 (Acts 62nd Leg., R.S., Ch. 102, Sec. 21 (part).)

2 [Sections 1094.008-1094.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT ADMINISTRATION

4 Sec. 1094.051. BOARD ELECTION; TERM. (a) The board  
5 consists of seven directors elected from the district at large.

6 (b) Unless four-year terms are established under Section  
7 285.081, Health and Safety Code, directors serve staggered two-year  
8 terms. (Acts 62nd Leg., R.S., Ch. 102, Secs. 5(a) (part), (b)  
9 (part).)

10 Sec. 1094.052. NOTICE OF ELECTION. At least 10 days before  
11 the date of an election of directors, notice of the election shall  
12 be published one time in a newspaper of general circulation in  
13 Gaines County. (Acts 62nd Leg., R.S., Ch. 102, Sec. 5(e) (part).)

14 Sec. 1094.053. BALLOT PETITION. A person who wants to have  
15 the person's name printed on the ballot as a candidate for director  
16 must file with the board secretary a petition requesting that  
17 action. The petition must be:

- 18 (1) signed by at least 25 voters; and  
19 (2) filed at least 25 days before the date of the  
20 election. (Acts 62nd Leg., R.S., Ch. 102, Sec. 5(e) (part).)

21 Sec. 1094.054. QUALIFICATIONS FOR OFFICE. A person may not  
22 be elected or appointed as a director unless the person:

- 23 (1) is a resident of the district;  
24 (2) owns property in the district subject to taxation;  
25 and

26 (3) is more than 18 years of age at the time of the  
27 election or appointment. (Acts 62nd Leg., R.S., Ch. 102, Sec.

1 5(c).)

2           Sec. 1094.055. BOARD VACANCY. (a) If a vacancy occurs in  
3 the office of director, the remaining directors shall appoint a  
4 director for the unexpired term.

5           (b) If the number of directors is reduced to fewer than five  
6 for any reason, the remaining directors shall immediately call a  
7 special election to fill the vacancies. If the remaining directors  
8 do not call the election, a district court, on application of a  
9 district voter or taxpayer, may order the directors to hold the  
10 election. (Acts 62nd Leg., R.S., Ch. 102, Sec. 5(d) (part).)

11           Sec. 1094.056. OFFICERS. The board shall elect:

12           (1) a president and a vice president from among its  
13 members; and

14           (2) a secretary, who need not be a director. (Acts  
15 62nd Leg., R.S., Ch. 102, Sec. 5(d) (part).)

16           Sec. 1094.057. VOTING REQUIREMENT. A concurrence of four  
17 directors is sufficient in any matter relating to district  
18 business. (Acts 62nd Leg., R.S., Ch. 102, Sec. 5(d) (part).)

19           Sec. 1094.058. DISTRICT ADMINISTRATOR; ASSISTANT  
20 ADMINISTRATOR. (a) The board may appoint a qualified person as  
21 district administrator.

22           (b) The board may appoint one or more assistant  
23 administrators.

24           (c) The district administrator and any assistant  
25 administrator serve at the will of the board and are entitled to the  
26 compensation determined by the board.

27           (d) On assuming the duties of district administrator, the

1 administrator shall execute a bond payable to the district in an  
2 amount set by the board of not less than \$5,000 that:

3 (1) is conditioned on the administrator performing the  
4 administrator's duties; and

5 (2) contains other conditions the board may require.  
6 (Acts 62nd Leg., R.S., Ch. 102, Sec. 6 (part).)

7 Sec. 1094.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
8 Subject to the limitations prescribed by the board, the district  
9 administrator shall:

10 (1) supervise the work and activities of the district;  
11 and

12 (2) direct the affairs of the district. (Acts 62nd  
13 Leg., R.S., Ch. 102, Sec. 6 (part).)

14 Sec. 1094.060. APPOINTMENT AND DISMISSAL OF STAFF AND  
15 EMPLOYEES. (a) The board may appoint to or dismiss from the staff  
16 any doctors as the board considers necessary for the efficient  
17 operation of the district and may make temporary appointments as  
18 warranted.

19 (b) The district may employ fiscal agents, accountants,  
20 architects, and attorneys the board considers proper.

21 (c) The board may delegate to the district administrator the  
22 authority to hire district employees, including technicians and  
23 nurses. (Acts 62nd Leg., R.S., Ch. 102, Secs. 6 (part), 17.)

24 Sec. 1094.061. SENIORITY; RETIREMENT BENEFITS. The board  
25 may:

26 (1) adopt rules related to the seniority of district  
27 employees, including rules for a retirement plan based on



1 seniority; and

2 (2) give effect to previous years of service for  
3 district employees continuously employed in the operation or  
4 management of hospital facilities:

5 (A) constructed by the district; or

6 (B) acquired by the district, including  
7 facilities acquired when the district was created. (Acts 62nd  
8 Leg., R.S., Ch. 102, Sec. 6 (part).)

9 [Sections 1094.062-1094.100 reserved for expansion]

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 1094.101. DISTRICT RESPONSIBILITY. (a) The district  
12 has full responsibility for providing hospital care for the  
13 district's indigent residents.

14 (b) The district shall provide all necessary hospital and  
15 medical care for the district's needy inhabitants. (Acts 62nd  
16 Leg., R.S., Ch. 102, Secs. 3(a) (part), 20 (part).)

17 Sec. 1094.102. RESTRICTION ON POLITICAL SUBDIVISION  
18 TAXATION AND DEBT. A political subdivision of this state, other  
19 than the district, may not impose a tax or issue bonds or other  
20 obligations for hospital purposes or to provide medical care in the  
21 district. (Acts 62nd Leg., R.S., Ch. 102, Secs. 3(a) (part), 20  
22 (part).)

23 Sec. 1094.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
24 The board shall manage, control, and administer the hospital system  
25 and the district's money and resources. (Acts 62nd Leg., R.S., Ch.  
26 102, Sec. 6 (part).)

27 Sec. 1094.104. HOSPITAL SYSTEM. (a) The district has the

1 responsibility to establish a hospital or hospital system within  
2 its boundaries to provide hospital and medical care to the  
3 district's residents.

4 (b) The district shall provide for:

5 (1) the establishment of a hospital system by:

6 (A) purchasing, constructing, acquiring,  
7 repairing, or renovating buildings and equipment; and

8 (B) equipping the buildings; and

9 (2) the administration of the hospital system for  
10 hospital and medical care purposes.

11 (c) The hospital system may include:

12 (1) facilities for domiciliary care of the sick,  
13 injured, or geriatric;

14 (2) facilities for outpatient clinics;

15 (3) dispensaries;

16 (4) convalescent home facilities;

17 (5) necessary nurses domiciliaries and training  
18 centers;

19 (6) blood banks;

20 (7) community mental health centers;

21 (8) research centers or laboratories; and

22 (9) any other facilities the board considers necessary  
23 for medical and hospital care. (Acts 62nd Leg., R.S., Ch. 102,  
24 Secs. 3(a) (part), (b) (part), 10 (part).)

25 Sec. 1094.105. RULES. The board may adopt rules governing  
26 the operation of the hospital, the hospital system, and the  
27 district's staff and employees. (Acts 62nd Leg., R.S., Ch. 102,

1 Sec. 6 (part).)

2 Sec. 1094.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
3 board may prescribe:

4 (1) the method and manner of making purchases and  
5 expenditures by and for the district; and

6 (2) all accounting and control procedures. (Acts 62nd  
7 Leg., R.S., Ch. 102, Sec. 11 (part).)

8 Sec. 1094.107. DISTRICT PROPERTY, FACILITIES, AND  
9 EQUIPMENT. (a) The board shall determine the type, number, and  
10 location of buildings required to maintain an adequate hospital  
11 system.

12 (b) The board may lease all or part of the district's  
13 buildings and other facilities on terms considered to be in the best  
14 interest of the district's inhabitants. The term of the lease may  
15 not exceed 25 years.

16 (c) The district may acquire equipment for use in the  
17 district's hospital system and mortgage or pledge the property as  
18 security for the payment of the purchase price. A contract entered  
19 into under this subsection must provide that the entire obligation  
20 be retired not later than the fifth anniversary of the date of the  
21 contract.

22 (d) The district may sell or otherwise dispose of any  
23 property, including equipment, on terms the board finds are in the  
24 best interest of the district's inhabitants. (Acts 62nd Leg.,  
25 R.S., Ch. 102, Secs. 10 (part), 11 (part).)

26 Sec. 1094.108. EMINENT DOMAIN. (a) The district may  
27 exercise the power of eminent domain to acquire a fee simple or

1 other interest in any type of property located in district  
2 territory if the interest is necessary for the district to exercise  
3 a power, right, or privilege conferred by this chapter.

4 (b) The district must exercise the power of eminent domain  
5 in the manner provided by Chapter 21, Property Code, except the  
6 district is not required to deposit in the trial court money or a  
7 bond as provided by Section 21.021(a), Property Code.

8 (c) In a condemnation proceeding brought by the district,  
9 the district is not required to:

10 (1) pay in advance or provide a bond or other security  
11 for costs in the trial court;

12 (2) provide a bond for the issuance of a temporary  
13 restraining order or a temporary injunction; or

14 (3) provide a bond for costs or a supersedeas bond on  
15 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 102,  
16 Sec. 15.)

17 Sec. 1094.109. GIFTS AND ENDOWMENTS. The board may accept  
18 for the district a gift or endowment to be held in trust and  
19 administered by the board for the purposes and under the  
20 directions, limitations, or other provisions prescribed in writing  
21 by the donor that are not inconsistent with the proper management  
22 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 102,  
23 Sec. 19.)

24 Sec. 1094.110. CONSTRUCTION OR PURCHASE CONTRACTS. A  
25 construction or purchase contract that involves the expenditure of  
26 more than \$2,000 may be made only after advertising in the manner  
27 provided by Chapter 252 and Subchapter C, Chapter 262, Local

1 Government Code. (Acts 62nd Leg., R.S., Ch. 102, Sec. 11 (part).)

2       Sec. 1094.111. OPERATING AND MANAGEMENT CONTRACTS. The  
3 board may enter into an operating or management contract relating  
4 to a district facility. (Acts 62nd Leg., R.S., Ch. 102, Sec. 10  
5 (part).)

6       Sec. 1094.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
7 HOSPITALIZATION. (a) The board may contract with a county or  
8 municipality located outside the district's boundaries for the  
9 hospitalization of a sick or injured person of that county or  
10 municipality.

11       (b) The board may contract with this state or a federal  
12 agency for the hospital treatment of a sick or injured person.  
13 (Acts 62nd Leg., R.S., Ch. 102, Sec. 6 (part).)

14       Sec. 1094.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
15 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
16 political subdivision or governmental agency for the district to  
17 provide investigatory and other services for the hospital or  
18 welfare needs of district inhabitants. (Acts 62nd Leg., R.S., Ch.  
19 102, Sec. 6 (part).)

20       Sec. 1094.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
21 When a patient who resides in the district is admitted to a district  
22 facility, the district administrator may have an inquiry made into  
23 the circumstances of:

24               (1) the patient; and

25               (2) the patient's relatives who are legally liable for  
26 the patient's support.

27       (b) If the district administrator determines that the

1 patient or those relatives cannot pay all or part of the costs of  
2 the care and treatment in the hospital, the amount of the costs that  
3 cannot be paid becomes a charge against the district.

4 (c) If the district administrator determines that the  
5 patient or those relatives can pay for all or part of the costs of  
6 the patient's care and treatment, the patient or those relatives  
7 shall be ordered to pay the district a specified amount each week  
8 for the patient's care and support. The amount ordered must be  
9 proportionate to the person's financial ability.

10 (d) The district administrator may collect the amount from  
11 the patient's estate, or from any relative who is legally liable for  
12 the patient's support, in the manner provided by law for the  
13 collection of expenses of the last illness of a deceased person.

14 (e) If there is a dispute as to the ability to pay, or doubt  
15 in the mind of the district administrator, the board shall hold a  
16 hearing and, after calling witnesses, shall:

17 (1) resolve the dispute or doubt; and

18 (2) issue any appropriate orders.

19 (f) The final order of the board may be appealed to the  
20 district court. The substantial evidence rule applies to the  
21 appeal. (Acts 62nd Leg., R.S., Ch. 102, Sec. 18.)

22 Sec. 1094.115. AUTHORITY TO SUE AND BE SUED. (a) The  
23 district, through the board, may sue and be sued.

24 (b) The district is entitled to all causes of action and  
25 defenses to which similar authorities are entitled. (Acts 62nd  
26 Leg., R.S., Ch. 102, Sec. 6 (part).)

1 [Sections 1094.116-1094.150 reserved for expansion]

2 SUBCHAPTER D. CHANGE IN BOUNDARIES

3 Sec. 1094.151. ELECTION ON EXPANSION OF BOUNDARIES. (a)

4 On presentation of a petition for an election signed by at least 50  
5 registered voters of Gaines County who do not reside within the  
6 district's boundaries, the board shall order an election on the  
7 questions of:

8 (1) expanding the district's boundaries to include the  
9 entire county;

10 (2) the assumption of a proportionate share of  
11 district debts; and

12 (3) the imposition of taxes in the territory to be  
13 added to the district.

14 (b) The board shall order the election not later than the  
15 60th day after the date on which the petition is presented to the  
16 board.

17 (c) The election in the district and the election in the  
18 territory to be added must be held on the same day.

19 (d) Section 41.001(a), Election Code, does not apply to an  
20 election ordered under this section. (Acts 62nd Leg., R.S., Ch.  
21 102, Secs. 2A(a), (b), (e), (f).)

22 Sec. 1094.152. BALLOT. The ballot for the election shall be  
23 printed to permit voting for or against the proposition: "Expanding  
24 the Seminole Hospital District to include all of Gaines County, the  
25 assumption by the additional territory of its proportionate share  
26 of the district's outstanding debts, and the levy of a tax not to  
27 exceed 75 cents on each \$100 of valuation on all taxable property in

1 the expanded area of the district." (Acts 62nd Leg., R.S., Ch. 102,  
2 Sec. 2A(c).)

3 Sec. 1094.153. ELECTION RESULTS. The district may not be  
4 expanded unless the proposition under Section 1094.152 is approved  
5 by a majority of the voters at an election held in the district and  
6 by a majority of the voters at a separate election held in the  
7 territory to be added. (Acts 62nd Leg., R.S., Ch. 102, Sec. 2A(d).)

8 [Sections 1094.154-1094.200 reserved for expansion]

9 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

10 Sec. 1094.201. BUDGET. (a) The district administrator  
11 shall prepare an annual budget for approval by the board.

12 (b) The proposed budget must contain a complete financial  
13 statement of:

14 (1) the outstanding obligations of the district;

15 (2) the cash on hand in each district fund;

16 (3) the money received by the district from all  
17 sources during the previous year;

18 (4) the money available to the district from all  
19 sources during the ensuing year;

20 (5) the balances expected at the end of the year in  
21 which the budget is being prepared;

22 (6) the estimated revenue and balances available to  
23 cover the proposed budget;

24 (7) the estimated tax rate required; and

25 (8) the proposed expenditures and disbursements and  
26 the estimated receipts and collections for the following fiscal  
27 year. (Acts 62nd Leg., R.S., Ch. 102, Sec. 7 (part).)



1           Sec. 1094.202. NOTICE; HEARING; ADOPTION OF BUDGET. (a)

2 The board shall hold a public hearing on the proposed annual budget.

3           (b) At least 10 days before the date of the hearing, notice  
4 of the hearing shall be published one time in a newspaper or  
5 newspapers that individually or collectively have general  
6 circulation in the district.

7           (c) Any property taxpayer of the district is entitled to be  
8 present and participate at the hearing.

9           (d) At the conclusion of the hearing, the board shall adopt  
10 a budget by acting on the budget proposed by the district  
11 administrator. The board may make any changes in the proposed  
12 budget that the board judges to be in the interest of the taxpayers  
13 and that the law warrants. (Acts 62nd Leg., R.S., Ch. 102, Sec. 7  
14 (part).)

15           Sec. 1094.203. AMENDMENTS TO BUDGET. The budget may be  
16 amended as required by circumstances. The board must approve all  
17 amendments. (Acts 62nd Leg., R.S., Ch. 102, Sec. 7 (part).)

18           Sec. 1094.204. RESTRICTION ON EXPENDITURES. Money may be  
19 spent only for an expense included in the budget or an amendment to  
20 the budget. (Acts 62nd Leg., R.S., Ch. 102, Sec. 7 (part).)

21           Sec. 1094.205. FISCAL YEAR. The district operates  
22 according to a fiscal year that begins on October 1 and ends on  
23 September 30. (Acts 62nd Leg., R.S., Ch. 102, Sec. 7 (part).)

24           Sec. 1094.206. AUDIT. (a) The district shall have an  
25 independent audit made of the district's financial condition for  
26 the fiscal year.

27           (b) As soon as the audit is completed, the audit shall be

1 filed at the district's office. (Acts 62nd Leg., R.S., Ch. 102,  
2 Sec. 7 (part).)

3 Sec. 1094.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
4 The audit and other district records shall be open to inspection at  
5 the district's principal office. (Acts 62nd Leg., R.S., Ch. 102,  
6 Sec. 7 (part).)

7 Sec. 1094.208. FINANCIAL REPORT. As soon as practicable  
8 after the close of each fiscal year, the district administrator  
9 shall prepare for the board:

10 (1) a complete sworn statement of all district money;  
11 and

12 (2) a complete account of the disbursements of that  
13 money. (Acts 62nd Leg., R.S., Ch. 102, Sec. 7 (part).)

14 Sec. 1094.209. DEPOSITORY. (a) The board shall select one  
15 or more banks in the district to serve as a depository for district  
16 money.

17 (b) District money, other than money invested as provided by  
18 Section 1094.210(b), and money transmitted to a bank for payment of  
19 bonds or obligations issued by the district, shall be deposited as  
20 received with the depository bank and shall remain on deposit.

21 (c) This chapter, including Subsection (b), does not limit  
22 the power of the board to place a part of district money on time  
23 deposit or to purchase certificates of deposit. (Acts 62nd Leg.,  
24 R.S., Ch. 102, Sec. 12.)

25 Sec. 1094.210. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
26 Except as otherwise provided by Section 1094.107(c) and Subchapter  
27 F, the district may not incur an obligation payable from district

1 revenue other than the revenue on hand or to be on hand in the  
2 current and following district fiscal years.

3 (b) The board may invest operating, depreciation, or  
4 building reserves only in funds or securities specified by Chapter  
5 2256, Government Code. (Acts 62nd Leg., R.S., Ch. 102, Secs. 6  
6 (part), 11 (part).)

7 [Sections 1094.211-1094.250 reserved for expansion]

8 SUBCHAPTER F. BONDS

9 Sec. 1094.251. GENERAL OBLIGATION BONDS. The board may  
10 issue and sell general obligation bonds in the name and on the faith  
11 and credit of the district for any purpose relating to:

12 (1) the purchase, construction, acquisition, repair,  
13 or renovation of buildings or improvements; and

14 (2) equipping buildings or improvements for hospital  
15 purposes. (Acts 62nd Leg., R.S., Ch. 102, Sec. 8(a) (part).)

16 Sec. 1094.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
17 the time general obligation bonds are issued by the district under  
18 Section 1094.251, the board shall impose an ad valorem tax at a rate  
19 sufficient to create an interest and sinking fund to pay the  
20 principal of and interest on the bonds as the bonds mature.

21 (b) The tax required by this section together with any other  
22 ad valorem tax the district imposes may not in any year exceed the  
23 tax rate approved by the voters at the election authorizing the  
24 imposition of the tax. (Acts 62nd Leg., R.S., Ch. 102, Sec. 8(a)  
25 (part).)

26 Sec. 1094.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
27 district may issue general obligation bonds only if the bonds are

1 authorized by a majority of the district voters voting at an  
2 election held for that purpose.

3 (b) The order calling the election shall provide for clerks  
4 as in county elections and must specify:

5 (1) the date of the election;

6 (2) the location of the polling places;

7 (3) the presiding and alternate election judges for  
8 each polling place;

9 (4) the amount of the bonds to be authorized; and

10 (5) the maximum interest rate of the bonds.

11 (c) Notice of a bond election shall be given as provided by  
12 Section 1251.003, Government Code. (Acts 62nd Leg., R.S., Ch. 102,  
13 Sec. 8(a) (part).)

14 Sec. 1094.254. MATURITY OF GENERAL OBLIGATION BONDS.  
15 District general obligation bonds must mature not later than 40  
16 years after the date of issuance. (Acts 62nd Leg., R.S., Ch. 102,  
17 Sec. 8(d) (part).)

18 Sec. 1094.255. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
19 The board president shall execute the general obligation bonds in  
20 the district's name.

21 (b) The board secretary shall countersign the bonds in the  
22 manner provided by Chapter 618, Government Code. (Acts 62nd Leg.,  
23 R.S., Ch. 102, Sec. 8(d) (part).)

24 Sec. 1094.256. REVENUE BONDS. (a) The board may issue  
25 revenue bonds to:

26 (1) purchase, construct, acquire, repair, renovate,  
27 or equip buildings or improvements for hospital purposes; or

1           (2) acquire sites to be used for hospital purposes.

2           (b) The bonds must be payable from and secured by a pledge of  
3 all or part of the revenue derived from the operation of the  
4 district's hospitals.

5           (c) The bonds may be additionally secured by a mortgage or  
6 deed of trust lien on all or part of district property.

7           (d) The bonds must be issued in the manner and in accordance  
8 with the procedures and requirements prescribed by Sections  
9 264.042, 264.043, and 264.046-264.049, Health and Safety Code, for  
10 issuance of revenue bonds by a county hospital authority. (Acts  
11 62nd Leg., R.S., Ch. 102, Sec. 9 (part).)

12           Sec. 1094.257. REFUNDING BONDS. (a) The board may, without  
13 an election, issue refunding bonds to refund outstanding  
14 indebtedness issued or assumed by the district.

15           (b) A refunding bond may be:

16                 (1) sold, with the proceeds of the refunding bond  
17 applied to the payment of the indebtedness to be refunded; or

18                 (2) exchanged wholly or partly for not less than a  
19 similar principal amount of outstanding indebtedness. (Acts 62nd  
20 Leg., R.S., Ch. 102, Secs. 8(a) (part), (c) (part), 9 (part).)

21           Sec. 1094.258. BONDS EXEMPT FROM TAXATION. The following  
22 are exempt from taxation by this state or a political subdivision of  
23 this state:

24                 (1) bonds issued or assumed by the district;

25                 (2) the transfer and issuance of the bonds; and

26                 (3) profits made in the sale of the bonds. (Acts 62nd  
27 Leg., R.S., Ch.102, Sec. 22 (part).)

1 [Sections 1094.259-1094.300 reserved for expansion]

2 SUBCHAPTER G. TAXES

3 Sec. 1094.301. IMPOSITION OF AD VALOREM TAX. (a) The board  
4 shall impose a tax on all property in the district subject to  
5 district taxation.

6 (b) The board shall impose the tax to:

7 (1) pay the interest on and create a sinking fund for  
8 bonds or other obligations issued or assumed by the district for  
9 hospital purposes;

10 (2) provide for the operation and maintenance of the  
11 district and hospital system;

12 (3) make improvements and additions to the hospital  
13 system; and

14 (4) acquire necessary sites for the hospital system by  
15 purchase, lease, or condemnation. (Acts 62nd Leg., R.S., Ch. 102,  
16 Secs. 4(b) (part), 13(a) (part).)

17 Sec. 1094.302. TAX RATE. (a) The board may impose the tax  
18 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
19 property in the district.

20 (b) In setting the tax rate, the board shall consider the  
21 income of the district from sources other than taxation. (Acts 62nd  
22 Leg., R.S., Ch. 102, Secs. 4(b) (part), 13(a) (part), (b) (part).)

23 Sec. 1094.303. ASSESSMENT AND COLLECTION BY COUNTY TAX  
24 ASSESSOR-COLLECTOR. (a) This section applies unless the board  
25 elects to have taxes assessed and collected under Section 1094.304.

26 (b) The tax assessor-collector of Gaines County shall  
27 assess and collect taxes imposed by the district. (Acts 62nd Leg.,

1 R.S., Ch. 102, Secs. 16(a) (part), (b) (part).)

2           Sec. 1094.304. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
3 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes  
4 assessed and collected by a tax assessor-collector appointed by the  
5 board. An election under this subsection must be made by December 1  
6 and governs the manner in which taxes are assessed and collected,  
7 until changed by a similar resolution.

8           (b) The district tax assessor-collector must:

9                   (1) reside in the district; and

10                   (2) own real property subject to district taxation.

11           (c) The board shall set for the district tax  
12 assessor-collector:

13                   (1) the term of employment; and

14                   (2) compensation. (Acts 62nd Leg., R.S., Ch. 102,  
15 Secs. 16(a) (part), (c) (part).)

16           CHAPTER 1095. SHACKELFORD COUNTY HOSPITAL DISTRICT

17                   SUBCHAPTER A. GENERAL PROVISIONS

18           Sec. 1095.001. DEFINITIONS

19           Sec. 1095.002. AUTHORITY FOR OPERATION

20           Sec. 1095.003. ESSENTIAL PUBLIC FUNCTION

21           Sec. 1095.004. DISTRICT TERRITORY

22           Sec. 1095.005. DISTRICT SUPPORT AND MAINTENANCE NOT

23                   STATE OBLIGATION

24           Sec. 1095.006. RESTRICTION ON STATE FINANCIAL

25                   ASSISTANCE

26           [Sections 1095.007-1095.050 reserved for expansion]

- 1                           SUBCHAPTER B. DISTRICT ADMINISTRATION
- 2   Sec. 1095.051.   BOARD ELECTION; TERM
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- 1 Sec. 1095.110. GIFTS AND ENDOWMENTS
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- 9 Sec. 1095.116. AUTHORITY TO SUE AND BE SUED
- 10 Sec. 1095.117. ELECTION DATE
- 11 [Sections 1095.118-1095.150 reserved for expansion]
- 12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 13 Sec. 1095.151. BUDGET
- 14 Sec. 1095.152. NOTICE; HEARING; ADOPTION OF BUDGET
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- 16 Sec. 1095.154. RESTRICTION ON EXPENDITURES
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- 18 Sec. 1095.156. ANNUAL AUDIT
- 19 Sec. 1095.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
- 20 RECORDS
- 21 Sec. 1095.158. FINANCIAL REPORT
- 22 Sec. 1095.159. DEPOSITORY
- 23 Sec. 1095.160. SPENDING AND INVESTMENT RESTRICTIONS
- 24 [Sections 1095.161-1095.200 reserved for expansion]
- 25 SUBCHAPTER E. BONDS
- 26 Sec. 1095.201. GENERAL OBLIGATION BONDS
- 27 Sec. 1095.202. TAX TO PAY GENERAL OBLIGATION BONDS

- 1 Sec. 1095.203. GENERAL OBLIGATION BOND ELECTION
- 2 Sec. 1095.204. MATURITY OF GENERAL OBLIGATION BONDS
- 3 Sec. 1095.205. EXECUTION OF GENERAL OBLIGATION BONDS
- 4 Sec. 1095.206. REVENUE BONDS
- 5 Sec. 1095.207. REFUNDING BONDS
- 6 Sec. 1095.208. BONDS EXEMPT FROM TAXATION
- 7 [Sections 1095.209-1095.250 reserved for expansion]

8 SUBCHAPTER F. TAXES

- 9 Sec. 1095.251. IMPOSITION OF AD VALOREM TAX
- 10 Sec. 1095.252. TAX RATE
- 11 Sec. 1095.253. ASSESSMENT AND COLLECTION BY COUNTY TAX
- 12 ASSESSOR-COLLECTOR
- 13 Sec. 1095.254. ASSESSMENT AND COLLECTION BY DISTRICT
- 14 TAX ASSESSOR-COLLECTOR

15 CHAPTER 1095. SHACKELFORD COUNTY HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

- 17 Sec. 1095.001. DEFINITIONS. In this chapter:
  - 18 (1) "Board" means the board of directors of the
  - 19 district.
  - 20 (2) "Director" means a member of the board.
  - 21 (3) "District" means the Shackelford County Hospital
  - 22 District. (New.)
- 23 Sec. 1095.002. AUTHORITY FOR OPERATION. The Shackelford
- 24 County Hospital District operates and is administered and financed
- 25 in accordance with Section 9, Article IX, Texas Constitution, and
- 26 has the rights, powers, and duties provided by this chapter. (Acts
- 27 65th Leg., R.S., Ch. 140, Sec. 1 (part).)

1           Sec. 1095.003. ESSENTIAL PUBLIC FUNCTION. The district  
2 performs an essential public function in carrying out the purposes  
3 of this chapter. (Acts 65th Leg., R.S., Ch. 140, Sec. 21 (part).)

4           Sec. 1095.004. DISTRICT TERRITORY. The boundaries of the  
5 district are coextensive with the boundaries of Shackelford County,  
6 Texas. (Acts 65th Leg., R.S., Ch. 140, Sec. 1 (part).)

7           Sec. 1095.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
8 OBLIGATION. The support and maintenance of the district may not  
9 become a charge against or obligation of this state. (Acts 65th  
10 Leg., R.S., Ch. 140, Sec. 20 (part).)

11           Sec. 1095.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
12 The legislature may not make a direct appropriation for the  
13 construction, maintenance, or improvement of a district facility.  
14 (Acts 65th Leg., R.S., Ch. 140, Sec. 20 (part).)

15           [Sections 1095.007-1095.050 reserved for expansion]

16                           SUBCHAPTER B. DISTRICT ADMINISTRATION

17           Sec. 1095.051. BOARD ELECTION; TERM. (a) The board  
18 consists of seven directors elected from the district at large.

19           (b) Unless four-year terms are established under Section  
20 285.081, Health and Safety Code:

21                           (1) directors serve staggered two-year terms; and

22                           (2) a directors' election shall be held on the uniform  
23 election date in May of each year. (Acts 65th Leg., R.S., Ch. 140,  
24 Sec. 4(c) (part).)

25           Sec. 1095.052. NOTICE OF ELECTION. At least 30 days before  
26 the date of an election of directors, notice of the election shall  
27 be published one time in a newspaper or newspapers that

1 individually or collectively have general circulation in the  
2 district. (Acts 65th Leg., R.S., Ch. 140, Sec. 4(c) (part).)

3       Sec. 1095.053. BALLOT PETITION. A person who wants to have  
4 the person's name printed on the ballot as a candidate for director  
5 must file with the board secretary a petition requesting that  
6 action. The petition must be:

- 7           (1) signed by at least 10 voters; and  
8           (2) filed at least 30 days before the date of the  
9 election. (Acts 65th Leg., R.S., Ch. 140, Sec. 4(c) (part).)

10       Sec. 1095.054. QUALIFICATIONS FOR OFFICE. (a) A person may  
11 not be elected or appointed as a director unless the person is:

- 12           (1) a resident of the district; and  
13           (2) a qualified voter.

14       (b) A person is not eligible to serve as a director if the  
15 person is:

- 16           (1) the district administrator; or  
17           (2) a district employee. (Acts 65th Leg., R.S., Ch.  
18 140, Sec. 4(d).)

19       Sec. 1095.055. BOARD VACANCY. If a vacancy occurs in the  
20 office of director, the remaining directors shall appoint a  
21 director for the unexpired term. (Acts 65th Leg., R.S., Ch. 140,  
22 Sec. 4(c) (part).)

23       Sec. 1095.056. OFFICERS. (a) The board shall elect:

- 24           (1) a president and a vice president from among its  
25 members; and  
26           (2) a secretary, who need not be a director.

27       (b) Each officer of the board serves for a term of one year.

1 (c) The board shall fill a vacancy in a board office for the  
2 unexpired term. (Acts 65th Leg., R.S., Ch. 140, Sec. 4(e) (part).)

3 Sec. 1095.057. COMPENSATION; EXPENSES. A director or  
4 officer serves without compensation but may be reimbursed for  
5 actual expenses incurred in the performance of official duties.  
6 The expenses must be:

- 7 (1) reported in the district's records; and  
8 (2) approved by the board. (Acts 65th Leg., R.S., Ch.  
9 140, Sec. 4(e) (part).)

10 Sec. 1095.058. VOTING REQUIREMENT. A concurrence of four  
11 directors is sufficient in any matter relating to district  
12 business. (Acts 65th Leg., R.S., Ch. 140, Sec. 4(e) (part).)

13 Sec. 1095.059. DISTRICT ADMINISTRATOR; ASSISTANT  
14 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
15 district administrator.

16 (b) The board may appoint an assistant administrator.

17 (c) The district administrator and any assistant  
18 administrator serve at the will of the board and are entitled to the  
19 compensation determined by the board.

20 (d) On assuming the duties of district administrator, the  
21 administrator shall execute a bond payable to the district in an  
22 amount set by the board of not less than \$5,000 that:

- 23 (1) is conditioned on the administrator performing the  
24 administrator's duties; and  
25 (2) contains other conditions the board may require.  
26 (Acts 65th Leg., R.S., Ch. 140, Sec. 5 (part).)

27 Sec. 1095.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

1 Subject to the limitations prescribed by the board, the district  
2 administrator shall:

3 (1) supervise the work and activities of the district;  
4 and

5 (2) direct the affairs of the district. (Acts 65th  
6 Leg., R.S., Ch. 140, Sec. 5 (part).)

7 Sec. 1095.061. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
8 board may appoint to the staff any doctors as the board considers  
9 necessary for the efficient operation of the district and may make  
10 temporary appointments as warranted.

11 (b) The district may employ fiscal agents, accountants,  
12 architects, and additional attorneys as the board considers proper.

13 (c) The board may delegate to the district administrator the  
14 authority to hire district employees, including technicians and  
15 nurses. (Acts 65th Leg., R.S., Ch. 140, Secs. 5 (part), 16.)

16 [Sections 1095.062-1095.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 1095.101. DISTRICT RESPONSIBILITY. The district has  
19 full responsibility for operating all hospital facilities for  
20 providing medical and hospital care for the district's needy  
21 inhabitants. (Acts 65th Leg., R.S., Ch. 140, Sec. 19 (part).)

22 Sec. 1095.102. RESTRICTION ON POLITICAL SUBDIVISION  
23 TAXATION AND DEBT. A political subdivision located wholly or  
24 partly within the district may not impose a tax or issue bonds or  
25 other obligations for hospital purposes or to provide medical care  
26 for district residents. (Acts 65th Leg., R.S., Ch. 140, Sec. 19  
27 (part).)

1           Sec. 1095.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
2 The board shall manage, control, and administer the hospital system  
3 and the district's money and resources. (Acts 65th Leg., R.S., Ch.  
4 140, Sec. 5 (part).)

5           Sec. 1095.104. HOSPITAL SYSTEM. (a) The district shall  
6 provide for:

7                   (1) the establishment of a hospital system by:

8                           (A) purchasing, constructing, acquiring,  
9 repairing, or renovating buildings and equipment; and

10                           (B) equipping the buildings; and

11                   (2) the administration of the system for hospital  
12 purposes.

13           (b) The hospital system may include any facilities the board  
14 considers necessary for hospital care. (Acts 65th Leg., R.S., Ch.  
15 140, Secs. 2 (part), 10(a) (part).)

16           Sec. 1095.105. RULES. The board may adopt rules governing  
17 the operation of the hospital, the hospital system, and the  
18 district's staff and employees. (Acts 65th Leg., R.S., Ch. 140,  
19 Sec. 5 (part).)

20           Sec. 1095.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
21 board may prescribe:

22                   (1) the method and manner of making purchases and  
23 expenditures by and for the district; and

24                   (2) all accounting and control procedures. (Acts 65th  
25 Leg., R.S., Ch. 140, Sec. 10(b) (part).)

26           Sec. 1095.107. DISTRICT PROPERTY, FACILITIES, AND  
27 EQUIPMENT. (a) The board shall determine the type, number, and

1 location of buildings required to maintain an adequate hospital  
2 system.

3 (b) The board may lease all or part of the district's  
4 buildings and other facilities on terms considered to be in the best  
5 interest of the district's inhabitants.

6 (c) The district may acquire equipment for use in the  
7 district's hospital system and mortgage or pledge the property as  
8 security for the payment of the purchase price.

9 (d) The district may sell or otherwise dispose of any  
10 property, including equipment, on terms the board finds are in the  
11 best interest of the district's inhabitants. (Acts 65th Leg.,  
12 R.S., Ch. 140, Secs. 10(a) (part), (b) (part).)

13 Sec. 1095.108. EMINENT DOMAIN. (a) The district may  
14 exercise the power of eminent domain to acquire a fee simple or  
15 other interest in any type of property located in district  
16 territory if the interest is necessary or convenient for the  
17 district to exercise a power, right, or privilege conferred by this  
18 chapter.

19 (b) The district must exercise the power of eminent domain  
20 in the manner provided by Chapter 21, Property Code, except the  
21 district is not required to deposit in the trial court money or a  
22 bond as provided by Section 21.021(a), Property Code.

23 (c) In a condemnation proceeding brought by the district,  
24 the district is not required to:

25 (1) pay in advance or provide a bond or other security  
26 for costs in the trial court;

27 (2) provide a bond for the issuance of a temporary



1 restraining order or a temporary injunction; or

2 (3) provide a bond for costs or a supersedeas bond on  
3 an appeal or petition for review. (Acts 65th Leg., R.S., Ch. 140,  
4 Sec. 14(a).)

5 Sec. 1095.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
6 exercising the power of eminent domain, if the board requires  
7 relocating, raising, lowering, rerouting, changing the grade of, or  
8 altering the construction of any railroad, electric transmission,  
9 telegraph or telephone line, conduit, pole, or facility, or  
10 pipeline, the board must bear the actual cost of relocating,  
11 raising, lowering, rerouting, changing the grade, or altering the  
12 construction to provide comparable replacement without enhancement  
13 of facilities, after deducting the net salvage value derived from  
14 the old facility. (Acts 65th Leg., R.S., Ch. 140, Sec. 14(b).)

15 Sec. 1095.110. GIFTS AND ENDOWMENTS. The board may accept  
16 for the district a gift or endowment to be held in trust and  
17 administered by the board for the purposes and under the  
18 directions, limitations, or other provisions prescribed in writing  
19 by the donor that are not inconsistent with the proper management  
20 and objectives of the district. (Acts 65th Leg., R.S., Ch. 140,  
21 Sec. 18.)

22 Sec. 1095.111. CONSTRUCTION CONTRACTS. A construction  
23 contract that involves the expenditure of more than \$10,000 may be  
24 made only after advertising in the manner provided by Chapter 252  
25 and Subchapter C, Chapter 262, Local Government Code. (Acts 65th  
26 Leg., R.S., Ch. 140, Sec. 10(b) (part).)

27 Sec. 1095.112. OPERATING AND MANAGEMENT CONTRACTS. The

1 board may enter into an operating or management contract relating  
2 to a district facility. (Acts 65th Leg., R.S., Ch. 140, Sec. 10(a)  
3 (part).)

4 Sec. 1095.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
5 CARE AND TREATMENT. (a) The board may contract with a county or  
6 municipality located outside the district's boundaries for the care  
7 and treatment of a sick or injured person of that county or  
8 municipality.

9 (b) The board may contract with this state or a federal  
10 agency for the treatment of a sick or injured person. (Acts 65th  
11 Leg., R.S., Ch. 140, Sec. 5 (part).)

12 Sec. 1095.114. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
13 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
14 political subdivision or governmental agency for the district to  
15 provide investigatory or other services for the medical, hospital,  
16 or welfare needs of district inhabitants. (Acts 65th Leg., R.S.,  
17 Ch. 140, Sec. 5 (part).)

18 Sec. 1095.115. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
19 When a patient who resides in the district is admitted to a district  
20 facility, the district administrator may have an inquiry made into  
21 the circumstances of:

- 22 (1) the patient; and  
23 (2) the patient's relatives who are legally liable for  
24 the patient's support.

25 (b) If the district administrator determines that the  
26 patient or those relatives cannot pay all or part of the costs of  
27 the care and treatment in the hospital, the amount of the costs that

1 cannot be paid becomes a charge against the district.

2 (c) If the district administrator determines that the  
3 patient or those relatives can pay for all or part of the costs of  
4 the patient's care and treatment, the patient or those relatives  
5 shall be ordered to pay the district a specified amount each week  
6 for the patient's care and support. The amount ordered must be  
7 proportionate to the person's financial ability.

8 (d) The district administrator may collect the amount from  
9 the estate of the patient, or from any relative who is legally  
10 liable for the patient's support, in the manner provided by law for  
11 the collection of expenses of the last illness of a deceased person.

12 (e) If there is a dispute as to the ability to pay, or doubt  
13 in the mind of the district administrator, the board shall hold a  
14 hearing and, after calling witnesses, shall:

- 15 (1) resolve the dispute; and  
16 (2) issue any appropriate orders.

17 (f) A final order of the board may be appealed to the  
18 district court. The substantial evidence rule applies to the  
19 appeal. (Acts 65th Leg., R.S., Ch. 140, Sec. 17.)

20 Sec. 1095.116. AUTHORITY TO SUE AND BE SUED. The district,  
21 through the board, may sue and be sued. (Acts 65th Leg., R.S., Ch.  
22 140, Sec. 5 (part).)

23 Sec. 1095.117. ELECTION DATE. Notwithstanding Section  
24 41.001(a), Election Code, the board may choose the date for an  
25 election held under this chapter other than a directors' election  
26 under Section 1095.051. (Acts 65th Leg., R.S., Ch. 140, Sec. 3(e).)

1 [Sections 1095.118-1095.150 reserved for expansion]

2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3 Sec. 1095.151. BUDGET. (a) The district administrator  
4 shall prepare an annual budget for approval by the board.

5 (b) The proposed budget must contain a complete financial  
6 statement of:

7 (1) the outstanding obligations of the district;

8 (2) the cash on hand in each district fund;

9 (3) the money received by the district from all  
10 sources during the previous year;

11 (4) the money available to the district from all  
12 sources during the ensuing year;

13 (5) the balances expected at the end of the year in  
14 which the budget is being prepared;

15 (6) the estimated revenue and balances available to  
16 cover the proposed budget; and

17 (7) the estimated tax rate required. (Acts 65th Leg.,  
18 R.S., Ch. 140, Sec. 6 (part).)

19 Sec. 1095.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
20 The board shall hold a public hearing on the proposed annual budget.

21 (b) Notice of the hearing must be published one time at  
22 least 10 days before the date of the hearing.

23 (c) Any district resident is entitled to be present and  
24 participate at the hearing.

25 (d) At the conclusion of the hearing, the board shall adopt  
26 a budget by acting on the budget proposed by the district  
27 administrator. The board may make any changes in the proposed

1 budget that the board judges to be in the interests of the taxpayers  
2 and that the law warrants. (Acts 65th Leg., R.S., Ch. 140, Sec. 6  
3 (part).)

4 Sec. 1095.153. AMENDMENTS TO BUDGET. The budget may be  
5 amended as required by circumstances. The board must approve all  
6 amendments. (Acts 65th Leg., R.S., Ch. 140, Sec. 6 (part).)

7 Sec. 1095.154. RESTRICTION ON EXPENDITURES. Money may be  
8 spent only for an expense included in the budget or an amendment to  
9 the budget. (Acts 65th Leg., R.S., Ch. 140, Sec. 6 (part).)

10 Sec. 1095.155. FISCAL YEAR. (a) The district operates  
11 according to a fiscal year established by the board.

12 (b) The fiscal year may not be changed:

13 (1) during a period that district revenue bonds are  
14 outstanding; or

15 (2) more than once in a 24-month period. (Acts 65th  
16 Leg., R.S., Ch. 140, Sec. 6 (part).)

17 Sec. 1095.156. ANNUAL AUDIT. The board annually shall have  
18 an audit made of the district's financial condition. (Acts 65th  
19 Leg., R.S., Ch. 140, Sec. 6 (part).)

20 Sec. 1095.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
21 RECORDS. The annual audit and other district records shall be open  
22 to inspection at the district's principal office. (Acts 65th Leg.,  
23 R.S., Ch. 140, Sec. 6 (part).)

24 Sec. 1095.158. FINANCIAL REPORT. As soon as practicable  
25 after the close of each fiscal year, the district administrator  
26 shall prepare for the board:

27 (1) a complete sworn statement of all district money;

1 and

2 (2) a complete account of the disbursements of that  
3 money. (Acts 65th Leg., R.S., Ch. 140, Sec. 6 (part).)

4 Sec. 1095.159. DEPOSITORY. (a) The board shall select one  
5 or more banks inside or outside the district to serve as a  
6 depository for district money.

7 (b) District money, other than money invested as provided by  
8 Section 1095.160(b), and money transmitted to a bank for payment of  
9 bonds or obligations issued or assumed by the district, shall be  
10 deposited as received with the depository bank and shall remain on  
11 deposit.

12 (c) This chapter, including Subsection (b), does not limit  
13 the power of the board to place a part of district money on time  
14 deposit or to purchase certificates of deposit.

15 (d) The district may not deposit money with a bank in an  
16 amount that exceeds the maximum amount secured by the Federal  
17 Deposit Insurance Corporation unless the bank first executes a bond  
18 or other security in an amount sufficient to secure from loss the  
19 district money that exceeds the amount secured by the Federal  
20 Deposit Insurance Corporation. (Acts 65th Leg., R.S., Ch. 140,  
21 Sec. 11.)

22 Sec. 1095.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
23 Except as otherwise provided by Section 1095.107(c) and by  
24 Subchapter E, the district may not incur an obligation payable from  
25 district revenue other than the revenue on hand or to be on hand in  
26 the current and following district fiscal years.

27 (b) The board may invest operating, depreciation, or

1 building reserves only in funds or securities specified by Chapter  
2 2256, Government Code. (Acts 65th Leg., R.S., Ch. 140, Secs. 5  
3 (part), 10(b) (part).)

4 [Sections 1095.161-1095.200 reserved for expansion]

5 SUBCHAPTER E. BONDS

6 Sec. 1095.201. GENERAL OBLIGATION BONDS. The board may  
7 issue and sell general obligation bonds in the name and on the faith  
8 and credit of the district for any purpose relating to:

9 (1) the purchase, construction, acquisition, repair,  
10 or renovation of buildings or improvements; and

11 (2) equipping buildings or improvements for hospital  
12 purposes. (Acts 65th Leg., R.S., Ch. 140, Sec. 7(a) (part).)

13 Sec. 1095.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
14 the time general obligation bonds are issued by the district under  
15 Section 1095.201, the board shall impose an ad valorem tax at a rate  
16 sufficient to create an interest and sinking fund to pay the  
17 principal of and interest on the bonds as the bonds mature.

18 (b) The tax required by this section together with any other  
19 ad valorem tax the district imposes may not in any year exceed 75  
20 cents on each \$100 valuation of all taxable property in the  
21 district. (Acts 65th Leg., R.S., Ch. 140, Sec. 7(a) (part).)

22 Sec. 1095.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
23 district may issue general obligation bonds only if the bonds are  
24 authorized by a majority of the district voters.

25 (b) The order calling the election shall provide for clerks  
26 as in county elections and must specify:

27 (1) the date of the election;

1 (2) the location of the polling places;

2 (3) the presiding and alternate election judges for  
3 each polling place;

4 (4) the amount of the bonds to be authorized; and

5 (5) the maximum maturity of the bonds.

6 (c) Notice of a bond election shall be given as provided by  
7 Section 1251.003, Government Code. (Acts 65th Leg., R.S., Ch. 140,  
8 Sec. 7(a) (part).)

9 Sec. 1095.204. MATURITY OF GENERAL OBLIGATION BONDS.  
10 District general obligation bonds must mature not later than 40  
11 years after the date of issuance. (Acts 65th Leg., R.S., Ch. 140,  
12 Sec. 7(c) (part).)

13 Sec. 1095.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
14 The board president shall execute the general obligation bonds in  
15 the district's name.

16 (b) The board secretary shall countersign the bonds in the  
17 manner provided by Chapter 618, Government Code. (Acts 65th Leg.,  
18 R.S., Ch. 140, Sec. 7(c) (part).)

19 Sec. 1095.206. REVENUE BONDS. (a) The board may issue  
20 revenue bonds to:

21 (1) purchase, construct, acquire, repair, renovate,  
22 or equip buildings or improvements for hospital purposes; or

23 (2) acquire sites to be used for hospital purposes.

24 (b) The bonds must be payable from and secured by a pledge of  
25 all or part of the revenue derived from the operation of the  
26 district's hospitals.

27 (c) The bonds may be additionally secured by a mortgage or



1 deed of trust lien on all or part of district property.

2 (d) The bonds must be issued in the manner and in accordance  
3 with the procedures and requirements prescribed by Sections  
4 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
5 and Safety Code, for issuance of revenue bonds by a county hospital  
6 authority. (Acts 65th Leg., R.S., Ch. 140, Sec. 9 (part).)

7 Sec. 1095.207. REFUNDING BONDS. (a) The board may, without  
8 an election, issue refunding bonds to refund outstanding  
9 indebtedness issued or assumed by the district.

10 (b) A refunding bond may be:

11 (1) sold, with the proceeds of the refunding bond  
12 applied to the payment of the outstanding indebtedness; or

13 (2) exchanged wholly or partly for not less than a  
14 similar principal amount of outstanding indebtedness. (Acts 65th  
15 Leg., R.S., Ch. 140, Secs. 7(a) (part), (b) (part), 9 (part).)

16 Sec. 1095.208. BONDS EXEMPT FROM TAXATION. The following  
17 are exempt from taxation by this state or a political subdivision of  
18 this state:

19 (1) bonds issued by the district;

20 (2) the transfer and issuance of the bonds; and

21 (3) profits made in the sale of the bonds. (Acts 65th  
22 Leg., R.S., Ch. 140, Sec. 21 (part).)

23 [Sections 1095.209-1095.250 reserved for expansion]

24 SUBCHAPTER F. TAXES

25 Sec. 1095.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
26 shall impose a tax on all property in the district subject to  
27 district taxation.

1 (b) The board shall impose the tax to pay:

2 (1) indebtedness issued or assumed by the district;  
3 and

4 (2) the maintenance and operating expenses of the  
5 district.

6 (c) The board may not impose a tax to pay the principal of or  
7 interest on revenue bonds issued under this chapter. (Acts 65th  
8 Leg., R.S., Ch. 140, Secs. 12(a) (part), 15(a) (part).)

9 Sec. 1095.252. TAX RATE. (a) The board may impose the tax  
10 at a rate not to exceed 75 cents on each \$100 valuation of taxable  
11 property in the district.

12 (b) In setting the tax rate, the board shall consider the  
13 income of the district from sources other than taxation. (Acts 65th  
14 Leg., R.S., Ch. 140, Secs. 3(b) (part), 12(a) (part), (b) (part).)

15 Sec. 1095.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
16 ASSESSOR-COLLECTOR. (a) This section applies unless the board  
17 elects to have taxes assessed and collected under Section 1095.254.

18 (b) The tax assessor-collector of Shackelford County shall  
19 assess and collect taxes imposed by the district. (Acts 65th Leg.,  
20 R.S., Ch. 140, Secs. 15(a) (part), (b) (part).)

21 Sec. 1095.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
22 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes  
23 assessed and collected by a tax assessor-collector appointed by the  
24 board. An election under this subsection must be made by December 1  
25 and governs the manner in which taxes are assessed and collected,  
26 until changed by a similar resolution.

27 (b) The district tax assessor-collector must reside in the

1 district.

2 (c) The board shall set for the district tax  
3 assessor-collector:

4 (1) the term of employment; and

5 (2) compensation. (Acts 65th Leg., R.S., Ch. 140,  
6 Secs. 15(a) (part), (c) (part).)

7 CHAPTER 1097. SOUTH WHEELER COUNTY HOSPITAL DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 1097.001. DEFINITIONS

10 Sec. 1097.002. AUTHORITY FOR CREATION

11 Sec. 1097.003. ESSENTIAL PUBLIC FUNCTION

12 Sec. 1097.004. DISTRICT TERRITORY

13 Sec. 1097.005. DISTRICT SUPPORT AND MAINTENANCE NOT  
14 STATE OBLIGATION

15 Sec. 1097.006. RESTRICTION ON STATE FINANCIAL  
16 ASSISTANCE

17 [Sections 1097.007-1097.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 1097.051. BOARD ELECTION; TERM

20 Sec. 1097.052. NOTICE OF ELECTION

21 Sec. 1097.053. BALLOT PETITION

22 Sec. 1097.054. QUALIFICATIONS FOR OFFICE

23 Sec. 1097.055. BOND; RECORD OF BOND AND OATH OR  
24 AFFIRMATION OF OFFICE

25 Sec. 1097.056. BOARD VACANCY

26 Sec. 1097.057. OFFICERS

27 Sec. 1097.058. VOTING REQUIREMENT

- 1 Sec. 1097.059. DISTRICT ADMINISTRATOR; ASSISTANT  
2 ADMINISTRATOR
- 3 Sec. 1097.060. GENERAL DUTIES OF DISTRICT  
4 ADMINISTRATOR
- 5 Sec. 1097.061. EMPLOYEES
- 6 Sec. 1097.062. RETIREMENT PROGRAM
- 7 [Sections 1097.063-1097.100 reserved for expansion]
- 8 SUBCHAPTER C. POWERS AND DUTIES
- 9 Sec. 1097.101. DISTRICT RESPONSIBILITY
- 10 Sec. 1097.102. RESTRICTION ON POLITICAL SUBDIVISION  
11 TAXATION AND DEBT
- 12 Sec. 1097.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 13 Sec. 1097.104. HOSPITAL SYSTEM
- 14 Sec. 1097.105. RULES
- 15 Sec. 1097.106. PURCHASING AND ACCOUNTING PROCEDURES
- 16 Sec. 1097.107. EMINENT DOMAIN
- 17 Sec. 1097.108. GIFTS AND ENDOWMENTS
- 18 Sec. 1097.109. CONTRACTS WITH GOVERNMENTAL ENTITIES  
19 FOR CARE AND TREATMENT
- 20 Sec. 1097.110. PAYMENT FOR TREATMENT; PROCEDURES
- 21 Sec. 1097.111. AUTHORITY TO SUE AND BE SUED
- 22 [Sections 1097.112-1097.150 reserved for expansion]
- 23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 24 Sec. 1097.151. BUDGET
- 25 Sec. 1097.152. FISCAL YEAR
- 26 Sec. 1097.153. AUDIT
- 27 Sec. 1097.154. FINANCIAL REPORT

1 Sec. 1097.155. DEPOSITORY

2 [Sections 1097.156-1097.200 reserved for expansion]

3 SUBCHAPTER E. BONDS

4 Sec. 1097.201. GENERAL OBLIGATION BONDS

5 Sec. 1097.202. TAX TO PAY GENERAL OBLIGATION BONDS

6 Sec. 1097.203. GENERAL OBLIGATION BOND ELECTION

7 Sec. 1097.204. EXECUTION OF GENERAL OBLIGATION BONDS

8 Sec. 1097.205. REFUNDING BONDS

9 Sec. 1097.206. BONDS EXEMPT FROM TAXATION

10 [Sections 1097.207-1097.250 reserved for expansion]

11 SUBCHAPTER F. TAXES

12 Sec. 1097.251. IMPOSITION OF AD VALOREM TAX

13 Sec. 1097.252. TAX RATE

14 Sec. 1097.253. TAX ASSESSOR-COLLECTOR

15 CHAPTER 1097. SOUTH WHEELER COUNTY HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1097.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "Director" means a member of the board.

21 (3) "District" means the South Wheeler County Hospital  
22 District. (New.)

23 Sec. 1097.002. AUTHORITY FOR CREATION. The South Wheeler  
24 County Hospital District is created under the authority of Section  
25 9, Article IX, Texas Constitution, and has the rights, powers, and  
26 duties prescribed by this chapter. (Acts 58th Leg., R.S., Ch. 261,  
27 Sec. 1 (part).)

1           Sec. 1097.003. ESSENTIAL PUBLIC FUNCTION. The district  
2 performs an essential public function in carrying out the purposes  
3 of this chapter. (Acts 58th Leg., R.S., Ch. 261, Sec. 10 (part).)

4           Sec. 1097.004. DISTRICT TERRITORY. The boundaries of the  
5 district are coextensive with the boundaries of County  
6 Commissioners Precincts 3 and 4 of Wheeler County, Texas, as those  
7 boundaries existed on January 1, 1963. (Acts 58th Leg., R.S., Ch.  
8 261, Sec. 1 (part).)

9           Sec. 1097.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
10 OBLIGATION. The support and maintenance of the district may not  
11 become a charge against or obligation of this state. (Acts 58th  
12 Leg., R.S., Ch. 261, Sec. 20 (part).)

13           Sec. 1097.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
14 The legislature may not make a direct appropriation for the  
15 construction, maintenance, or improvement of a district facility.  
16 (Acts 58th Leg., R.S., Ch. 261, Sec. 20 (part).)

17           [Sections 1097.007-1097.050 reserved for expansion]

18                           SUBCHAPTER B. DISTRICT ADMINISTRATION

19           Sec. 1097.051. BOARD ELECTION; TERM. (a) The board  
20 consists of seven directors elected as follows:

21                           (1) two directors elected from County Commissioners  
22 Precinct 3 by the voters of that precinct;

23                           (2) two directors elected from County Commissioners  
24 Precinct 4 by the voters of that precinct; and

25                           (3) three directors elected from the district at large  
26 by the voters of the entire district.

27           (b) Directors serve staggered two-year terms unless

1 four-year terms are established under Section 285.081, Health and  
2 Safety Code. (Acts 58th Leg., R.S., Ch. 261, Sec. 4 (part).)

3 Sec. 1097.052. NOTICE OF ELECTION. At least 10 days before  
4 the date of an election of directors, notice of the election shall  
5 be published one time in a newspaper of general circulation in  
6 Wheeler County. (Acts 58th Leg., R.S., Ch. 261, Sec. 4 (part).)

7 Sec. 1097.053. BALLOT PETITION. A person who wants to have  
8 the person's name printed on the ballot as a candidate for director  
9 must file with the board secretary a petition requesting that  
10 action. The petition must be:

- 11 (1) signed by not fewer than 10 registered voters; and  
12 (2) filed at least 25 days before the date of the  
13 election. (Acts 58th Leg., R.S., Ch. 261, Sec. 4 (part).)

14 Sec. 1097.054. QUALIFICATIONS FOR OFFICE. (a) A person may  
15 not be elected or appointed as a director unless the person:

- 16 (1) is a resident of the district;  
17 (2) owns property in the district subject to taxation;

18 and

19 (3) is more than 18 years of age at the time of  
20 election or appointment.

21 (b) A person may not be elected to represent a particular  
22 county commissioners precinct unless the person is a resident of  
23 that precinct. (Acts 58th Leg., R.S., Ch. 281, Sec. 4 (part).)

24 Sec. 1097.055. BOND; RECORD OF BOND AND OATH OR AFFIRMATION  
25 OF OFFICE. (a) Each director shall execute a good and sufficient  
26 bond for \$1,000 that is:

- 27 (1) payable to the district; and

1           (2) conditioned on the faithful performance of the  
2 director's duties.

3           (b) Each director's bond and constitutional oath or  
4 affirmation of office shall be deposited with the district's  
5 depository bank for safekeeping. (Acts 58th Leg., R.S., Ch. 261,  
6 Sec. 4 (part).)

7           Sec. 1097.056. BOARD VACANCY. (a) If a vacancy occurs in  
8 the office of director, the remaining directors shall appoint a  
9 director for the unexpired term.

10          (b) If the number of directors is reduced to fewer than four  
11 for any reason, the remaining directors shall immediately call a  
12 special election to fill the vacancies. If the remaining directors  
13 do not call the election, a district court, on application of a  
14 district voter or taxpayer, may order the directors to hold the  
15 election. (Acts 58th Leg., R.S., Ch. 261, Sec. 4 (part).)

16          Sec. 1097.057. OFFICERS. The board shall elect from among  
17 its members a president, a vice president, and a secretary. (Acts  
18 58th Leg., R.S., Ch. 261, Sec. 4 (part).)

19          Sec. 1097.058. VOTING REQUIREMENT. A concurrence of four  
20 directors is sufficient in any matter relating to district  
21 business. (Acts 58th Leg., R.S., Ch. 261, Sec. 4 (part).)

22          Sec. 1097.059. DISTRICT ADMINISTRATOR; ASSISTANT  
23 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
24 district administrator.

25          (b) The board may appoint an assistant administrator.

26          (c) The district administrator and any assistant  
27 administrator serve at the will of the board and are entitled to the



1 compensation determined by the board.

2 (d) On assuming the duties of district administrator, the  
3 administrator shall execute a bond payable to the district in an  
4 amount set by the board of not less than \$10,000 that:

5 (1) is conditioned on the administrator performing the  
6 administrator's duties; and

7 (2) contains other conditions the board may require.  
8 (Acts 58th Leg., R.S., Ch. 261, Sec. 5 (part).)

9 Sec. 1097.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
10 Subject to the limitations prescribed by the board, the district  
11 administrator shall:

12 (1) supervise the work and activities of the district;  
13 and

14 (2) direct the affairs of the district. (Acts 58th  
15 Leg., R.S., Ch. 261, Sec. 5 (part).)

16 Sec. 1097.061. EMPLOYEES. The board may employ any  
17 doctors, technicians, nurses, and other employees as considered  
18 necessary for the efficient operation of the district or may  
19 provide that the district administrator has the authority to employ  
20 those persons. (Acts 58th Leg., R.S., Ch. 261, Sec. 5 (part).)

21 Sec. 1097.062. RETIREMENT PROGRAM. The board may contract  
22 with this state or the federal government to establish or continue a  
23 retirement program for the benefit of the district's employees.  
24 (Acts 58th Leg., R.S., Ch. 261, Sec. 5 (part).)

25 [Sections 1097.063-1097.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Sec. 1097.101. DISTRICT RESPONSIBILITY. The district has

1 full responsibility for:

2 (1) operating all hospital facilities for providing  
3 medical and hospital care of indigent persons; and

4 (2) providing medical and hospital care for the  
5 district's needy inhabitants. (Acts 58th Leg., R.S., Ch. 261,  
6 Secs. 2 (part), 19 (part).)

7 Sec. 1097.102. RESTRICTION ON POLITICAL SUBDIVISION  
8 TAXATION AND DEBT. A political subdivision located within the  
9 district may not impose a tax or issue bonds or other obligations  
10 for hospital purposes for medical treatment of indigent persons.  
11 (Acts 58th Leg., R.S., Ch. 261, Sec. 19 (part).)

12 Sec. 1097.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
13 The board shall manage, control, and administer the district's  
14 hospitals and hospital system. (Acts 58th Leg., R.S., Ch. 261, Sec.  
15 5 (part).)

16 Sec. 1097.104. HOSPITAL SYSTEM. The district shall provide  
17 for the establishment of a hospital system by:

18 (1) purchasing, constructing, acquiring, repairing,  
19 or renovating buildings and equipment;

20 (2) equipping the buildings; and

21 (3) administering the buildings and equipment for  
22 hospital purposes. (Acts 58th Leg., R.S., Ch. 261, Sec. 2 (part).)

23 Sec. 1097.105. RULES. The board may adopt rules for the  
24 operation of the district and as required to administer this  
25 chapter. (Acts 58th Leg., R.S., Ch. 261, Secs. 5 (part), 11  
26 (part).)

27 Sec. 1097.106. PURCHASING AND ACCOUNTING PROCEDURES. The

1 board may prescribe:

2 (1) the method and manner of making purchases and  
3 expenditures by and for the district; and

4 (2) all accounting and control procedures. (Acts 58th  
5 Leg., R.S., Ch. 261, Sec. 11 (part).)

6 Sec. 1097.107. EMINENT DOMAIN. (a) The district may  
7 exercise the power of eminent domain to acquire a fee simple or  
8 other interest in any type of property located in district  
9 territory if the interest is necessary or convenient for the  
10 district to exercise a power, right, or privilege conferred by this  
11 chapter.

12 (b) The district must exercise the power of eminent domain  
13 in the manner provided by Chapter 21, Property Code. (Acts 58th  
14 Leg., R.S., Ch. 261, Sec. 14.)

15 Sec. 1097.108. GIFTS AND ENDOWMENTS. The board may accept  
16 for the district a gift or endowment to be held in trust and  
17 administered by the board for the purposes and under the  
18 directions, limitations, or other provisions prescribed in writing  
19 by the donor that are not inconsistent with the proper management  
20 and objectives of the district. (Acts 58th Leg., R.S., Ch. 261,  
21 Sec. 17.)

22 Sec. 1097.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
23 CARE AND TREATMENT. (a) The board may contract with a county or  
24 municipality located outside the district for the care and  
25 treatment of a sick or injured person of that county or  
26 municipality.

27 (b) The board may contract with this state or a federal

1 agency for the treatment of a sick or injured person for whom this  
2 state or the federal government is responsible. (Acts 58th Leg.,  
3 R.S., Ch. 261, Sec. 5 (part).)

4 Sec. 1097.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
5 When a patient who resides in the district is admitted to a district  
6 facility, the district administrator shall have an inquiry made  
7 into the circumstances of:

8 (1) the patient; and

9 (2) the patient's relatives who are legally liable for  
10 the patient's support.

11 (b) If the district administrator determines that the  
12 patient or those relatives cannot pay all or part of the costs of  
13 the care and treatment in the hospital, the amount of the costs that  
14 cannot be paid becomes a charge against the district.

15 (c) If the district administrator determines that the  
16 patient or those relatives can pay for all or part of the costs of  
17 the patient's care and treatment, the patient or those relatives  
18 shall be ordered to pay the district a specified amount each week  
19 for the patient's support. The amount ordered must be  
20 proportionate to the person's financial ability and may not exceed  
21 the actual per capita cost of maintenance.

22 (d) The district administrator may collect the amount from  
23 the patient's estate, or from any relative who is legally liable for  
24 the patient's support, in the manner provided by law for the  
25 collection of expenses of the last illness of a deceased person.

26 (e) If there is a dispute as to the ability to pay, or doubt  
27 in the mind of the district administrator, the board shall hold a

1 hearing and, after calling witnesses, shall:

2 (1) resolve the dispute or doubt; and

3 (2) issue any appropriate orders. (Acts 58th Leg.,  
4 R.S., Ch. 261, Sec. 16.)

5 Sec. 1097.111. AUTHORITY TO SUE AND BE SUED. The district,  
6 through the board, may sue and be sued. (Acts 58th Leg., R.S., Ch.  
7 261, Sec. 5 (part).)

8 [Sections 1097.112-1097.150 reserved for expansion]

9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

10 Sec. 1097.151. BUDGET. (a) The district administrator  
11 shall prepare an annual budget for approval by the board. The  
12 budget must be for the fiscal year prescribed by Section 1097.152.

13 (b) Not later than August 31 of each year, the board shall  
14 publish notice of a public hearing on the proposed budget. The  
15 notice must be published in a newspaper of general circulation in  
16 the district at least 10 days before the date of the hearing. (Acts  
17 58th Leg., R.S., Ch. 261, Secs. 6 (part), 18.)

18 Sec. 1097.152. FISCAL YEAR. The district operates on a  
19 fiscal year that begins on October 1 and ends on September 30.  
20 (Acts 58th Leg., R.S., Ch. 261, Sec. 6 (part).)

21 Sec. 1097.153. AUDIT. (a) The district shall have an audit  
22 made of the district's financial condition.

23 (b) The audit shall be open to inspection at all times at the  
24 district's principal office. (Acts 58th Leg., R.S., Ch. 261, Sec. 6  
25 (part).)

26 Sec. 1097.154. FINANCIAL REPORT. As soon as practicable  
27 after the close of each fiscal year, the district administrator

1 shall prepare for the board:

2 (1) a complete sworn statement of all district money;  
3 and

4 (2) a complete account of the disbursements of that  
5 money. (Acts 58th Leg., R.S., Ch. 261, Sec. 6 (part).)

6 Sec. 1097.155. DEPOSITORY. (a) The board shall select one  
7 or more banks in the district to serve as a depository for district  
8 money.

9 (b) District money shall be immediately deposited on  
10 receipt with a depository bank, except that sufficient money must  
11 be remitted to an appropriate bank to pay the principal of and  
12 interest on the district's outstanding bonds or other obligations  
13 on or before the maturity date of the principal and interest.

14 (c) To the extent that money in a depository bank is not  
15 insured by the Federal Deposit Insurance Corporation, the money  
16 must be secured in the manner provided by law for the security of  
17 county funds.

18 (d) Membership on the district's board of an officer or  
19 director of a bank does not disqualify the bank from being selected  
20 as a depository bank. (Acts 58th Leg., R.S., Ch. 261, Sec. 12.)

21 [Sections 1097.156-1097.200 reserved for expansion]

22 SUBCHAPTER E. BONDS

23 Sec. 1097.201. GENERAL OBLIGATION BONDS. (a) The board may  
24 issue and sell general obligation bonds in the name and on the faith  
25 and credit of the district for any purpose related to the purchase,  
26 construction, acquisition, repair, or renovation of buildings or  
27 improvements, and equipping buildings or improvements for a

1 hospital and the hospital system, as determined by the board.

2 (b) The board shall issue the bonds in compliance with the  
3 applicable provisions of Subtitles A and C, Title 9, Government  
4 Code. (Acts 58th Leg., R.S., Ch. 261, Sec. 9 (part).)

5 Sec. 1097.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
6 the time general obligation bonds are issued under Section  
7 1097.201, the board shall impose an ad valorem tax at a rate  
8 sufficient to create an interest and sinking fund and to pay the  
9 principal of and interest on the bonds as the bonds mature.

10 (b) The tax required by this section together with any other  
11 tax the district imposes may not in any year exceed 75 cents on each  
12 \$100 valuation of taxable property in the district. (Acts 58th  
13 Leg., R.S., Ch. 261, Sec. 9 (part).)

14 Sec. 1097.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
15 district may issue general obligation bonds only if the bonds are  
16 authorized by a majority of the district voters voting at an  
17 election held for that purpose.

18 (b) The board shall call the election. The election must be  
19 held in accordance with Chapter 1251, Government Code.

20 (c) The bond election order must specify:

- 21 (1) the date of the election;
- 22 (2) the location of the polling places;
- 23 (3) the presiding election officers;
- 24 (4) the amount of the bonds to be authorized;
- 25 (5) the maximum maturity of the bonds; and
- 26 (6) the maximum interest rate of the bonds. (Acts 58th  
27 Leg., R.S., Ch. 261, Sec. 9 (part).)

1           Sec. 1097.204. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
2 The board president shall execute the general obligation bonds in  
3 the district's name.

4           (b) The board secretary shall attest the bonds. (Acts 58th  
5 Leg., R.S., Ch. 261, Sec. 9 (part).)

6           Sec. 1097.205. REFUNDING BONDS. (a) The board may, without  
7 an election, issue refunding bonds to refund any bond or other  
8 refundable indebtedness issued or assumed by the district.

9           (b) A refunding bond may be:

10           (1) sold, with the proceeds of the refunding bond  
11 applied to the payment of the outstanding bonds or other refundable  
12 indebtedness; or

13           (2) exchanged wholly or partly for not less than a  
14 similar principal amount of the outstanding bonds or other  
15 refundable indebtedness. (Acts 58th Leg., R.S., Ch. 261, Sec. 9  
16 (part).)

17           Sec. 1097.206. BONDS EXEMPT FROM TAXATION. The following  
18 are exempt from taxation by this state or a political subdivision of  
19 this state:

20           (1) bonds issued by the district;

21           (2) the transfer and issuance of the bonds; and

22           (3) profits made in the sale of the bonds. (Acts 58th  
23 Leg., R.S., Ch. 261, Sec. 10 (part).)

24           [Sections 1097.207-1097.250 reserved for expansion]

25   SUBCHAPTER F. TAXES

26           Sec. 1097.251. IMPOSITION OF AD VALOREM TAX. (a) The  
27 district may impose a tax on all property in the district subject to



1 district taxation.

2 (b) The tax may be used to meet the requirements of:

3 (1) district bonds;

4 (2) indebtedness assumed by the district; and

5 (3) district maintenance and operating expenses.

6 (Acts 58th Leg., R.S., Ch. 261, Sec. 3 (part).)

7 Sec. 1097.252. TAX RATE. The district may impose the tax at  
8 a rate not to exceed 75 cents on each \$100 valuation of taxable  
9 property in the district. (Acts 58th Leg., R.S., Ch. 261, Sec. 3  
10 (part).)

11 Sec. 1097.253. TAX ASSESSOR-COLLECTOR. The tax  
12 assessor-collector of Wheeler County shall assess and collect taxes  
13 imposed by the district. (Acts 58th Leg., R.S., Ch. 261, Sec. 15  
14 (part).)

15 SECTION 1.02. Subtitle C, Title 4, Special District Local  
16 Laws Code, is amended by adding Chapter 3854 to read as follows:

17 CHAPTER 3854. CHAMBERS COUNTY IMPROVEMENT DISTRICT NO. 1

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 3854.001. DEFINITIONS

20 Sec. 3854.002. NATURE OF DISTRICT

21 Sec. 3854.003. PURPOSE; DECLARATION OF INTENT

22 Sec. 3854.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

23 Sec. 3854.005. EFFECT OF DISTRICT CREATION ON

24 MUNICIPAL POWERS

25 Sec. 3854.006. TORT CLAIMS

26 Sec. 3854.007. LIBERAL CONSTRUCTION OF CHAPTER

27 [Sections 3854.008-3854.050 reserved for expansion]

1 SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATION

2 Sec. 3854.051. DISTRICT TERRITORY

3 Sec. 3854.052. ANNEXATION OR EXCLUSION OF TERRITORY BY  
4 DISTRICT; MUNICIPAL CONSENT

5 Sec. 3854.053. ANNEXATION OF DISTRICT TERRITORY BY  
6 MUNICIPALITY

7 [Sections 3854.054-3854.100 reserved for expansion]

8 SUBCHAPTER C. BOARD OF DIRECTORS

9 Sec. 3854.101. GOVERNING BODY; TERMS

10 Sec. 3854.102. APPLICABLE LAW

11 Sec. 3854.103. DIRECTOR DISTRICTS

12 Sec. 3854.104. APPOINTMENT OF DIRECTORS

13 Sec. 3854.105. QUALIFICATIONS

14 Sec. 3854.106. VOTING; ACTIONS

15 Sec. 3854.107. VACANCY

16 [Sections 3854.108-3854.150 reserved for expansion]

17 SUBCHAPTER D. POWERS AND DUTIES

18 Sec. 3854.151. GENERAL POWERS

19 Sec. 3854.152. ELECTIONS

20 Sec. 3854.153. AUTHORITY TO ACQUIRE INTEREST IN LAND

21 Sec. 3854.154. EXPENSES AND LIABILITY FOR CERTAIN

22 ACTIONS AFFECTING PROPERTY

23 Sec. 3854.155. SECURITY SERVICES

24 Sec. 3854.156. COMPETITIVE BIDDING

25 Sec. 3854.157. DISTRICT NAME CHANGE

26 Sec. 3854.158. OWNING OR OPERATING AIRPORT PROHIBITED

27 [Sections 3854.159-3854.200 reserved for expansion]

1 SUBCHAPTER E. FINANCIAL PROVISIONS

2 Sec. 3854.201. DISBURSEMENTS OR TRANSFERS OF MONEY

3 Sec. 3854.202. TAX AND BOND ELECTIONS

4 Sec. 3854.203. MAINTENANCE AND OPERATION TAX

5 Sec. 3854.204. ASSESSMENTS; LIENS FOR ASSESSMENTS

6 Sec. 3854.205. FINANCING IMPROVEMENT PROJECTS OR

7 SERVICES

8 Sec. 3854.206. IMPACT FEES

9 Sec. 3854.207. CERTAIN RESIDENTIAL PROPERTY EXEMPT

10 Sec. 3854.208. BONDS AND OTHER OBLIGATIONS

11 Sec. 3854.209. APPROVAL OF BONDS

12 [Sections 3854.210-3854.250 reserved for expansion]

13 SUBCHAPTER F. DISSOLUTION

14 Sec. 3854.251. DISSOLUTION OF DISTRICT

15 CHAPTER 3854. CHAMBERS COUNTY IMPROVEMENT DISTRICT NO. 1

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 3854.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "Director" means a board member.

21 (3) "District" means the Chambers County Improvement  
22 District No. 1.

23 (4) "Extraterritorial jurisdiction" has the meaning  
24 assigned by Section 42.021, Local Government Code. (Acts 73rd  
25 Leg., R.S., Ch. 566, Sec. 2; New.)

26 Sec. 3854.002. NATURE OF DISTRICT. A special district  
27 known as the "Chambers County Improvement District No. 1" is a

1 political subdivision of this state. (Acts 73rd Leg., R.S., Ch.  
2 566, Sec. 1(a).)

3 Sec. 3854.003. PURPOSE; DECLARATION OF INTENT. (a) The  
4 creation of the district is essential to accomplish the purposes of  
5 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
6 Texas Constitution, and to accomplish the other purposes of this  
7 chapter. The legislature intends that by creating the district the  
8 legislature has established a program to accomplish the public  
9 purposes set out in Section 52-a, Article III, Texas Constitution.

10 (b) The creation of the district is necessary to:

11 (1) diversify the economy of the state;

12 (2) promote, develop, expand, encourage, and maintain  
13 employment, commerce, economic development, and the public  
14 welfare;

15 (3) promote the control, treatment, storage, and  
16 distribution of water;

17 (4) protect, preserve, and restore the sanitary  
18 conditions of water;

19 (5) promote the transportation of agricultural,  
20 industrial, and commercial products;

21 (6) promote the health, safety, and general welfare  
22 of:

23 (A) property owners, residents, employers, and  
24 employees in the district; and

25 (B) the public;

26 (7) promote the improvement of rivers, bays, creeks,  
27 streams, and canals to permit or to aid navigation and commerce; and

1           (8) promote the construction, maintenance, and  
2 operation of streets, roads, highways, turnpikes, and railroads in  
3 the greater Cedar Crossing area of Chambers County. (Acts 73rd  
4 Leg., R.S., Ch. 566, Secs. 1(c), (d), (g).)

5           Sec. 3854.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
6 The district is created to serve a public use and benefit.

7           (b) All land and other property included in the district  
8 will benefit from the improvements and services to be provided by  
9 the district under powers conferred by Sections 52 and 52-a,  
10 Article III, and Section 59, Article XVI, Texas Constitution, and  
11 other powers granted under this chapter.

12           (c) The district will provide needed funding in the greater  
13 Cedar Crossing area to preserve, maintain, and enhance the economic  
14 health and vitality of the area as a community and a business and  
15 industrial center.

16           (d) The district will not act as the agent or  
17 instrumentality of any private interest even though the district  
18 will benefit many private interests, as well as the public. (Acts  
19 73rd Leg., R.S., Ch. 566, Secs. 1(e), (f), (h).)

20           Sec. 3854.005. EFFECT OF DISTRICT CREATION ON MUNICIPAL  
21 POWERS. (a) The creation of the district does not:

22           (1) affect the power of a municipality in whose  
23 extraterritorial jurisdiction the district or a part of the  
24 district lies to designate all or part of the district as an  
25 industrial district;

26           (2) limit a power under Chapter 42, Local Government  
27 Code, of a municipality described by Subdivision (1); or

1           (3) affect the power of a municipality to provide  
2 municipal services to any area in the municipality or the  
3 municipality's extraterritorial jurisdiction that is in the  
4 district.

5           (b) A municipality described by Subsection (a)(3) has the  
6 same power to extend or provide municipal services after the  
7 creation of the district as the municipality had before the  
8 district's creation. (Acts 73rd Leg., R.S., Ch. 566, Sec. 9  
9 (part).)

10          Sec. 3854.006. TORT CLAIMS. (a) The district is a  
11 governmental unit for the purposes of Chapter 101, Civil Practice  
12 and Remedies Code.

13          (b) The operations of the district are essential  
14 governmental functions for all purposes and not proprietary  
15 functions. (Acts 73rd Leg., R.S., Ch. 566, Sec. 7.)

16          Sec. 3854.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
17 chapter shall be liberally construed in conformance with the  
18 legislative findings and purposes stated in this chapter. (Acts  
19 73rd Leg., R.S., Ch. 566, Sec. 1(i).)

20                 [Sections 3854.008-3854.050 reserved for expansion]

21                 SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATION

22          Sec. 3854.051. DISTRICT TERRITORY. (a) The district is  
23 composed of the territory described by Section 3, Chapter 566, Acts  
24 of the 73rd Legislature, Regular Session, 1993, as that territory  
25 may have been modified under:

26                 (1) Subchapter J, Chapter 49, Water Code; or

27                 (2) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake made in the field notes or in copying the field  
3 notes in the legislative process does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to issue any type of bond or  
7 to issue or enter into another type of obligation for a purpose for  
8 which the district is created;

9 (3) the district's right to levy or collect an  
10 assessment or tax; or

11 (4) the legality or operation of the district or the  
12 district's governing body. (Acts 73rd Leg., R.S., Ch. 566, Sec. 4;  
13 New.)

14 Sec. 3854.052. ANNEXATION OR EXCLUSION OF TERRITORY BY  
15 DISTRICT; MUNICIPAL CONSENT. (a) The district may annex land to  
16 and exclude land from the district as provided by Subchapter J,  
17 Chapter 49, Water Code.

18 (b) The district may not annex land in a municipality's  
19 extraterritorial jurisdiction unless the municipality consents to  
20 the annexation. (Acts 73rd Leg., R.S., Ch. 566, Sec. 8.)

21 Sec. 3854.053. ANNEXATION OF DISTRICT TERRITORY BY  
22 MUNICIPALITY. (a) Notwithstanding Chapter 43, Local Government  
23 Code, a municipality in whose extraterritorial jurisdiction the  
24 district is located may annex all or part of the district.  
25 Annexation does not result in a total or partial dissolution of the  
26 district or an assumption by the annexing municipality of any of the  
27 district's obligations or indebtedness.

1 (b) A municipal annexation of all or part of the district  
2 has no effect on the validity of the district, and the district  
3 shall continue to exist and exercise the powers granted by this  
4 chapter. (Acts 73rd Leg., R.S., Ch. 566, Sec. 9 (part).)

5 [Sections 3854.054-3854.100 reserved for expansion]

6 SUBCHAPTER C. BOARD OF DIRECTORS

7 Sec. 3854.101. GOVERNING BODY; TERMS. (a) The district is  
8 governed by a board of seven directors.

9 (b) Directors serve staggered four-year terms. (Acts 73rd  
10 Leg., R.S., Ch. 566, Secs. 5(a), (b) (part).)

11 Sec. 3854.102. APPLICABLE LAW. The board is governed by  
12 Subchapter D, Chapter 375, Local Government Code, to the extent  
13 that the subchapter does not conflict with this chapter. (Acts 73rd  
14 Leg., R.S., Ch. 566, Sec. 5(f) (part).)

15 Sec. 3854.103. DIRECTOR DISTRICTS. (a) Each position on  
16 the board represents a separate area of the district known as a  
17 director district.

18 (b) All land in the district must be in a director district.

19 (c) Director districts may not overlap.

20 (d) The board may establish new boundaries for a director  
21 district if it is necessary to provide a reasonable balance in the  
22 board representation between acreage, value, improvements, and  
23 interests of the property owners in the district. (Acts 73rd Leg.,  
24 R.S., Ch. 566, Sec. 5(g) (part).)

25 Sec. 3854.104. APPOINTMENT OF DIRECTORS. The Commissioners  
26 Court of Chambers County shall appoint a director to represent a  
27 director district in the manner provided by Section 375.064, Local



1 Government Code, from a list of candidates recommended by the board  
2 in the manner provided by that section. (Acts 73rd Leg., R.S., Ch.  
3 566, Secs. 5(b) (part), (e) (part).)

4 Sec. 3854.105. QUALIFICATIONS. (a) Each director shall  
5 qualify for office as required by Subchapter D, Chapter 375, Local  
6 Government Code.

7 (b) Each director shall meet the qualifications provided by  
8 Section 375.063, Local Government Code, for the area in the  
9 director district that the director represents.

10 (c) A person may not be appointed as a director or continue  
11 to serve as a director unless the person satisfies the requirements  
12 provided by Section 375.063, Local Government Code, for the area in  
13 the director district that the person is appointed to represent.  
14 (Acts 73rd Leg., R.S., Ch. 566, Sec. 5(e) (part).)

15 Sec. 3854.106. VOTING; ACTIONS. (a) Directors may vote on  
16 any matter authorized by Subchapter D, Chapter 375, Local  
17 Government Code.

18 (b) The board may take action only if the action is approved  
19 in the manner prescribed by Subchapter D, Chapter 375, Local  
20 Government Code. (Acts 73rd Leg., R.S., Ch. 566, Sec. 5(f) (part).)

21 Sec. 3854.107. VACANCY. The remaining directors shall fill  
22 a vacancy in the office of director for the remainder of the  
23 unexpired term. (Acts 73rd Leg., R.S., Ch. 566, Sec. 5(b) (part).)

24 [Sections 3854.108-3854.150 reserved for expansion]

25 SUBCHAPTER D. POWERS AND DUTIES

26 Sec. 3854.151. GENERAL POWERS. The district has:

27 (1) all the rights, powers, and privileges conferred

1 by the general law of this state applicable to districts created  
2 under:

- 3 (A) Chapter 375, Local Government Code;  
4 (B) Chapter 623, Acts of the 67th Legislature,  
5 Regular Session, 1981 (Article 6550c, Vernon's Texas Civil  
6 Statutes);  
7 (C) Chapter 441, Transportation Code; and  
8 (D) Chapter 54, Water Code;

9 (2) the rights, powers, and privileges granted to  
10 districts by:

- 11 (A) Subchapters E and M, Chapter 60, Water Code;  
12 and  
13 (B) Section 61.116, Water Code; and

14 (3) all the powers granted to municipal management  
15 districts under Sections 375.092 and 375.111, Local Government  
16 Code, to provide any services or for any project the district is  
17 authorized to acquire, construct, or improve under this chapter.  
18 (Acts 73rd Leg., R.S., Ch. 566, Sec. 6(a) (part).)

19 Sec. 3854.152. ELECTIONS. The district shall hold  
20 elections as provided by Subchapter L, Chapter 375, Local  
21 Government Code. (Acts 73rd Leg., R.S., Ch. 566, Sec. 11 (part).)

22 Sec. 3854.153. AUTHORITY TO ACQUIRE INTEREST IN LAND. The  
23 district may acquire any interest in land in accordance with  
24 Chapter 54, Water Code. (Acts 73rd Leg., R.S., Ch. 566, Sec. 6(a)  
25 (part).)

26 Sec. 3854.154. EXPENSES AND LIABILITY FOR CERTAIN ACTIONS  
27 AFFECTING PROPERTY. If the district, in exercising a power

1 conferred by this chapter, requires a relocation, adjustment,  
2 raising, lowering, rerouting, or changing the grade of or altering  
3 the construction of any street, alley, highway, overpass,  
4 underpass, road, railroad track, bridge, facility, or property,  
5 electric line, conduit, facility, or property, telephone or  
6 telegraph line, conduit, facility, or property, gas transmission or  
7 distribution pipe, pipeline, main, facility, or property, water,  
8 sanitary sewer or storm sewer pipe, pipeline, main, facility, or  
9 property, cable television line, cable, conduit, facility, or  
10 property, or other pipeline or facility or property relating to the  
11 pipeline, that relocation, adjustment, raising, lowering,  
12 rerouting, changing of grade, or altering of construction must be  
13 accomplished at the sole cost and expense of the district, and  
14 damages that are suffered by owners of the property or facilities  
15 shall be borne by the district. (Acts 73rd Leg., R.S., Ch. 566,  
16 Sec. 6(c).)

17       Sec. 3854.155. SECURITY SERVICES. To protect the public  
18 interest, the district may contract with a private entity or a  
19 municipality, county, or other political subdivision for services  
20 for the security and protection of residents and property in the  
21 district. (Acts 73rd Leg., R.S., Ch. 566, Sec. 15.)

22       Sec. 3854.156. COMPETITIVE BIDDING. The district shall  
23 contract for services, improvements, or the purchase of materials,  
24 machinery, equipment, supplies, or other property of more than  
25 \$25,000 as provided by Section 375.221, Local Government Code.  
26 (Acts 73rd Leg., R.S., Ch. 566, Sec. 16.)

27       Sec. 3854.157. DISTRICT NAME CHANGE. The board by

1 resolution may change the name of the district. The name must  
2 describe the district's location and principal powers. (Acts 73rd  
3 Leg., R.S., Ch. 566, Sec. 1(b).)

4 Sec. 3854.158. OWNING OR OPERATING AIRPORT PROHIBITED. The  
5 district may not own or operate an airport. (Acts 73rd Leg., R.S.,  
6 Ch. 566, Sec. 6(d).)

7 [Sections 3854.159-3854.200 reserved for expansion]

8 SUBCHAPTER E. FINANCIAL PROVISIONS

9 Sec. 3854.201. DISBURSEMENTS OR TRANSFERS OF MONEY. The  
10 board by resolution shall establish the number of director  
11 signatures or the procedure required for all disbursements or  
12 transfers of the district's money. (Acts 73rd Leg., R.S., Ch. 566,  
13 Sec. 6(e).)

14 Sec. 3854.202. TAX AND BOND ELECTIONS. (a) The district  
15 shall hold an election in the manner provided by Subchapter L,  
16 Chapter 375, Local Government Code, to obtain voter approval for  
17 the district to impose a maintenance tax or issue bonds payable from  
18 ad valorem taxes or assessments.

19 (b) The board may submit multiple purposes in a single  
20 proposition at an election. (Acts 73rd Leg., R.S., Ch. 566, Sec. 11  
21 (part).)

22 Sec. 3854.203. MAINTENANCE AND OPERATION TAX. (a) If  
23 authorized at an election held in accordance with Section 3854.202,  
24 the district may impose an annual ad valorem tax on taxable property  
25 in the district for:

26 (1) the maintenance, operation, and upkeep of the  
27 district and the improvements constructed or acquired by the

1 district; and

2 (2) the provision of services to industrial and  
3 commercial businesses and residents and property owners.

4 (b) The board shall determine the tax rate. (Acts 73rd  
5 Leg., R.S., Ch. 566, Sec. 13.)

6 Sec. 3854.204. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
7 The board may levy and collect an assessment under Subchapter F,  
8 Chapter 375, Local Government Code, for any authorized purpose only  
9 if the assessment does not conflict with this chapter.

10 (b) An assessment or reassessment by the district,  
11 penalties and interest on an assessment or reassessment, an expense  
12 of collection, and reasonable attorney's fees incurred by the  
13 district:

14 (1) are a first and prior lien against the property  
15 assessed;

16 (2) are superior to any other lien or claim other than  
17 a lien or claim for county, school district, or municipal ad valorem  
18 taxes; and

19 (3) are the personal liability of and a charge against  
20 the owners of the property even if the owners are not named in the  
21 assessment proceedings.

22 (c) The lien is effective from the date of the board's  
23 resolution levying the assessment until the date the assessment is  
24 paid. The board may enforce the lien in the same manner that the  
25 board may enforce an ad valorem tax lien against real property.  
26 (Acts 73rd Leg., R.S., Ch. 566, Secs. 10(a) (part), (c).)

27 Sec. 3854.205. FINANCING IMPROVEMENT PROJECTS OR SERVICES.

1 (a) The district may finance the cost of any authorized improvement  
2 project or service in the manner provided by any law that applies to  
3 the district.

4 (b) A petition under Section 375.114, Local Government  
5 Code, is not required for the board to levy a tax, assessment, or  
6 impact fee to finance improvement projects and services under this  
7 chapter. (Acts 73rd Leg., R.S., Ch. 566, Sec. 6(b).)

8 Sec. 3854.206. IMPACT FEES. Except as provided by Section  
9 3854.207, the district may impose an impact fee for an authorized  
10 purpose as provided by Subchapter G, Chapter 375, Local Government  
11 Code. (Acts 73rd Leg., R.S., Ch. 566, Sec. 12 (part).)

12 Sec. 3854.207. CERTAIN RESIDENTIAL PROPERTY EXEMPT. The  
13 district may not impose an impact fee or assessment on a  
14 single-family residential property or a residential duplex,  
15 triplex, fourplex, or condominium. (Acts 73rd Leg., R.S., Ch. 566,  
16 Sec. 12 (part).)

17 Sec. 3854.208. BONDS AND OTHER OBLIGATIONS. (a) The  
18 district may issue bonds or other obligations secured by and  
19 payable wholly or partly from ad valorem taxes, assessments, impact  
20 fees, revenue, grants, or other money of the district, or any  
21 combination of those sources of money, to pay for any authorized  
22 purpose of the district.

23 (b) In exercising the district's borrowing power, the  
24 district may issue a bond or other obligation in the form of a bond,  
25 note, certificate of participation or other instrument evidencing a  
26 proportionate interest in payments to be made by the district, or  
27 other type of obligation. (Acts 73rd Leg., R.S., Ch. 566, Secs.

1 6(a) (part), 10(a) (part).)

2 Sec. 3854.209. APPROVAL OF BONDS. (a) No approval is  
3 required for bonds issued by the district other than:

4 (1) the approval of the attorney general as provided  
5 by Section 375.205, Local Government Code; and

6 (2) the approval of the Texas Commission on  
7 Environmental Quality if the bonds are issued for a purpose that  
8 Section 375.208, Local Government Code, requires to be approved by  
9 the commission.

10 (b) Except as provided by Subsection (c), the district may  
11 not issue bonds payable from an ad valorem tax imposed over the  
12 entire district in an amount more than the greater of:

13 (1) \$50 million; or

14 (2) 10 percent of the assessed value of the taxable  
15 property in the entire district as shown on the most recent  
16 certified tax rolls of the county central appraisal district.

17 (c) If the Texas Commission on Environmental Quality  
18 approves the feasibility of district bonds described by Subsection  
19 (b), the limit on the amount of bonds to be issued is the amount set  
20 by the commission.

21 (d) Subsection (b) does not limit the district's authority  
22 to issue bonds that are not payable from ad valorem taxes imposed  
23 over the entire district. (Acts 73rd Leg., R.S., Ch. 566, Secs.  
24 10(b), (d).)

25 [Sections 3854.210-3854.250 reserved for expansion]

26 SUBCHAPTER F. DISSOLUTION

27 Sec. 3854.251. DISSOLUTION OF DISTRICT. The district may

1 be dissolved as provided by Section 375.261 or 375.262, Local  
2 Government Code. If the district is dissolved, the district shall  
3 remain in existence solely for the purpose of discharging its bonds  
4 or other obligations according to their terms. (Acts 73rd Leg.,  
5 R.S., Ch. 566, Sec. 14.)

6 SECTION 1.03. Subtitle A, Title 6, Special District Local  
7 Laws Code, is amended by adding Chapter 6604 to read as follows:

8 CHAPTER 6604. FORT BEND COUNTY DRAINAGE DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 6604.001. DEFINITIONS

11 Sec. 6604.002. NATURE OF DISTRICT

12 Sec. 6604.003. DISTRICT TERRITORY

13 [Sections 6604.004-6604.050 reserved for expansion]

14 SUBCHAPTER B. DISTRICT ADMINISTRATION

15 Sec. 6604.051. GOVERNING BODY

16 Sec. 6604.052. DUTIES OF COUNTY OFFICIALS IN

17 CONNECTION WITH DISTRICT; DISTRICT

18 OFFICERS, EMPLOYEES, AND AGENTS

19 [Sections 6604.053-6604.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 6604.101. GENERAL POWERS

22 Sec. 6604.102. ACQUISITION OF PROPERTY; EMINENT DOMAIN

23 Sec. 6604.103. DISPOSAL OR LEASE OF DISTRICT PROPERTY

24 Sec. 6604.104. GENERAL RECLAMATION AND DRAINAGE POWERS

25 Sec. 6604.105. ARRANGEMENTS WITH UNITED STATES

26 Sec. 6604.106. CONTRACTS AND COOPERATION WITH STATE

27 AND POLITICAL SUBDIVISIONS



1 Sec. 6604.107. CONSTRUCTION ON PUBLIC LAND

2 [Sections 6604.108-6604.150 reserved for expansion]

3 SUBCHAPTER D. TAXES

4 Sec. 6604.151. AD VALOREM TAX FOR MAINTENANCE AND  
5 OPERATIONS

6 Sec. 6604.152. TAX ASSESSOR-COLLECTOR

7 [Sections 6604.153-6604.200 reserved for expansion]

8 SUBCHAPTER E. BONDS

9 Sec. 6604.201. AUTHORITY TO ISSUE BONDS

10 Sec. 6604.202. LIMITATION ON DEBT

11 Sec. 6604.203. FORM OF BONDS

12 Sec. 6604.204. MATURITY

13 Sec. 6604.205. ELECTION FOR BONDS PAYABLE FROM TAXES

14 Sec. 6604.206. ISSUANCE OF CERTAIN TIME WARRANTS

15 PROHIBITED

16 CHAPTER 6604. FORT BEND COUNTY DRAINAGE DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 6604.001. DEFINITIONS. In this chapter:

19 (1) "Commissioners court" means the Commissioners  
20 Court of Fort Bend County.

21 (2) "District" means the Fort Bend County Drainage  
22 District. (Acts 51st Leg., R.S., Ch. 303, Sec. 1 (part); New.)

23 Sec. 6604.002. NATURE OF DISTRICT. (a) The district is  
24 created under Section 59, Article XVI, Texas Constitution, for the  
25 reclamation and drainage of the district's overflowed lands and  
26 other lands needing drainage.

27 (b) The creation of the district is essential to accomplish

1 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
2 51st Leg., R.S., Ch. 303, Sec. 1 (part).)

3 Sec. 6604.003. DISTRICT TERRITORY. Unless the district  
4 territory has been modified under Subchapter J, Chapter 49, Water  
5 Code, or other law, the boundaries of the district are coextensive  
6 with the boundaries of Fort Bend County. (Acts 51st Leg., R.S., Ch.  
7 303, Sec. 1 (part); New.)

8 [Sections 6604.004-6604.050 reserved for expansion]

9 SUBCHAPTER B. DISTRICT ADMINISTRATION

10 Sec. 6604.051. GOVERNING BODY. (a) The commissioners  
11 court is the governing body of the district and the agency through  
12 which the management and control of the district is administered.

13 (b) The commissioners court may perform any act necessary to  
14 carry out the purposes of this chapter. (Acts 51st Leg., R.S., Ch.  
15 303, Sec. 2 (part).)

16 Sec. 6604.052. DUTIES OF COUNTY OFFICIALS IN CONNECTION  
17 WITH DISTRICT; DISTRICT OFFICERS, EMPLOYEES, AND AGENTS. (a) The  
18 county judge, county commissioners, county tax assessor-collector,  
19 county treasurer, and county depository of Fort Bend County shall  
20 perform all duties in connection with the district that are  
21 required by law in connection with official matters for Fort Bend  
22 County.

23 (b) The county auditor of Fort Bend County is the auditor  
24 for the district.

25 (c) The commissioners court may employ a general manager for  
26 the district and any other agents, attorneys, engineers, and  
27 employees considered necessary in connection with the purposes of

1 this chapter. All compensation for a person employed under this  
2 subsection may be payable from funds created under this chapter for  
3 the maintenance and operation of the district.

4 (d) The commissioners court shall require the county tax  
5 assessor-collector, the county treasurer, and any other officers  
6 and employees, as designated by the commissioners court, to post  
7 bonds that are:

8 (1) payable to the district in amounts determined by  
9 the commissioners court; and

10 (2) conditioned on:

11 (A) the faithful performance of their duties; and

12 (B) paying over and accounting for all money and  
13 other things of value that belong to the district and come into  
14 their possession.

15 (e) A bond required under Subsection (d) must be executed by  
16 a surety company authorized to do business in this state and is  
17 subject to the approval of the commissioners court. The district  
18 shall pay the premiums on the bond. (Acts 51st Leg., R.S., Ch. 303,  
19 Sec. 3(B).)

20 [Sections 6604.053-6604.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 6604.101. GENERAL POWERS. (a) The district has the  
23 powers of government and the authority to exercise the rights,  
24 privileges, and functions provided by this chapter.

25 (b) The district may perform any act necessary or proper to  
26 carry out a district purpose. (Acts 51st Leg., R.S., Ch. 303, Secs.  
27 1 (part), 3(A) (part).)

1           Sec. 6604.102. ACQUISITION OF PROPERTY; EMINENT DOMAIN.

2       (a) The district:

3               (1) by gift, devise, purchase, lease, or exercise of  
4 the power of eminent domain, may acquire inside the district an  
5 easement, right-of-way, or other property needed to carry on the  
6 work of the district; and

7               (2) by exercise of the power of eminent domain or  
8 otherwise, may acquire outside the district an easement or  
9 right-of-way.

10       (b) Before the district acquires by exercise of the power of  
11 eminent domain an easement or right-of-way outside the district,  
12 the acquisition must be unanimously approved by the entire  
13 commissioners court of the county in which the easement or  
14 right-of-way is located.

15       (c) The district must exercise the power of eminent domain  
16 in the manner provided by Chapter 21, Property Code. (Acts 51st  
17 Leg., R.S., Ch. 303, Sec. 3(A) (part).)

18       Sec. 6604.103. DISPOSAL OR LEASE OF DISTRICT PROPERTY. (a)  
19 The district may dispose of property or a property right that is not  
20 needed for a district purpose.

21       (b) The district may lease property or a property right for  
22 a purpose that does not interfere with the district's use of the  
23 property. (Acts 51st Leg., R.S., Ch. 303, Sec. 3(A) (part).)

24       Sec. 6604.104. GENERAL RECLAMATION AND DRAINAGE POWERS.  
25 The district may:

26               (1) devise plans and construct works to reclaim land  
27 in the district;

1           (2) provide drainage facilities for reclamation and  
2 drainage of the overflowed land and other land in the district that  
3 needs drainage;

4           (3) acquire or construct outside the district  
5 properties or facilities that in the judgment of the commissioners  
6 court are necessary to facilitate drainage and reclamation of land  
7 in the district;

8           (4) remove natural or artificial obstructions from  
9 streams or watercourses; and

10           (5) clean, straighten, widen, or maintain streams,  
11 watercourses, or drainage ditches. (Acts 51st Leg., R.S., Ch. 303,  
12 Sec. 3(A) (part).)

13           Sec. 6604.105. ARRANGEMENTS WITH UNITED STATES. (a) The  
14 district may cooperate with, contract with, or receive a grant,  
15 loan, or advancement from the United States to exercise a district  
16 power or to further a district purpose.

17           (b) The district may contribute to the United States in  
18 connection with any project that is undertaken by the United States  
19 and affects or relates to a district purpose. (Acts 51st Leg.,  
20 R.S., Ch. 303, Sec. 3(A) (part).)

21           Sec. 6604.106. CONTRACTS AND COOPERATION WITH STATE AND  
22 POLITICAL SUBDIVISIONS. The district may cooperate and contract  
23 with this state or a political subdivision of this state to carry  
24 out a district purpose. (Acts 51st Leg., R.S., Ch. 303, Sec. 3(A)  
25 (part).)

26           Sec. 6604.107. CONSTRUCTION ON PUBLIC LAND. (a) The  
27 district may construct works, ditches, canals, or other

1 improvements over, across, or along:

2 (1) a public stream, road, or highway; or

3 (2) land belonging to this state.

4 (b) A plan for an improvement under Subsection (a) on a  
5 state highway is subject to the approval of the Texas Department of  
6 Transportation.

7 (c) A plan for an improvement under Subsection (a) on Texas  
8 Department of Criminal Justice land is subject to the approval of  
9 the Texas Board of Criminal Justice. (Acts 51st Leg., R.S., Ch.  
10 303, Sec. 3(A) (part).)

11 [Sections 6604.108-6604.150 reserved for expansion]

12 SUBCHAPTER D. TAXES

13 Sec. 6604.151. AD VALOREM TAX FOR MAINTENANCE AND  
14 OPERATIONS. (a) The commissioners court may impose a tax at a rate  
15 not to exceed 25 cents on each \$100 valuation of taxable property in  
16 the district to pay the cost of maintaining district property and  
17 operating the district.

18 (b) The commissioners court may not impose the tax until the  
19 tax is authorized at an election:

20 (1) called for that purpose by the commissioners court  
21 in the manner provided by Section 6604.205; and

22 (2) at which a majority of the voters voting at the  
23 election vote in favor of the imposition of the tax. (Acts 51st  
24 Leg., R.S., Ch. 303, Sec. 5 (part).)

25 Sec. 6604.152. TAX ASSESSOR-COLLECTOR. The county tax  
26 assessor-collector of Fort Bend County is the tax  
27 assessor-collector for the district. (Acts 51st Leg., R.S., Ch.

1 303, Sec. 5 (part).)

2 [Sections 6604.153-6604.200 reserved for expansion]

3 SUBCHAPTER E. BONDS

4 Sec. 6604.201. AUTHORITY TO ISSUE BONDS. The commissioners  
5 court may:

6 (1) issue district bonds to finance carrying out any  
7 power or purpose granted by this chapter to the district; and

8 (2) provide for the payment of the interest on the  
9 bonds as it accrues and for a sinking fund for the redemption of the  
10 bonds as they mature by imposing a tax on all taxable property in  
11 the district, as shown by the most recent certified appraisal roll  
12 of the district, at a rate sufficient for that purpose. (Acts 51st  
13 Leg., R.S., Ch. 303, Sec. 4(A) (part).)

14 Sec. 6604.202. LIMITATION ON DEBT. The total principal  
15 amount of bonds issued under Section 6604.201 that the district may  
16 have outstanding at any time may not exceed five percent of the  
17 assessed value of all taxable property in the district as shown by  
18 the most recent appraisal roll of the district. (Acts 51st Leg.,  
19 R.S., Ch. 303, Sec. 4(A) (part).)

20 Sec. 6604.203. FORM OF BONDS. (a) A district bond issued  
21 under this chapter must be:

22 (1) issued in the name of the district;

23 (2) signed by the county judge of Fort Bend County; and

24 (3) attested by the county clerk of Fort Bend County.

25 (b) If the bond is issued with one or more interest coupons,  
26 the coupons must be signed by the county judge and the county clerk  
27 of Fort Bend County. (Acts 51st Leg., R.S., Ch. 303, Sec. 4(B))

1 (part).)

2           Sec. 6604.204. MATURITY.       District bonds issued under  
3 Section 6604.201 must mature not later than 30 years after their  
4 date of issuance.   (Acts 51st Leg., R.S., Ch. 303, Sec. 4(A)  
5 (part).)

6           Sec. 6604.205. ELECTION FOR BONDS PAYABLE FROM TAXES. (a)  
7 The commissioners court may not issue district bonds under Section  
8 6604.201 until the issuance of the bonds and the imposition of taxes  
9 to pay the principal of and interest on the bonds are authorized by  
10 a majority of the voters voting at an election called for that  
11 purpose.

12           (b) The proposition for the issuance of district bonds may  
13 be submitted at any time the commissioners court considers proper.

14           (c) Chapter 1251, Government Code, applies to a district  
15 bond election except to the extent of any conflict with this  
16 chapter.

17           (d) If a majority of the voters voting at a district bond  
18 election vote in favor of the issuance of bonds and the imposition  
19 of taxes, the commissioners court may:

20                   (1) issue, sell, and deliver the bonds;

21                   (2) receive, use, and apply the proceeds for district  
22 purposes; and

23                   (3) impose taxes on all property subject to taxation  
24 in the district. (Acts 51st Leg., R.S., Ch. 303, Sec. 4(A) (part).)

25           Sec. 6604.206. ISSUANCE OF CERTAIN TIME WARRANTS  
26 PROHIBITED. The district may not issue time warrants payable from  
27 taxes. (Acts 51st Leg., R.S., Ch. 303, Sec. 4(A) (part).)



1 SECTION 1.04. Subtitle F, Title 6, Special District Local  
2 Laws Code, is amended by adding Chapters 8215, 8219, 8220, 8229,  
3 8230, 8243, 8246, 8259, 8260, 8262, 8271, 8272, 8273, 8274, 8275,  
4 8276, 8277, 8278, 8279, 8280, 8281, 8282, 8283, 8284, 8285, 8286,  
5 8287, 8288, 8289, 8290, 8291, 8292, 8293, 8302, and 8303 to read as  
6 follows:

7 CHAPTER 8215. JACKRABBIT ROAD PUBLIC UTILITY DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 8215.001. DEFINITIONS

10 Sec. 8215.002. NATURE OF DISTRICT

11 Sec. 8215.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

12 Sec. 8215.004. DISTRICT TERRITORY

13 [Sections 8215.005-8215.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8215.051. COMPOSITION OF BOARD

16 [Sections 8215.052-8215.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 8215.101. MUNICIPAL UTILITY DISTRICT POWERS

19 CHAPTER 8215. JACKRABBIT ROAD PUBLIC UTILITY DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 8215.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the district's board of directors.

23 (2) "Director" means a member of the board.

24 (3) "District" means the Jackrabbit Road Public  
25 Utility District. (Acts 62nd Leg., R.S., Ch. 675, Sec. 1 (part);  
26 New.)

27 Sec. 8215.002. NATURE OF DISTRICT. The district is a

1 conservation and reclamation district in Harris County created  
2 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
3 Leg., R.S., Ch. 675, Sec. 1 (part).)

4 Sec. 8215.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
5 The district is created to serve a public use and benefit.

6 (b) All land and other property included in the boundaries  
7 of the district will benefit from the works and projects  
8 accomplished by the district under the powers conferred by Section  
9 59, Article XVI, Texas Constitution.

10 (c) The creation of the district is essential to accomplish  
11 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
12 62nd Leg., R.S., Ch. 675, Secs. 1 (part), 3.)

13 Sec. 8215.004. DISTRICT TERRITORY. (a) The district is  
14 composed of the territory described by Section 4, Chapter 675, Acts  
15 of the 62nd Legislature, Regular Session, 1971, as that territory  
16 may have been modified under:

- 17 (1) Subchapter H, Chapter 54, Water Code;  
18 (2) Subchapter J, Chapter 49, Water Code; or  
19 (3) other law.

20 (b) The boundaries and field notes of the district form a  
21 closure. A mistake in copying the field notes in the legislative  
22 process or another mistake in the field notes does not affect:

23 (1) the district's organization, existence, or  
24 validity;

25 (2) the district's right to issue any type of bonds for  
26 a purpose for which the district is created or to pay the principal  
27 of and interest on the bonds;

1 (3) the district's right to impose a tax; or

2 (4) the legality or operation of the district or its  
3 governing body. (Acts 62nd Leg., R.S., Ch. 675, Sec. 2; New.)

4 [Sections 8215.005-8215.050 reserved for expansion]

5 SUBCHAPTER B. BOARD OF DIRECTORS

6 Sec. 8215.051. COMPOSITION OF BOARD. The board of  
7 directors is composed of five elected directors. (Acts 62nd Leg.,  
8 R.S., Ch. 675, Sec. 6 (part).)

9 [Sections 8215.052-8215.100 reserved for expansion]

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 8215.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
12 district has the rights, powers, privileges, and functions  
13 conferred by general law applicable to a municipal utility  
14 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
15 Leg., R.S., Ch. 675, Sec. 5 (part); New.)

16 CHAPTER 8219. KLEIN PUBLIC UTILITY DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 8219.001. DEFINITIONS

19 Sec. 8219.002. NATURE OF DISTRICT

20 Sec. 8219.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

21 Sec. 8219.004. DISTRICT TERRITORY

22 [Sections 8219.005-8219.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8219.051. COMPOSITION OF BOARD

25 [Sections 8219.052-8219.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Sec. 8219.101. MUNICIPAL UTILITY DISTRICT POWERS

1           CHAPTER 8219. KLEIN PUBLIC UTILITY DISTRICT

2                   SUBCHAPTER A. GENERAL PROVISIONS

3           Sec. 8219.001. DEFINITIONS. In this chapter:

4                 (1) "Board" means the district's board of directors.

5                 (2) "Director" means a member of the board.

6                 (3) "District" means the Klein Public Utility  
7 District. (Acts 62nd Leg., R.S., Ch. 411, Sec. 1 (part); New.)

8           Sec. 8219.002. NATURE OF DISTRICT. The district is a  
9 conservation and reclamation district in Harris County created  
10 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
11 Leg., R.S., Ch. 411, Sec. 1 (part).)

12           Sec. 8219.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
13 The district is created to serve a public use and benefit.

14                 (b) All land and other property included in the boundaries  
15 of the district will benefit from the works and projects  
16 accomplished by the district under the powers conferred by Section  
17 59, Article XVI, Texas Constitution.

18                 (c) The creation of the district is essential to accomplish  
19 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
20 62nd Leg., R.S., Ch. 411, Secs. 1 (part), 3.)

21           Sec. 8219.004. DISTRICT TERRITORY. (a) The district is  
22 composed of the territory described by Section 4, Chapter 411, Acts  
23 of the 62nd Legislature, Regular Session, 1971, as that territory  
24 may have been modified under:

25                 (1) Subchapter H, Chapter 54, Water Code;

26                 (2) Subchapter J, Chapter 49, Water Code; or

27                 (3) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake in copying the field notes in the legislative  
3 process or another mistake in the field notes does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to issue any type of bond for  
7 a purpose for which the district is created or to pay the principal  
8 of and interest on the bond;

9 (3) the district's right to impose a tax; or

10 (4) the legality or operation of the district or its  
11 governing body. (Acts 62nd Leg., R.S., Ch. 411, Sec. 2; New.)

12 [Sections 8219.005-8219.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 8219.051. COMPOSITION OF BOARD. The board of  
15 directors is composed of five elected directors. (Acts 62nd Leg.,  
16 R.S., Ch. 411, Sec. 6 (part).)

17 [Sections 8219.052-8219.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 8219.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
20 district has the rights, powers, privileges, and functions  
21 conferred by general law applicable to a municipal utility  
22 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
23 Leg., R.S., Ch. 411, Sec. 5 (part); New.)

24 CHAPTER 8220. LAKE FOREST UTILITY

25 DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8220.001. DEFINITIONS

1 Sec. 8220.002. NATURE OF DISTRICT

2 Sec. 8220.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

3 Sec. 8220.004. DISTRICT TERRITORY

4 [Sections 8220.005-8220.050 reserved for expansion]

5 SUBCHAPTER B. BOARD OF DIRECTORS

6 Sec. 8220.051. COMPOSITION OF BOARD

7 [Sections 8220.052-8220.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8220.101. MUNICIPAL UTILITY DISTRICT POWERS

10 CHAPTER 8220. LAKE FOREST UTILITY

11 DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 8220.001. DEFINITIONS. In this chapter:

14 (1) "Board" means the district's board of directors.

15 (2) "Director" means a member of the board.

16 (3) "District" means the Lake Forest Utility District.

17 (Acts 62nd Leg., R.S., Ch. 579, Sec. 1 (part); New.)

18 Sec. 8220.002. NATURE OF DISTRICT. The district is a  
19 conservation and reclamation district in Harris County created  
20 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
21 Leg., R.S., Ch. 579, Sec. 1 (part).)

22 Sec. 8220.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
23 The district is created to serve a public use and benefit.

24 (b) All land and other property included in the boundaries  
25 of the district will benefit from the works and projects  
26 accomplished by the district under the powers conferred by Section  
27 59, Article XVI, Texas Constitution.

1 (c) The creation of the district is essential to accomplish  
2 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
3 62nd Leg., R.S., Ch. 579, Secs. 1 (part), 3.)

4 Sec. 8220.004. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 4, Chapter 579, Acts  
6 of the 62nd Legislature, Regular Session, 1971, as that territory  
7 may have been modified under:

8 (1) Subchapter H, Chapter 54, Water Code;

9 (2) Subchapter J, Chapter 49, Water Code; or

10 (3) other law.

11 (b) The boundaries and field notes of the district form a  
12 closure. A mistake in copying the field notes in the legislative  
13 process or another mistake in the field notes does not affect:

14 (1) the district's organization, existence, or  
15 validity;

16 (2) the district's right to issue any type of bond for  
17 a purpose for which the district is created or to pay the principal  
18 of and interest on the bond;

19 (3) the district's right to impose a tax; or

20 (4) the legality or operation of the district or its  
21 governing body. (Acts 62nd Leg., R.S., Ch. 579, Sec. 2; New.)

22 [Sections 8220.005-8220.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8220.051. COMPOSITION OF BOARD. The board of  
25 directors is composed of five elected directors. (Acts 62nd Leg.,  
26 R.S., Ch. 579, Sec. 6 (part).)

1 [Sections 8220.052-8220.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8220.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
4 district has the rights, powers, privileges, and functions  
5 conferred by general law applicable to a municipal utility  
6 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
7 Leg., R.S., Ch. 579, Sec. 5 (part); New.)

8 CHAPTER 8229. LUCE BAYOU PUBLIC UTILITY DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8229.001. DEFINITIONS

11 Sec. 8229.002. NATURE OF DISTRICT

12 Sec. 8229.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

13 Sec. 8229.004. DISTRICT TERRITORY

14 [Sections 8229.005-8229.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Sec. 8229.051. COMPOSITION OF BOARD

17 [Sections 8229.052-8229.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 8229.101. MUNICIPAL UTILITY DISTRICT POWERS

20 CHAPTER 8229. LUCE BAYOU PUBLIC UTILITY DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 8229.001. DEFINITIONS. In this chapter:

23 (1) "Board" means the district's board of directors.

24 (2) "Director" means a member of the board.

25 (3) "District" means the Luce Bayou Public Utility  
26 District. (Acts 62nd Leg., R.S., Ch. 554, Sec. 1 (part); New.)

27 Sec. 8229.002. NATURE OF DISTRICT. The district is a



1 conservation and reclamation district in Harris County created  
2 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
3 R.S., Ch. 554, Sec. 1 (part).)

4 Sec. 8229.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
5 The district is created to serve a public use and benefit.

6 (b) All land and other property included in the boundaries  
7 of the district will benefit from the works and projects  
8 accomplished by the district under the powers conferred by Section  
9 59, Article XVI, Texas Constitution.

10 (c) The creation of the district is essential to accomplish  
11 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
12 62nd Leg., R.S., Ch. 554, Secs. 1 (part), 3.)

13 Sec. 8229.004. DISTRICT TERRITORY. (a) The district is  
14 composed of the territory described by Section 4, Chapter 554, Acts  
15 of the 62nd Legislature, Regular Session, 1971, as that territory  
16 may have been modified under:

- 17 (1) Subchapter H, Chapter 54, Water Code;  
18 (2) Subchapter J, Chapter 49, Water Code; or  
19 (3) other law.

20 (b) The boundaries and field notes of the district form a  
21 closure. A mistake in copying the field notes in the legislative  
22 process or another mistake in the field notes does not affect:

23 (1) the district's organization, existence, or  
24 validity;

25 (2) the district's right to issue any type of bond for  
26 a purpose for which the district is created or to pay the principal  
27 of and interest on the bond;

1 (3) the district's right to impose a tax; or

2 (4) the legality or operation of the district or its  
3 governing body. (Acts 62nd Leg., R.S., Ch. 554, Sec. 2; New.)

4 [Sections 8229.005-8229.050 reserved for expansion]

5 SUBCHAPTER B. BOARD OF DIRECTORS

6 Sec. 8229.051. COMPOSITION OF BOARD. The board of  
7 directors is composed of five elected directors. (Acts 62nd Leg.,  
8 R.S., Ch. 554, Sec. 6 (part).)

9 [Sections 8229.052-8229.100 reserved for expansion]

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 8229.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
12 district has the rights, powers, privileges, and functions  
13 conferred by general law applicable to a municipal utility  
14 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
15 Leg., R.S., Ch. 554, Sec. 5 (part); New.)

16 CHAPTER 8230. LUMBERTON MUNICIPAL UTILITY DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 8230.001. DEFINITIONS

19 Sec. 8230.002. NATURE OF DISTRICT

20 Sec. 8230.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

21 Sec. 8230.004. DISTRICT TERRITORY

22 Sec. 8230.005. CERTAIN LAWS INAPPLICABLE TO CREATION OF DISTRICT

23 [Sections 8230.006-8230.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 8230.051. COMPOSITION OF BOARD

26 [Sections 8230.052-8230.100 reserved for expansion]

1                   SUBCHAPTER C. POWERS AND DUTIES

2   Sec. 8230.101.   MUNICIPAL UTILITY DISTRICT POWERS

3                   CHAPTER 8230. LUMBERTON MUNICIPAL UTILITY DISTRICT

4                   SUBCHAPTER A. GENERAL PROVISIONS

5       Sec. 8230.001.   DEFINITIONS. In this chapter:

6           (1)   "Board" means the district's board of directors.

7           (2)   "Director" means a member of the board.

8           (3)   "District" means the Lumberton Municipal Utility  
9 District. (Acts 63rd Leg., R.S., Ch. 388, Sec. 1 (part); New.)

10       Sec. 8230.002.   NATURE OF DISTRICT. The district is a  
11 conservation and reclamation district in Hardin County created  
12 under Section 59, Article XVI, Texas Constitution. (Acts 63rd Leg.,  
13 R.S., Ch. 388, Sec. 1 (part).)

14       Sec. 8230.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
15 The district is created to serve a public use and benefit.

16       (b) All land and other property included in the boundaries  
17 of the district will benefit from the works and projects  
18 accomplished by the district under the powers conferred by Section  
19 59, Article XVI, Texas Constitution.

20       (c) The creation of the district is essential to accomplish  
21 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
22 63rd Leg., R.S., Ch. 388, Secs. 1 (part), 4.)

23       Sec. 8230.004.   DISTRICT TERRITORY. (a) The district is  
24 composed of the territory described by Section 2, Chapter 388, Acts  
25 of the 63rd Legislature, Regular Session, 1973, as that territory  
26 may have been modified under:

27           (1)   Subchapter H, Chapter 54, Water Code;

1           (2) Subchapter J, Chapter 49, Water Code; or

2           (3) other law.

3           (b) The boundaries and field notes of the district form a  
4 closure. A mistake in copying the field notes in the legislative  
5 process or another mistake in the field notes does not affect:

6           (1) the district's organization, existence, or  
7 validity;

8           (2) the district's right to issue any type of bond for  
9 a purpose for which the district is created or to pay the principal  
10 of and interest on the bond;

11           (3) the district's right to impose a tax; or

12           (4) the legality or operation of the district or its  
13 governing body. (Acts 63rd Leg., R.S., Ch. 388, Sec. 3; New.)

14           Sec. 8230.005. CERTAIN LAWS INAPPLICABLE TO CREATION OF  
15 DISTRICT. The district was created notwithstanding any provision of  
16 Section 212.003, Local Government Code, Chapter 42 or 43, Local  
17 Government Code, or Section 54.016, Water Code, and to the extent of  
18 the creation of the district only, those provisions shall have no  
19 application. (Acts 63rd Leg., R.S., Ch. 388, Sec. 8.)

20           [Sections 8230.006-8230.050 reserved for expansion]

21                           SUBCHAPTER B. BOARD OF DIRECTORS

22           Sec. 8230.051. COMPOSITION OF BOARD. The board of  
23 directors is composed of five elected directors. (Acts 63rd Leg.,  
24 R.S., Ch. 388, Sec. 7 (part).)

25           [Sections 8230.052-8230.100 reserved for expansion]

26                           SUBCHAPTER C. POWERS AND DUTIES

27           Sec. 8230.101. MUNICIPAL UTILITY DISTRICT POWERS. The

1 district has the rights, powers, privileges, and functions  
2 conferred and imposed by general law applicable to a municipal  
3 utility district created under Section 59, Article XVI, Texas  
4 Constitution, including Chapters 49 and 54, Water Code. (Acts 63rd  
5 Leg., R.S., Ch. 388, Sec. 5 (part); New.)

6 CHAPTER 8243. LANNIUS MUNICIPAL UTILITY DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 8243.001. DEFINITIONS

9 Sec. 8243.002. NATURE OF DISTRICT

10 Sec. 8243.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

11 Sec. 8243.004. DISTRICT TERRITORY

12 [Sections 8243.005-8243.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 8243.051. COMPOSITION OF BOARD

15 [Sections 8243.052-8243.100 reserved for expansion]

16 SUBCHAPTER C. POWERS

17 Sec. 8243.101. MUNICIPAL UTILITY DISTRICT POWERS

18 Sec. 8243.102. WATER AND SEWER SYSTEMS

19 CHAPTER 8243. LANNIUS MUNICIPAL UTILITY DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 8243.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the district's board of directors.

23 (2) "Director" means a member of the board.

24 (3) "District" means the Lannius Municipal Utility  
25 District. (Acts 63rd Leg., R.S., Ch. 620, Sec. 1 (part); New.)

26 Sec. 8243.002. NATURE OF DISTRICT. The district is a  
27 conservation and reclamation district in Fannin County created

1 under Section 59, Article XVI, Texas Constitution. (Acts 63rd  
2 Leg., R.S., Ch. 620, Sec. 1 (part).)

3 Sec. 8243.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
4 The district is created to serve a public use and benefit.

5 (b) All land and other property included in the boundaries  
6 of the district will benefit from the works and projects  
7 accomplished by the district under the powers conferred by Section  
8 59, Article XVI, Texas Constitution.

9 (c) The creation of the district is essential to accomplish  
10 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
11 63rd Leg., R.S., Ch. 620, Secs. 1 (part), 4.)

12 Sec. 8243.004. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 2, Chapter 620, Acts  
14 of the 63rd Legislature, Regular Session, 1973, as that territory  
15 may have been modified under:

- 16 (1) Subchapter H, Chapter 54, Water Code;  
17 (2) Subchapter J, Chapter 49, Water Code; or  
18 (3) other law.

19 (b) The boundaries and field notes of the district form a  
20 closure. A mistake in copying the field notes in the legislative  
21 process or another mistake in the field notes does not affect:

22 (1) the district's organization, existence, or  
23 validity;

24 (2) the district's right to issue any type of bond for  
25 a purpose for which the district is created or to pay the principal  
26 of and interest on the bond;

27 (3) the district's right to impose a tax; or

1 (4) the legality or operation of the district or its  
2 governing body. (Acts 63rd Leg., R.S., Ch. 620, Sec. 3; New.)

3 [Sections 8243.005-8243.050 reserved for expansion]

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 8243.051. COMPOSITION OF BOARD. The board of  
6 directors is composed of five elected directors. (Acts 63rd Leg.,  
7 R.S., Ch. 620, Sec. 7 (part).)

8 [Sections 8243.052-8243.100 reserved for expansion]

9 SUBCHAPTER C. POWERS

10 Sec. 8243.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
11 district has the rights, powers, privileges, and functions  
12 conferred and imposed by general law applicable to a municipal  
13 utility district created under Section 59, Article XVI, Texas  
14 Constitution, including Chapters 49 and 54, Water Code. (Acts 63rd  
15 Leg., R.S., Ch. 620, Sec. 5 (part).)

16 Sec. 8243.102. WATER AND SEWER SYSTEMS. The district may:

17 (1) acquire an existing water system that serves all  
18 or part of the district territory; or

19 (2) enter into a contract with the owner of a system  
20 described by Subdivision (1) under which the owner agrees:

21 (A) to operate and maintain all or part of the  
22 district's facilities;

23 (B) to provide billing for utility service  
24 supplied by district facilities;

25 (C) not to provide water service to a customer  
26 who is subject to the sanitary sewer service supplied by district  
27 facilities but who has not paid for that sewer service; and

1 (D) to any other agreement required to assure  
2 adequate maintenance of district facilities and provide money to  
3 pay district obligations. (Acts 63rd Leg., R.S., Ch. 620, Sec. 6.)

4 CHAPTER 8246. LAVACA COUNTY FLOOD CONTROL DISTRICT NO. 3

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 8246.001. DEFINITIONS

7 Sec. 8246.002. NATURE OF DISTRICT

8 Sec. 8246.003. DISTRICT TERRITORY

9 [Sections 8246.004-8246.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 8246.051. COMPOSITION OF BOARD

12 Sec. 8246.052. DIRECTOR'S BOND; TREASURER'S BOND

13 Sec. 8246.053. OFFICIAL ACTIONS; QUORUM

14 Sec. 8246.054. BOARD MEETINGS

15 Sec. 8246.055. BOARD COMPENSATION FOR ATTENDING

16 MEETINGS

17 Sec. 8246.056. OFFICERS

18 [Sections 8246.057-8246.100 reserved for expansion]

19 SUBCHAPTER C. GENERAL POWERS AND DUTIES

20 Sec. 8246.101. MUNICIPAL UTILITY DISTRICT POWERS;

21 GENERAL POWERS

22 Sec. 8246.102. EMINENT DOMAIN

23 Sec. 8246.103. CONTRACTS AND WARRANTS

24 [Sections 8246.104-8246.150 reserved for expansion]

25 SUBCHAPTER D. FLOOD CONTROL

26 Sec. 8246.151. FLOOD CONTROL POWERS AND DUTIES

27 Sec. 8246.152. EASEMENT OVER AND RELOCATION OF ROADS



1 Sec. 8246.153. MAINTENANCE OF FEDERAL FLOOD CONTROL

2 PROJECTS

3 [Sections 8246.154-8246.200 reserved for expansion]

4 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

5 Sec. 8246.201. PETITION AND ELECTION AUTHORIZING AD

6 VALOREM TAX; TAX LIMIT

7 Sec. 8246.202. NOTICE FOR AND MANNER OF HOLDING AD

8 VALOREM TAX ELECTION

9 Sec. 8246.203. TAX LAWS APPLICABLE

10 [Sections 8246.204-8246.250 reserved for expansion]

11 SUBCHAPTER F. BONDS

12 Sec. 8246.251. PETITION FOR BOND ELECTION

13 Sec. 8246.252. DATE AND NOTICE OF PETITION HEARING

14 Sec. 8246.253. HEARING AND DETERMINATION ON PETITION

15 Sec. 8246.254. ELECTION FOR, ISSUANCE OF, AND SALE OF

16 BONDS

17 CHAPTER 8246. LAVACA COUNTY FLOOD CONTROL DISTRICT NO. 3

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 8246.001. DEFINITIONS. In this chapter:

20 (1) "Board" means the district's board of directors.

21 (2) "Director" means a member of the board.

22 (3) "District" means the Lavaca County Flood Control

23 District No. 3.

24 (4) "President" means the president of the board.

25 (5) "Secretary" means the secretary of the board.

26 (Acts 56th Leg., R.S., Ch. 95, Secs. 1 (part), 4 (part); New.)

27 Sec. 8246.002. NATURE OF DISTRICT. (a) The district is a

1 municipal utility district and a conservation and reclamation  
2 district as provided by this chapter.

3 (b) The creation of the district is essential to accomplish  
4 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
5 56th Leg., R.S., Ch. 95, Sec. 1 (part); New.)

6 Sec. 8246.003. DISTRICT TERRITORY. The district is composed  
7 of the territory described by Section 1, Chapter 95, Acts of the  
8 56th Legislature, Regular Session, 1959, as that territory may have  
9 been modified under:

- 10 (1) Subchapter H, Chapter 54, Water Code;
- 11 (2) Subchapter J, Chapter 49, Water Code; or
- 12 (3) other law. (New.)

13 [Sections 8246.004-8246.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8246.051. COMPOSITION OF BOARD. The board is composed  
16 of five elected directors who serve staggered terms. (New.)

17 Sec. 8246.052. DIRECTOR'S BOND; TREASURER'S BOND. (a) Each  
18 director shall give bond in the amount of \$1,000 for the faithful  
19 performance of the director's duties.

20 (b) The treasurer of the district shall give bond in the  
21 amount of \$2,500 for the faithful performance of the treasurer's  
22 duties. (Acts 56th Leg., R.S., Ch. 95, Sec. 5 (part).)

23 Sec. 8246.053. OFFICIAL ACTIONS; QUORUM. (a) The board  
24 shall perform official actions by resolution.

25 (b) Two-thirds of the board constitutes a quorum for the  
26 transaction of any business of the district.

27 (c) A majority vote of those present is sufficient in any

1 official action, including final passage and enactment of a  
2 resolution. (Acts 56th Leg., R.S., Ch. 95, Sec. 6(a) (part).)

3       Sec. 8246.054. BOARD MEETINGS. (a) The board shall hold  
4 regular meetings at least once every three months. The dates of  
5 regular meetings must be established in the district's bylaws or by  
6 resolution.

7       (b) The president or any three directors may call a special  
8 meeting as necessary to administer district business. At least  
9 five days before the date of a special meeting, the secretary must  
10 mail notice of the meeting to the address each director filed with  
11 the secretary. A director may waive in writing notices of special  
12 meetings. (Acts 56th Leg., R.S., Ch. 95, Sec. 6(b) (part).)

13       Sec. 8246.055. BOARD COMPENSATION FOR ATTENDING MEETINGS.  
14 Unless the board by resolution increases the fee to an amount  
15 authorized by Section 49.060, Water Code:

16           (1) each director is entitled to receive a fee of \$20  
17 for attending each board meeting; and

18           (2) a director may not be paid more than \$40 for  
19 meetings held in one calendar month. (Acts 56th Leg., R.S., Ch. 95,  
20 Sec. 6(b) (part); New.)

21       Sec. 8246.056. OFFICERS. (a) The president shall perform  
22 those functions that are customarily incident to the office of  
23 president.

24       (b) The vice president shall act as president in case of the  
25 inability, absence, or failure of the president to act.

26       (c) The secretary may be a director or an individual who is  
27 not a director. (Acts 56th Leg., R.S., Ch. 95, Sec. 6(c) (part).)

1 [Sections 8246.057-8246.100 reserved for expansion]

2 SUBCHAPTER C. GENERAL POWERS AND DUTIES

3 Sec. 8246.101. MUNICIPAL UTILITY DISTRICT POWERS; GENERAL  
4 POWERS. (a) The district has and may exercise the powers,  
5 functions, duties, and privileges provided by general law  
6 applicable to a municipal utility district, including those  
7 conferred by Chapters 49 and 54, Water Code.

8 (b) The district may exercise the rights, privileges, and  
9 functions provided by this chapter. (Acts 56th Leg., R.S., Ch. 95,  
10 Sec. 1 (part); New.)

11 Sec. 8246.102. EMINENT DOMAIN. The district may exercise  
12 the power of eminent domain inside district boundaries to acquire  
13 property of any kind, or an interest in property, necessary or  
14 convenient for the district to exercise a right, power, privilege,  
15 or function conferred on the district by this chapter. (Acts 56th  
16 Leg., R.S., Ch. 95, Sec. 8 (part).)

17 Sec. 8246.103. CONTRACTS AND WARRANTS. The district may  
18 enter into contracts and issue warrants payable from current funds  
19 under the applicable provisions of Chapter 252, Local Government  
20 Code, that relate to a municipality with a population of less than  
21 5,000, to the extent those provisions are not in conflict with this  
22 chapter. (Acts 56th Leg., R.S., Ch. 95, Sec. 13.)

23 [Sections 8246.104-8246.150 reserved for expansion]

24 SUBCHAPTER D. FLOOD CONTROL

25 Sec. 8246.151. FLOOD CONTROL POWERS AND DUTIES. The  
26 district may:

27 (1) exercise a power, right, privilege, or function

1 conferred by general law on a flood control district created under  
2 Section 59, Article XVI, Texas Constitution, as applicable to  
3 Lavaca County and essential to the flood control project;

4 (2) devise plans and construct works to lessen and  
5 control floods;

6 (3) reclaim land in the district;

7 (4) prevent the deposit of silt in navigable streams;

8 (5) remove natural or artificial obstructions from  
9 streams and other watercourses;

10 (6) regulate the flow of surface and floodwaters;

11 (7) provide drainage essential to the flood control  
12 project;

13 (8) acquire, by gift, devise, purchase, or  
14 condemnation, land, a right or interest in land, or any other  
15 character of property needed to carry on the work of flood control;

16 (9) sell, trade, or otherwise dispose of land or other  
17 property, or a right in the property, no longer needed for the flood  
18 control project or flood control purposes;

19 (10) use the bed and banks of a bayou, river, or stream  
20 in the district, subject to the concurrence of the Texas Commission  
21 on Environmental Quality;

22 (11) authorize its officers, employees, or agents to  
23 enter any land in the district to make or examine a survey in  
24 connection with a flood control plan or project or for any other  
25 authorized purpose;

26 (12) overflow or inundate any public land or public  
27 property, and require the relocation of a road or highway, in the

1 manner and to the extent permitted to a district organized under  
2 general law under Section 59, Article XVI, Texas Constitution,  
3 subject to the concurrence of the state agency with jurisdiction  
4 over the land or property or the Texas Transportation Commission,  
5 as applicable;

6 (13) appoint a flood control manager and any agents or  
7 employees of the county as necessary for flood control purposes,  
8 including an engineer and counsel, prescribe their duties, and set  
9 the amounts of their bonds and compensation;

10 (14) cooperate or contract with the United States to  
11 receive and use money from a grant, loan, or advancement to exercise  
12 a power or further a purpose under this chapter;

13 (15) contribute to the United States in connection  
14 with any project undertaken by the United States that affects or  
15 relates to flood control in Lavaca County;

16 (16) cooperate or contract with an agency or political  
17 subdivision of this state, including a municipality in Lavaca  
18 County, in relation to:

19 (A) a survey;

20 (B) the acquisition of land or a right-of-way; or

21 (C) the construction, maintenance, or financing  
22 of all or part of a project in connection with any matter within the  
23 scope of this chapter;

24 (17) contract with an agency or political subdivision  
25 of this state, including a municipality in Lavaca County, for the  
26 imposition of taxes on behalf of and for the benefit of the  
27 district;

1 (18) sue and be sued under the laws of this state; and

2 (19) perform any act necessary or proper to carry out  
3 the powers described by this section or Section 8246.152. (Acts  
4 56th Leg., R.S., Ch. 95, Sec. 2 (part).)

5 Sec. 8246.152. EASEMENT OVER AND RELOCATION OF ROADS. The  
6 district has a right-of-way and easement over and across a road or  
7 highway of this state or a subdivision of this state for the  
8 construction or maintenance of a district flood control project,  
9 subject to the concurrence of the Texas Transportation Commission  
10 if the project requires the relocation or bridging of a state  
11 highway. (Acts 56th Leg., R.S., Ch. 95, Sec. 2 (part).)

12 Sec. 8246.153. MAINTENANCE OF FEDERAL FLOOD CONTROL  
13 PROJECTS. The district is entitled to maintain a flood control  
14 project constructed in Lavaca County by the United States if the  
15 project:

16 (1) extends wholly or partly into the district or is  
17 within five miles of the boundaries of the district; and

18 (2) is considered by the board to protect property in  
19 the district. (Acts 56th Leg., R.S., Ch. 95, Sec. 2a.)

20 [Sections 8246.154-8246.200 reserved for expansion]

21 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

22 Sec. 8246.201. PETITION AND ELECTION AUTHORIZING AD VALOREM  
23 TAX; TAX LIMIT. (a) The board may impose on all taxable property in  
24 the district an annual tax at a rate not to exceed 15 cents on the  
25 \$100 valuation.

26 (b) Before an election is held on the ad valorem tax  
27 proposition, a petition for the tax must be presented to the board.

1 The petition must be signed by 10 percent of the registered voters  
2 who own taxable property in the district.

3 (c) The petition, election order, and notice of the election  
4 must state:

5 (1) the specific tax rate to be voted on or that the  
6 rate may not exceed the limit under Subsection (a); and

7 (2) one or more of the purposes authorized by this  
8 chapter for which the tax money may be spent.

9 (d) The total amount of all taxes imposed by the district  
10 for all purposes may not exceed 15 cents on the \$100 valuation.  
11 (Acts 56th Leg., R.S., Ch. 95, Secs. 9(a), (b), 11.)

12 Sec. 8246.202. NOTICE FOR AND MANNER OF HOLDING AD VALOREM  
13 TAX ELECTION. (a) Notice of an election under Section 8246.201  
14 must be published once each week for two weeks in a newspaper that  
15 is published in Lavaca County and has general circulation in the  
16 district.

17 (b) The date of the first publication of notice must be not  
18 less than 20 days and not more than 30 days before the date of the  
19 election.

20 (c) The presiding judge for each voting place shall appoint  
21 the necessary judges and clerks to assist the presiding judge in  
22 holding the election. (Acts 56th Leg., R.S., Ch. 95, Sec. 3(a)  
23 (part).)

24 Sec. 8246.203. TAX LAWS APPLICABLE. The laws of this state  
25 relating to the imposition of ad valorem taxes and collection of  
26 delinquent taxes by a water control and improvement district apply  
27 to the district. (Acts 56th Leg., R.S., Ch. 95, Sec. 12.)



1 [Sections 8246.204-8246.250 reserved for expansion]

2 SUBCHAPTER F. BONDS

3 Sec. 8246.251. PETITION FOR BOND ELECTION. (a) A petition  
4 requesting an election on the proposition of the issuance of bonds  
5 for any purpose authorized in this chapter may be presented to the  
6 board.

7 (b) The petition must be signed by at least 50 registered,  
8 property tax paying voters residing in the district.

9 (c) The petition must state:

10 (1) the amount of bonds to be voted on;

11 (2) the general nature of the work to be done;

12 (3) the necessity for and feasibility of the work;

13 (4) the estimated cost; and

14 (5) the operating costs. (Acts 56th Leg., R.S., Ch.  
15 95, Sec. 14.)

16 Sec. 8246.252. DATE AND NOTICE OF PETITION HEARING. (a) The  
17 board shall set a date for a public hearing on the petition that is  
18 not more than 30 days after the date the petition is filed with the  
19 board.

20 (b) Notice of the hearing must be published once a week for  
21 two consecutive weeks in a newspaper of general circulation in the  
22 district. The first publication of notice must be not less than 20  
23 days before the date of the hearing.

24 (c) The secretary shall post or cause to be posted for at  
25 least 15 days before the date of the hearing a copy of the notice at  
26 the courthouse door of Lavaca County and at three other public  
27 places in the district that will give reasonable notice throughout

1 the district. (Acts 56th Leg., R.S., Ch. 95, Sec. 15.)

2           Sec. 8246.253. HEARING AND DETERMINATION ON PETITION. (a)  
3 The board shall consider and determine all matters brought before  
4 the board at the hearing.

5           (b) If the board determines that the proposed improvements  
6 are feasible and practicable and a benefit to the public, the board  
7 shall grant the petition and order the requested election. If the  
8 board refuses the petition, the board's reasons must be stated in  
9 the minutes of the board. The board's decision is final. (Acts  
10 56th Leg., R.S., Ch. 95, Sec. 16.)

11           Sec. 8246.254. ELECTION FOR, ISSUANCE OF, AND SALE OF  
12 BONDS. (a) Except as provided by this section, the election for,  
13 issuance of, and sale of district bonds are governed by the  
14 provisions of Chapters 1201, 1207, 1251, and 1431, Government Code,  
15 that pertain to the election for, issuance of, and sale of bonds by  
16 counties.

17           (b) As determined by the board, district bonds mature  
18 serially not later than 30 years after the date of their issuance.

19           (c) District bonds may be sold only by sealed competitive  
20 bids to the highest bidder.

21           (d) Notice of a proposed sale must be published in a  
22 financial publication of general circulation in this state once a  
23 week for two consecutive weeks. The date of the first publication  
24 must be at least 15 days before the date of the proposed sale.

25           (e) District bonds must be signed by the president and  
26 attested by the secretary. (Acts 56th Leg., R.S., Ch. 95, Sec. 17.)

1           CHAPTER 8259. LONGHORN TOWN UTILITY DISTRICT

2                   SUBCHAPTER A. GENERAL PROVISIONS

3   Sec. 8259.001.   DEFINITIONS

4   Sec. 8259.002.   NATURE OF DISTRICT

5   Sec. 8259.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE

6   Sec. 8259.004.   DISTRICT TERRITORY

7           [Sections 8259.005-8259.050 reserved for expansion]

8                   SUBCHAPTER B. BOARD OF DIRECTORS

9   Sec. 8259.051.   COMPOSITION OF BOARD

10          [Sections 8259.052-8259.100 reserved for expansion]

11                  SUBCHAPTER C. POWERS AND DUTIES

12   Sec. 8259.101.   MUNICIPAL UTILITY DISTRICT POWERS

13           CHAPTER 8259. LONGHORN TOWN UTILITY DISTRICT

14                   SUBCHAPTER A. GENERAL PROVISIONS

15          Sec. 8259.001.   DEFINITIONS. In this chapter:

16                  (1) "Board" means the district's board of directors.

17                  (2) "Director" means a member of the board.

18                  (3) "District" means the Longhorn Town Utility  
19 District of Harris County, Texas. (Acts 62nd Leg., R.S., Ch. 659,  
20 Sec. 1 (part); New.)

21          Sec. 8259.002.   NATURE OF DISTRICT. The district is a  
22 conservation and reclamation district in Harris County created  
23 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
24 R.S., Ch. 659, Sec. 1 (part).)

25          Sec. 8259.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
26 The district is created to serve a public use and benefit.

27                  (b) All land and other property included in the boundaries

1 of the district will benefit from the works and projects  
2 accomplished by the district under the powers conferred by Section  
3 59, Article XVI, Texas Constitution.

4 (c) The creation of the district is essential to accomplish  
5 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
6 62nd Leg., R.S., Ch. 659, Secs. 1 (part), 3.)

7 Sec. 8259.004. DISTRICT TERRITORY. (a) The district is  
8 composed of the territory described by Section 4, Chapter 659, Acts  
9 of the 62nd Legislature, Regular Session, 1971, as that territory  
10 may have been modified under:

- 11 (1) Subchapter H, Chapter 54, Water Code;
- 12 (2) Subchapter J, Chapter 49, Water Code; or
- 13 (3) other law.

14 (b) The boundaries and field notes of the district form a  
15 closure. A mistake in copying the field notes in the legislative  
16 process or another mistake in the field notes does not affect:

- 17 (1) the district's organization, existence, or  
18 validity;
- 19 (2) the district's right to issue any type of bonds for  
20 a purpose for which the district is created or to pay the principal  
21 of and interest on the bonds;
- 22 (3) the district's right to impose a tax; or
- 23 (4) the legality or operation of the district or its  
24 governing body. (Acts 62nd Leg., R.S., Ch. 659, Sec. 2; New.)

25 [Sections 8259.005-8259.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 8259.051. COMPOSITION OF BOARD. The board of

1 directors is composed of five elected directors. (Acts 62nd Leg.,  
2 R.S., Ch. 659, Sec. 6 (part).)

3 [Sections 8259.052-8259.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 8259.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
6 district has the rights, powers, privileges, and functions  
7 conferred by general law applicable to a municipal utility  
8 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
9 Leg., R.S., Ch. 659, Sec. 5 (part); New.)

10 CHAPTER 8260. LOUETTA NORTH PUBLIC UTILITY DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 8260.001. DEFINITIONS

13 Sec. 8260.002. NATURE OF DISTRICT

14 Sec. 8260.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

15 Sec. 8260.004. DISTRICT TERRITORY

16 [Sections 8260.005-8260.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Sec. 8260.051. COMPOSITION OF BOARD

19 [Sections 8260.052-8260.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8260.101. MUNICIPAL UTILITY DISTRICT POWERS

22 CHAPTER 8260. LOUETTA NORTH PUBLIC UTILITY DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 8260.001. DEFINITIONS. In this chapter:

25 (1) "Board" means the district's board of directors.

26 (2) "Director" means a member of the board.

27 (3) "District" means the Louetta North Public Utility

1 District. (Acts 62nd Leg., R.S., Ch. 685, Sec. 1 (part); New.)

2       Sec. 8260.002. NATURE OF DISTRICT. The district is a  
3 conservation and reclamation district in Harris County created  
4 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
5 R.S., Ch. 685, Sec. 1 (part).)

6       Sec. 8260.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
7 The district is created to serve a public use and benefit.

8       (b) All land and other property included in the boundaries  
9 of the district will benefit from the works and projects  
10 accomplished by the district under the powers conferred by Section  
11 59, Article XVI, Texas Constitution.

12       (c) The creation of the district is essential to accomplish  
13 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
14 62nd Leg., R.S., Ch. 685, Secs. 1 (part), 3.)

15       Sec. 8260.004. DISTRICT TERRITORY. (a) The district is  
16 composed of the territory described by Section 4, Chapter 685, Acts  
17 of the 62nd Legislature, Regular Session, 1971, as that territory  
18 may have been modified under:

- 19               (1) Subchapter H, Chapter 54, Water Code;  
20               (2) Subchapter J, Chapter 49, Water Code; or  
21               (3) other law.

22       (b) The boundaries and field notes of the district form a  
23 closure. A mistake in copying the field notes in the legislative  
24 process or another mistake in the field notes does not affect:

25               (1) the district's organization, existence, or  
26 validity;

27               (2) the district's right to issue any type of bond for

1 a purpose for which the district is created or to pay the principal  
2 of and interest on the bond;

3 (3) the district's right to impose a tax; or

4 (4) the legality or operation of the district or its  
5 governing body. (Acts 62nd Leg., R.S., Ch. 685, Sec. 2; New.)

6 [Sections 8260.005-8260.050 reserved for expansion]

7 SUBCHAPTER B. BOARD OF DIRECTORS

8 Sec. 8260.051. COMPOSITION OF BOARD. The board of  
9 directors is composed of five elected directors. (Acts 62nd Leg.,  
10 R.S., Ch. 685, Sec. 6 (part).)

11 [Sections 8260.052-8260.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 8260.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
14 district has the rights, powers, privileges, and functions  
15 conferred by general law applicable to a municipal utility  
16 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
17 Leg., R.S., Ch. 685, Sec. 5 (part); New.)

18 CHAPTER 8262. LOUETTA ROAD UTILITY DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

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26                   SUBCHAPTER E. BONDS

27   Sec. 8262.201.   LOST OR MUTILATED BONDS



1 Sec. 8262.202. USE OF BOND PROCEEDS DURING

2 CONSTRUCTION

3 Sec. 8262.203. REFUNDING BONDS

4 CHAPTER 8262. LOUETTA ROAD UTILITY DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 8262.001. DEFINITIONS. In this chapter:

7 (1) "Board" means the board of directors of the  
8 district.

9 (2) "Director" means a member of the board.

10 (3) "District" means the Louetta Road Utility  
11 District. (Acts 61st Leg., R.S., Ch. 749, Sec. 1 (part); New.)

12 Sec. 8262.002. NATURE OF DISTRICT. The district is a  
13 municipal utility district and a conservation and reclamation  
14 district in Harris County created under Section 59, Article XVI,  
15 Texas Constitution. (Acts 61st Leg., R.S., Ch. 749, Sec. 1 (part);  
16 New.)

17 Sec. 8262.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
18 The district is created to serve a public use and benefit.

19 (b) All land and other property included in the boundaries  
20 of the district will benefit from the works and projects  
21 accomplished by the district under the powers conferred by Section  
22 59, Article XVI, Texas Constitution.

23 (c) The creation of the district is essential to accomplish  
24 the purposes of Section 59, Article XVI, Texas Constitution.

25 (d) The accomplishment of the purposes stated in this  
26 chapter is for the benefit of the people of this state and for the  
27 improvement of their property and industries. The district in

1 carrying out the purposes of this chapter will be performing an  
2 essential public function under the Texas Constitution. (Acts 61st  
3 Leg., R.S., Ch. 749, Secs. 1 (part), 4, 24 (part).)

4 Sec. 8262.004. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 2, Chapter 749, Acts  
6 of the 61st Legislature, Regular Session, 1969, as that territory  
7 may have been modified under:

8 (1) Subchapter H, Chapter 54, Water Code;

9 (2) Subchapter J, Chapter 49, Water Code;

10 (3) Section 9, Chapter 749, Acts of the 61st  
11 Legislature, Regular Session, 1969; or

12 (4) other law.

13 (b) The boundaries and field notes of the district form a  
14 closure. A mistake in copying the field notes in the legislative  
15 process or another mistake in the field notes does not affect:

16 (1) the district's organization, existence, or  
17 validity;

18 (2) the district's right to issue any type of bond for  
19 a purpose for which the district is created or to pay the principal  
20 of and interest on the bond;

21 (3) the district's right to impose a tax; or

22 (4) the legality or operation of the district or the  
23 board. (Acts 61st Leg., R.S., Ch. 749, Sec. 3; New.)

24 Sec. 8262.005. EXPANSION OF DISTRICT. (a) If land is  
25 annexed by the district under Section 49.301, Water Code, the board  
26 may require the petitioners to:

27 (1) assume the petitioners' pro rata share of the voted

1 but unissued bonds of the district; and

2 (2) authorize the board to impose a tax on the  
3 petitioners' property to pay for the bonds after the bonds have been  
4 issued.

5 (b) If land is annexed by the district under Section 49.302,  
6 Water Code, the board may submit to the voters of the area to be  
7 annexed a proposition on the question of the assumption by the area  
8 to be annexed of its part of the voted but not yet issued or sold tax  
9 or tax-revenue bonds of the district and the imposition of an ad  
10 valorem tax on taxable property in the area to be annexed along with  
11 a tax in the rest of the district for the payment of the bonds.

12 (c) If the petitioners consent or if the election results  
13 favorably, the district may issue its voted but unissued tax or  
14 tax-revenue bonds regardless of changes to district boundaries  
15 since the original voting or authorization of the bonds. (Acts 61st  
16 Leg., R.S., Ch. 749, Sec. 9.)

17 Sec. 8262.006. STATE POLICY REGARDING WASTE DISPOSAL. The  
18 district's powers and duties are subject to the state policy of  
19 encouraging the development and use of integrated area-wide waste  
20 collection, treatment, and disposal systems to serve the waste  
21 disposal needs of this state's residents, if integrated systems can  
22 reasonably be provided for an area, so as to avoid the economic  
23 burden on residents and the effect on state water quality caused by  
24 the construction and operation of numerous small waste collection,  
25 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
26 749, Sec. 5 (part).)

1 [Sections 8262.007-8262.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Sec. 8262.051. COMPOSITION OF BOARD. The board consists of  
4 five elected directors. (Acts 61st Leg., R.S., Ch. 749, Sec. 10  
5 (part).)

6 Sec. 8262.052. DIRECTOR'S BOND. Each director shall  
7 qualify by giving bond in the amount of \$5,000 for the faithful  
8 performance of the director's duties. (Acts 61st Leg., R.S., Ch.  
9 749, Sec. 10 (part).)

10 Sec. 8262.053. ABSENCE OR INACTION OF BOARD PRESIDENT. (a)  
11 When the board president is absent or fails or declines to act, the  
12 board vice president shall perform all duties and exercise all  
13 power this chapter or general law gives the president.

14 (b) If the board president is absent from a board meeting:

15 (1) the board vice president may sign an order or other  
16 action adopted at the meeting; or

17 (2) the board may authorize the president to sign the  
18 order or implement the action. (Acts 61st Leg., R.S., Ch. 749, Sec.  
19 10 (part).)

20 Sec. 8262.054. DISTRICT OFFICE. (a) Except as provided by  
21 this section, the board shall designate, establish, and maintain a  
22 district office as provided by Section 49.062, Water Code.

23 (b) The board may establish a second district office outside  
24 the district. If the board establishes a second district office,  
25 the board shall give notice of the location of that office by:

26 (1) filing a copy of the board resolution that  
27 establishes the location of the office:

1 (A) with the Texas Commission on Environmental  
2 Quality; and

3 (B) in the municipal utility district records of  
4 each county in which the district is located; and

5 (2) publishing notice of the location of the office in  
6 a newspaper of general circulation in each county in which the  
7 district is located.

8 (c) A district office that is a private residence, office,  
9 or dwelling is a public place for matters relating to the district's  
10 business.

11 (d) The board shall provide notice of any change in the  
12 location of the district office outside the district in the manner  
13 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 749, Sec.  
14 15.)

15 [Sections 8262.055-8262.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8262.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
18 district has all of the rights, powers, privileges, and functions  
19 conferred and imposed by the general law of this state relating to  
20 municipal utility districts created under Section 59, Article XVI,  
21 Texas Constitution, including those conferred by Chapters 49 and  
22 54, Water Code. (Acts 61st Leg., R.S., Ch. 749, Sec. 5 (part).)

23 Sec. 8262.102. ADDITIONAL POWERS. (a) The district may:

24 (1) make, purchase, construct, lease, or otherwise  
25 acquire property, works, facilities, existing improvements, or  
26 improvements to be made, constructed, or acquired that are:

27 (A) inside or outside the district's boundaries;

1 and

2 (B) necessary to carry out the powers granted by  
3 this chapter or general law; or

4 (2) enter into a contract with a person on terms the  
5 board considers desirable, fair, and advantageous for:

6 (A) the purchase or sale of water;

7 (B) the transportation, treatment, and disposal  
8 of the domestic, industrial, or communal wastes of the district or  
9 others;

10 (C) the continuing and orderly development of  
11 land and property in the district through the purchase,  
12 construction, or installation of facilities, works, or  
13 improvements that the district is otherwise authorized to do or  
14 perform so that, to the greatest extent reasonably possible,  
15 considering sound engineering and economic practices, all of the  
16 land and property may ultimately receive the services of the  
17 facilities, works, or improvements; and

18 (D) the performance of any of the powers granted  
19 by this chapter or general law.

20 (b) A contract under Subsection (a)(2) may not have a  
21 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 749,  
22 Sec. 5 (part).)

23 Sec. 8262.103. EMINENT DOMAIN. The district may exercise  
24 the power of eminent domain only:

25 (1) in a county in which the district is located; and

26 (2) when necessary to carry out the purposes for which  
27 the district was created. (Acts 61st Leg., R.S., Ch. 749, Sec. 13

1 (part).)

2 Sec. 8262.104. COST OF RELOCATING OR ALTERING PROPERTY.

3 (a) In this section, "sole expense" means the actual cost of  
4 relocating, raising, lowering, rerouting, changing the grade of, or  
5 altering the construction of a facility described by Subsection (b)  
6 in providing comparable replacement without enhancement of the  
7 facility, after deducting from that cost the net salvage value of  
8 the old facility.

9 (b) If the district's exercise of the power of eminent  
10 domain, the power of relocation, or any other power conferred by  
11 this chapter makes necessary the relocation, raising, rerouting,  
12 changing the grade, or alteration of the construction of a highway,  
13 a railroad, an electric transmission line, a telegraph or telephone  
14 property or facility, or a pipeline, the necessary action shall be  
15 accomplished at the sole expense of the district. (Acts 61st Leg.,  
16 R.S., Ch. 749, Sec. 13 (part).)

17 Sec. 8262.105. CONTRACT FOR PURCHASE OF WATER, SEWER, OR  
18 DRAINAGE SERVICES; ELECTION NOT REQUIRED. (a) The district and a  
19 political subdivision may enter into a contract for water, sewer,  
20 or drainage services or any combination of those services without  
21 the necessity of an election by any contracting party to approve the  
22 contract.

23 (b) The district may pay for an obligation incurred by such  
24 a contract by issuing bonds that, if otherwise necessary, have been  
25 approved by the voters in the manner provided by this chapter.

26 (c) The district may deliver the district's bonds to the  
27 United States or an agency or instrumentality of the United States,

1 or to this state or an agency or instrumentality of this state, that  
2 entered into a contract with the district. (Acts 61st Leg., R.S.,  
3 Ch. 749, Sec. 5 (part).)

4 Sec. 8262.106. NOTICE OF ELECTION. The board president or  
5 secretary may give notice of an election. (Acts 61st Leg., R.S.,  
6 Ch. 749, Sec. 19.)

7 Sec. 8262.107. DISTRICT RULES. The district shall adopt  
8 and enforce reasonable and effective rules to secure and maintain  
9 safe, sanitary, and adequate plumbing installations, connections,  
10 and appurtenances as subsidiary parts of the district's sewerage  
11 system to preserve the quality of water within or controlled by the  
12 district. (Acts 61st Leg., R.S., Ch. 749, Sec. 16.)

13 [Sections 8262.108-8262.150 reserved for expansion]

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 8262.151. TAX METHOD. (a) The district shall use the  
16 ad valorem plan of taxation.

17 (b) The board is not required to call or hold a hearing on  
18 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 749,  
19 Sec. 8.)

20 Sec. 8262.152. DISTRICT ACCOUNTS. The district shall keep  
21 a complete system of the district's accounts. (Acts 61st Leg.,  
22 R.S., Ch. 749, Sec. 14 (part).)

23 Sec. 8262.153. COPY OF AUDIT REPORT. A copy of the audit  
24 report prepared under Subchapter G, Chapter 49, Water Code, shall  
25 be delivered:

- 26 (1) to each director; and  
27 (2) to a holder of at least 25 percent of the



1 outstanding bonds of the district, on request. (Acts 61st Leg.,  
2 R.S., Ch. 749, Sec. 14 (part); New.)

3 Sec. 8262.154. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

4 The district is not required to pay a tax or assessment on:

5 (1) district property; or

6 (2) a purchase made by the district. (Acts 61st Leg.,  
7 R.S., Ch. 749, Sec. 24 (part).)

8 Sec. 8262.155. DEPOSITORY. (a) The board shall select one  
9 or more banks in this state to act as depository for the district's  
10 money.

11 (b) To the extent that money in the depository bank is not  
12 insured by the Federal Deposit Insurance Corporation, the money  
13 must be secured in the manner provided by law for the security of  
14 county funds.

15 (c) A director may be a shareholder in a bank that is a  
16 depository of district money. (Acts 61st Leg., R.S., Ch. 749, Sec.  
17 14 (part).)

18 [Sections 8262.156-8262.200 reserved for expansion]

19 SUBCHAPTER E. BONDS

20 Sec. 8262.201. LOST OR MUTILATED BONDS. A trust indenture  
21 securing bonds issued under this chapter may provide for the  
22 issuance of bonds to replace lost or mutilated bonds. (Acts 61st  
23 Leg., R.S., Ch. 749, Sec. 12 (part).)

24 Sec. 8262.202. USE OF BOND PROCEEDS DURING CONSTRUCTION.

25 (a) The district may appropriate or set aside out of the proceeds  
26 from the sale of any bonds issued under this chapter an amount for  
27 the payment of interest, administrative, and operating expenses

1 expected to accrue during a period of construction, as may be  
2 provided in the bond orders or resolutions.

3 (b) For purposes of this section, the period of construction  
4 may not exceed three years. (Acts 61st Leg., R.S., Ch. 749, Sec. 12  
5 (part).)

6 Sec. 8262.203. REFUNDING BONDS. (a) By order or resolution  
7 adopted by the board, the district may issue revenue refunding  
8 bonds or tax-revenue refunding bonds to refund revenue bonds or  
9 tax-revenue bonds, whether original bonds or refunding bonds,  
10 previously issued by the district.

11 (b) The comptroller shall register the refunding bonds on  
12 the surrender and cancellation of the bonds to be refunded.

13 (c) Instead of issuing bonds to be registered on the  
14 surrender and cancellation of the bonds to be refunded, the  
15 district, in the order or resolution authorizing the issuance of  
16 the refunding bonds, may provide for the sale of the refunding bonds  
17 and the deposit of the proceeds in the place or places where the  
18 bonds to be refunded are payable. In that case, the refunding bonds  
19 may be issued if an amount sufficient to pay the principal of and  
20 interest on the bonds to be refunded to their maturity dates, or to  
21 their option dates if according to their terms the bonds have been  
22 called for payment before maturity, has been deposited in the place  
23 or places where the bonds to be refunded are payable, and the  
24 comptroller shall register the refunding bonds without the  
25 surrender and cancellation of the bonds to be refunded. (Acts 61st  
26 Leg., R.S., Ch. 749, Sec. 12 (part).)

1                   CHAPTER 8271. LANGHAM CREEK UTILITY DISTRICT  
2                               SUBCHAPTER A. GENERAL PROVISIONS  
3   Sec. 8271.001.   DEFINITIONS  
4   Sec. 8271.002.   NATURE OF DISTRICT  
5   Sec. 8271.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE  
6   Sec. 8271.004.   DISTRICT TERRITORY  
7   Sec. 8271.005.   EXPANSION OF DISTRICT  
8   Sec. 8271.006.   STATE POLICY REGARDING WASTE DISPOSAL  
9                   [Sections 8271.007-8271.050 reserved for expansion]  
10                   SUBCHAPTER B. DISTRICT ADMINISTRATION  
11   Sec. 8271.051.   COMPOSITION OF BOARD  
12   Sec. 8271.052.   DIRECTOR'S BOND  
13   Sec. 8271.053.   ABSENCE OR INACTION OF BOARD PRESIDENT  
14   Sec. 8271.054.   DISTRICT OFFICE  
15                   [Sections 8271.055-8271.100 reserved for expansion]  
16                               SUBCHAPTER C. POWERS AND DUTIES  
17   Sec. 8271.101.   MUNICIPAL UTILITY DISTRICT POWERS  
18   Sec. 8271.102.   ADDITIONAL POWERS  
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20   Sec. 8271.104.   COST OF RELOCATING OR ALTERING PROPERTY  
21   Sec. 8271.105.   CONTRACT FOR PURCHASE OF WATER, SEWER,  
22                               OR DRAINAGE SERVICES; ELECTION NOT  
23                               REQUIRED  
24   Sec. 8271.106.   NOTICE OF ELECTION  
25   Sec. 8271.107.   DISTRICT RULES  
26                   [Sections 8271.108-8271.150 reserved for expansion]

1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2   Sec. 8271.151.   TAX METHOD

3   Sec. 8271.152.   DISTRICT ACCOUNTS

4   Sec. 8271.153.   COPY OF AUDIT REPORT

5   Sec. 8271.154.   PAYMENT OF TAX OR ASSESSMENT NOT

6                                 REQUIRED

7   Sec. 8271.155.   DEPOSITORY

8                 [Sections 8271.156-8271.200 reserved for expansion]

9   SUBCHAPTER E. BONDS

10   Sec. 8271.201.   LOST OR MUTILATED BONDS

11   Sec. 8271.202.   USE OF BOND PROCEEDS DURING

12   CONSTRUCTION

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14                   CHAPTER 8271. LANGHAM CREEK UTILITY DISTRICT

15   SUBCHAPTER A. GENERAL PROVISIONS

16         Sec. 8271.001.   DEFINITIONS. In this chapter:

17                   (1) "Board" means the board of directors of the  
18   district.

19                   (2) "Director" means a member of the board.

20                   (3) "District" means the Langham Creek Utility  
21   District. (Acts 61st Leg., R.S., Ch. 306, Sec. 1 (part); New.)

22         Sec. 8271.002.   NATURE OF DISTRICT. The district is a  
23   municipal utility district and a conservation and reclamation  
24   district in Harris County created under Section 59, Article XVI,  
25   Texas Constitution. (Acts 61st Leg., R.S., Ch. 306, Sec. 1 (part);  
26   New.)

27         Sec. 8271.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

1 The district is created to serve a public use and benefit.

2 (b) All land and other property included in the boundaries  
3 of the district will benefit from the works and projects  
4 accomplished by the district under the powers conferred by Section  
5 59, Article XVI, Texas Constitution.

6 (c) The creation of the district is essential to accomplish  
7 the purposes of Section 59, Article XVI, Texas Constitution.

8 (d) The accomplishment of the purposes stated in this  
9 chapter is for the benefit of the people of this state and for the  
10 improvement of their property and industries. The district in  
11 carrying out the purposes of this chapter will be performing an  
12 essential public function under the Texas Constitution. (Acts 61st  
13 Leg., R.S., Ch. 306, Secs. 1 (part), 4, 24 (part).)

14 Sec. 8271.004. DISTRICT TERRITORY. (a) The district is  
15 composed of the territory described by Section 2, Chapter 306, Acts  
16 of the 61st Legislature, Regular Session, 1969, as that territory  
17 may have been modified under:

18 (1) Subchapter H, Chapter 54, Water Code;

19 (2) Subchapter J, Chapter 49, Water Code;

20 (3) Section 9, Chapter 306, Acts of the 61st  
21 Legislature, Regular Session, 1969; or

22 (4) other law.

23 (b) The boundaries and field notes of the district form a  
24 closure. A mistake in copying the field notes in the legislative  
25 process or another mistake in the field notes does not affect:

26 (1) the district's organization, existence, or  
27 validity;

1           (2) the district's right to issue any type of bonds for  
2 a purpose for which the district is created or to pay the principal  
3 of and interest on the bonds;

4           (3) the district's right to impose a tax; or

5           (4) the legality or operation of the district or the  
6 board. (Acts 61st Leg., R.S., Ch. 306, Sec. 3; New.)

7           Sec. 8271.005. EXPANSION OF DISTRICT. (a) If land is  
8 annexed by the district under Section 49.301, Water Code, the board  
9 may require the petitioners to:

10           (1) assume the petitioners' pro rata share of the voted  
11 but unissued bonds of the district; and

12           (2) authorize the board to impose a tax on the  
13 petitioners' property to pay for the bonds after the bonds have been  
14 issued.

15           (b) If land is annexed by the district under Section 49.302,  
16 Water Code, the board may submit to the voters of the area to be  
17 annexed a proposition on the question of the assumption by the area  
18 to be annexed of its part of the voted but not yet issued or sold tax  
19 or tax-revenue bonds of the district and the imposition of an ad  
20 valorem tax on taxable property in the area to be annexed along with  
21 a tax in the rest of the district for the payment of the bonds.

22           (c) If the petitioners consent or if the election results  
23 favorably, the district may issue its voted but unissued tax or  
24 tax-revenue bonds regardless of changes to district boundaries  
25 since the original voting or authorization of the bonds. (Acts 61st  
26 Leg., R.S., Ch. 306, Sec. 9.)

27           Sec. 8271.006. STATE POLICY REGARDING WASTE DISPOSAL. The

1 district's powers and duties are subject to the state policy of  
2 encouraging the development and use of integrated area-wide waste  
3 collection, treatment, and disposal systems to serve the waste  
4 disposal needs of this state's residents, if integrated systems can  
5 reasonably be provided for an area, so as to avoid the economic  
6 burden on residents and the effect on state water quality caused by  
7 the construction and operation of numerous small waste collection,  
8 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
9 306, Sec. 5 (part).)

10 [Sections 8271.007-8271.050 reserved for expansion]

11 SUBCHAPTER B. DISTRICT ADMINISTRATION

12 Sec. 8271.051. COMPOSITION OF BOARD. The board consists of  
13 five elected directors. (Acts 61st Leg., R.S., Ch. 306, Sec. 10  
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16 qualify by giving bond in the amount of \$5,000 for the faithful  
17 performance of the director's duties. (Acts 61st Leg., R.S., Ch.  
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20 When the board president is absent or fails or declines to act, the  
21 board vice president shall perform all duties and exercise all  
22 power this chapter or general law gives the president.

23 (b) If the board president is absent from a board meeting:

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25 action adopted at the meeting; or

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27 order or implement the action. (Acts 61st Leg., R.S., Ch. 306, Sec.

1 10 (part).)

2           Sec. 8271.054. DISTRICT OFFICE. (a) Except as provided by  
3 this section, the board shall designate, establish, and maintain a  
4 district office as provided by Section 49.062, Water Code.

5           (b) The board may establish a second district office outside  
6 the district. If the board establishes a second district office,  
7 the board shall give notice of the location of that office by:

8                 (1) filing a copy of the board resolution that  
9 establishes the location of the office:

10                         (A) with the Texas Commission on Environmental  
11 Quality; and

12                         (B) in the municipal utility district records of  
13 each county in which the district is located; and

14                 (2) publishing notice of the location of the office in  
15 a newspaper of general circulation in each county in which the  
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18 or dwelling is a public place for matters relating to the district's  
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21 location of the district office outside the district in the manner  
22 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 306, Sec.  
23 15.)

24           [Sections 8271.055-8271.100 reserved for expansion]

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6 (1) make, purchase, construct, lease, or otherwise  
7 acquire property, works, facilities, existing improvements, or  
8 improvements to be made, constructed, or acquired that are:

9 (A) inside or outside the district's boundaries;

10 and

11 (B) necessary to carry out the powers granted by  
12 this chapter or general law; or

13 (2) enter into a contract with a person on terms the  
14 board considers desirable, fair, and advantageous for:

15 (A) the purchase or sale of water;

16 (B) the transportation, treatment, and disposal  
17 of the domestic, industrial, or communal wastes of the district or  
18 others;

19 (C) the continuing and orderly development of  
20 land and property in the district through the purchase,  
21 construction, or installation of facilities, works, or  
22 improvements that the district is otherwise authorized to do or  
23 perform so that, to the greatest extent reasonably possible,  
24 considering sound engineering and economic practices, all of the  
25 land and property may ultimately receive the services of the  
26 facilities, works, or improvements; and

27 (D) the performance of any of the powers granted

1 by this chapter or general law.

2 (b) A contract under Subsection (a)(2) may not have a  
3 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 306,  
4 Sec. 5 (part).)

5 Sec. 8271.103. EMINENT DOMAIN. The district may exercise  
6 the power of eminent domain only:

7 (1) in a county in which the district is located; and

8 (2) when necessary to carry out the purposes for which  
9 the district was created. (Acts 61st Leg., R.S., Ch. 306, Sec. 13  
10 (part).)

11 Sec. 8271.104. COST OF RELOCATING OR ALTERING PROPERTY.

12 (a) In this section, "sole expense" means the actual cost of  
13 relocating, raising, lowering, rerouting, changing the grade of, or  
14 altering the construction of a facility described by Subsection (b)  
15 in providing comparable replacement without enhancement of the  
16 facility, after deducting from that cost the net salvage value of  
17 the old facility.

18 (b) If the district's exercise of the power of eminent  
19 domain, the power of relocation, or any other power conferred by  
20 this chapter makes necessary the relocation, raising, rerouting,  
21 changing the grade, or alteration of the construction of a highway,  
22 a railroad, an electric transmission line, a telegraph or telephone  
23 property or facility, or a pipeline, the necessary action shall be  
24 accomplished at the sole expense of the district. (Acts 61st Leg.,  
25 R.S., Ch. 306, Sec. 13 (part).)

26 Sec. 8271.105. CONTRACT FOR PURCHASE OF WATER, SEWER, OR  
27 DRAINAGE SERVICES; ELECTION NOT REQUIRED. (a) The district and a

1 political subdivision may enter into a contract for water, sewer,  
2 or drainage services or any combination of those services without  
3 the necessity of an election by any contracting party to approve the  
4 contract.

5 (b) The district may pay for an obligation incurred by such  
6 a contract by issuing bonds that, if otherwise necessary, have been  
7 approved by the voters in the manner provided by this chapter.

8 (c) The district may deliver the district's bonds to the  
9 United States or an agency or instrumentality of the United States,  
10 or to this state or an agency or instrumentality of this state, that  
11 entered into a contract with the district. (Acts 61st Leg., R.S.,  
12 Ch. 306, Sec. 5 (part).)

13 Sec. 8271.106. NOTICE OF ELECTION. The board president or  
14 secretary may give notice of an election. (Acts 61st Leg., R.S.,  
15 Ch. 306, Sec. 19.)

16 Sec. 8271.107. DISTRICT RULES. The district shall adopt  
17 and enforce reasonable and effective rules to secure and maintain  
18 safe, sanitary, and adequate plumbing installations, connections,  
19 and appurtenances as subsidiary parts of the district's sewerage  
20 system to preserve the quality of water within or controlled by the  
21 district. (Acts 61st Leg., R.S., Ch. 306, Sec. 16.)

22 [Sections 8271.108-8271.150 reserved for expansion]

23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24 Sec. 8271.151. TAX METHOD. (a) The district shall use the  
25 ad valorem plan of taxation.

26 (b) The board is not required to call or hold a hearing on  
27 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 306,

1 Sec. 8.)

2 Sec. 8271.152. DISTRICT ACCOUNTS. The district shall keep  
3 a complete system of the district's accounts. (Acts 61st Leg.,  
4 R.S., Ch. 306, Sec. 14 (part).)

5 Sec. 8271.153. COPY OF AUDIT REPORT. A copy of the audit  
6 report prepared under Subchapter G, Chapter 49, Water Code, shall  
7 be delivered:

8 (1) to each director; and

9 (2) to a holder of at least 25 percent of the  
10 outstanding bonds of the district, on request. (Acts 61st Leg.,  
11 R.S., Ch. 306, Sec. 14 (part); New.)

12 Sec. 8271.154. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.  
13 The district is not required to pay a tax or assessment on:

14 (1) district property; or

15 (2) a purchase made by the district. (Acts 61st Leg.,  
16 R.S., Ch. 306, Sec. 24 (part).)

17 Sec. 8271.155. DEPOSITORY. (a) The board shall select one  
18 or more banks in this state to act as depository for the district's  
19 money.

20 (b) To the extent that money in the depository bank is not  
21 insured by the Federal Deposit Insurance Corporation, the money  
22 must be secured in the manner provided by law for the security of  
23 county funds.

24 (c) A director may be a shareholder in a bank that is a  
25 depository of district money. (Acts 61st Leg., R.S., Ch. 306, Sec.  
26 14 (part).)

1 [Sections 8271.156-8271.200 reserved for expansion]

2 SUBCHAPTER E. BONDS

3 Sec. 8271.201. LOST OR MUTILATED BONDS. A trust indenture  
4 securing bonds issued under this chapter may provide for the  
5 issuance of bonds to replace lost or mutilated bonds. (Acts 61st  
6 Leg., R.S., Ch. 306, Sec. 12 (part).)

7 Sec. 8271.202. USE OF BOND PROCEEDS DURING CONSTRUCTION.

8 (a) The district may appropriate or set aside out of the proceeds  
9 from the sale of any bonds issued under this chapter an amount for  
10 the payment of interest, administrative, and operating expenses  
11 expected to accrue during a period of construction, as may be  
12 provided in the bond orders or resolutions.

13 (b) For purposes of this section, the period of construction  
14 may not exceed three years. (Acts 61st Leg., R.S., Ch. 306, Sec. 12  
15 (part).)

16 Sec. 8271.203. REFUNDING BONDS. (a) By order or resolution  
17 adopted by the board, the district may issue revenue refunding  
18 bonds or tax-revenue refunding bonds to refund revenue bonds or  
19 tax-revenue bonds, whether original bonds or refunding bonds,  
20 previously issued by the district.

21 (b) The comptroller shall register the refunding bonds on  
22 the surrender and cancellation of the bonds to be refunded.

23 (c) Instead of issuing bonds to be registered on the  
24 surrender and cancellation of the bonds to be refunded, the  
25 district, in the order or resolution authorizing the issuance of  
26 the refunding bonds, may provide for the sale of the refunding bonds  
27 and the deposit of the proceeds in the place or places where the

1 bonds to be refunded are payable. In that case, the refunding bonds  
2 may be issued if an amount sufficient to pay the principal of and  
3 interest on the bonds to be refunded to their maturity dates, or to  
4 their option dates if according to their terms the bonds have been  
5 called for payment before maturity, has been deposited in the place  
6 or places where the bonds to be refunded are payable, and the  
7 comptroller shall register the refunding bonds without the  
8 surrender and cancellation of the bonds to be refunded. (Acts 61st  
9 Leg., R.S., Ch. 306, Sec. 12 (part).)

10 CHAPTER 8272. HARRIS-MONTGOMERY COUNTIES MUNICIPAL  
11 UTILITY DISTRICT NO. 386

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 8272.001. DEFINITION

14 Sec. 8272.002. NATURE OF DISTRICT

15 Sec. 8272.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

16 Sec. 8272.004. DISTRICT TERRITORY

17 [Sections 8272.005-8272.050 reserved for expansion]

18 SUBCHAPTER B. BOARD OF DIRECTORS

19 Sec. 8272.051. COMPOSITION OF BOARD; TERMS

20 [Sections 8272.052-8272.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 8272.101. MUNICIPAL UTILITY DISTRICT POWERS

23 Sec. 8272.102. COMPLIANCE WITH MUNICIPAL CONSENT

24 ORDINANCES OR RESOLUTIONS

25 Sec. 8272.103. RELOCATING OR ALTERING PROPERTY; COSTS

26 Sec. 8272.104. UTILITY PROPERTY EXEMPT FROM IMPACT

27 FEES AND ASSESSMENTS

1 CHAPTER 8272. HARRIS-MONTGOMERY COUNTIES MUNICIPAL

2 UTILITY DISTRICT NO. 386

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 8272.001. DEFINITION. In this chapter, "district"  
5 means the Harris-Montgomery Counties Municipal Utility District  
6 No. 386. (Acts 77th Leg., R.S., Ch. 1381, Sec. 2.)

7 Sec. 8272.002. NATURE OF DISTRICT. The district is a  
8 conservation and reclamation district created under Section 59,  
9 Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1381,  
10 Secs. 1(a) (part), (b) (part).)

11 Sec. 8272.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
12 The district is created to serve a public use and benefit.

13 (b) All land and other property included in the district  
14 will benefit from the works and projects accomplished by the  
15 district under the powers conferred by Section 59, Article XVI,  
16 Texas Constitution.

17 (c) The creation of the district is essential to accomplish  
18 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
19 77th Leg., R.S., Ch. 1381, Secs. 1(b) (part), 5.)

20 Sec. 8272.004. DISTRICT TERRITORY. (a) The district is  
21 composed of the territory described by Section 3, Chapter 1381,  
22 Acts of the 77th Legislature, Regular Session, 2001, as that  
23 territory may have been modified under:

- 24 (1) Subchapter H, Chapter 54, Water Code;  
25 (2) Subchapter J, Chapter 49, Water Code; or  
26 (3) other law.

27 (b) The boundaries and field notes of the district form a

1 closure. A mistake in the field notes or in copying the field notes  
2 in the legislative process does not affect:

3 (1) the district's organization, existence, or  
4 validity;

5 (2) the validity of district bonds, notes, or other  
6 indebtedness;

7 (3) the district's right to impose a tax; or

8 (4) the legality or operation of the district or its  
9 governing body. (Acts 77th Leg., R.S., Ch. 1381, Sec. 4; New.)

10 [Sections 8272.005-8272.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8272.051. COMPOSITION OF BOARD; TERMS. (a) The  
13 district is governed by a board of five directors.

14 (b) Directors serve staggered four-year terms. (Acts 77th  
15 Leg., R.S., Ch. 1381, Secs. 8(a), (d).)

16 [Sections 8272.052-8272.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 8272.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
19 district has the rights, powers, privileges, functions, and duties  
20 provided by general law applicable to a municipal utility district  
21 created under Section 59, Article XVI, Texas Constitution,  
22 including Chapters 49, 50, and 54, Water Code. (Acts 77th Leg.,  
23 R.S., Ch. 1381, Sec. 6(a) (part).)

24 Sec. 8272.102. COMPLIANCE WITH MUNICIPAL CONSENT  
25 ORDINANCES OR RESOLUTIONS. Subject to the limitations of Section  
26 54.016, Water Code, the district shall comply with all applicable  
27 requirements of any ordinance or resolution adopted by the city



1 council of the City of Houston, including an ordinance or  
2 resolution adopted before September 1, 2001, that consents to the  
3 creation of the district or to the inclusion of lands in the  
4 district. (Acts 77th Leg., R.S., Ch. 1381, Sec. 12.)

5       Sec. 8272.103. RELOCATING OR ALTERING PROPERTY; COSTS. (a)  
6 The district may relocate, raise, reroute, change the grade of, or  
7 alter the construction of a highway, railroad, electric  
8 transmission line, telecommunications or other public utility  
9 facility, pipeline, canal, or drainage ditch if considered  
10 necessary by the board of directors.

11       (b) The district shall pay for any relocation, raising,  
12 rerouting, changing, or altering under this section, unless  
13 otherwise agreed in writing by the interested parties.

14       (c) If a facility is replaced, the cost of replacement is  
15 limited to an amount equal to the cost of replacing the facility  
16 with a comparable facility, less the replaced facility's net  
17 salvage value. (Acts 77th Leg., R.S., Ch. 1381, Sec. 7.)

18       Sec. 8272.104. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND  
19 ASSESSMENTS. The district may not impose an impact fee or  
20 assessment on the property, including the equipment,  
21 rights-of-way, facilities, or improvements, of:

22           (1) an electric utility or a power generation company  
23 as defined by Section 31.002, Utilities Code;

24           (2) a gas utility as defined by Section 101.003 or  
25 121.001, Utilities Code; or

26           (3) a telecommunications provider as defined by  
27 Section 51.002, Utilities Code. (Acts 77th Leg., R.S., Ch. 1381,

1 Sec. 6(c).)

2 CHAPTER 8273. EL PASO COUNTY TORNILLO WATER IMPROVEMENT DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 8273.001. DEFINITIONS

5 Sec. 8273.002. NATURE OF AUTHORITY

6 Sec. 8273.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

7 Sec. 8273.004. AUTHORITY TERRITORY

8 [Sections 8273.005-8273.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 8273.051. COMPOSITION OF BOARD; TERMS

11 Sec. 8273.052. DIRECTOR'S BOND

12 Sec. 8273.053. OFFICIAL BOARD ACTIONS

13 Sec. 8273.054. COMPENSATION

14 Sec. 8273.055. CHANGING METHOD OF ELECTING DIRECTORS

15 [Sections 8273.056-8273.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8273.101. GENERAL POWERS

18 Sec. 8273.102. MUNICIPAL UTILITY DISTRICT POWERS

19 Sec. 8273.103. PERMITS; WATER SUPPLY ACQUISITION

20 Sec. 8273.104. DOMESTIC, INDUSTRIAL, OR COMMUNAL WASTE

21 Sec. 8273.105. WATER CONSERVATION PROGRAM

22 Sec. 8273.106. ADDITIONAL POWERS

23 Sec. 8273.107. CONSTRUCTION CONTRACTS

24 CHAPTER 8273. EL PASO COUNTY TORNILLO WATER IMPROVEMENT DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8273.001. DEFINITIONS. In this chapter:

27 (1) "Authority" means the El Paso County Tornillo

1 Water Improvement District.

2 (2) "Board" means the board of directors of the  
3 authority.

4 (3) "Director" means a member of the board. (Acts 70th  
5 Leg., R.S., Ch. 916, Secs. 1(a) (part), 2; New.)

6 Sec. 8273.002. NATURE OF AUTHORITY. The authority is a  
7 conservation and reclamation district in El Paso County created  
8 under Section 59, Article XVI, Texas Constitution. (Acts 70th  
9 Leg., R.S., Ch. 916, Sec. 1(a) (part).)

10 Sec. 8273.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
11 The authority is created to serve a public use and benefit.

12 (b) All land and other property included in the boundaries  
13 of the authority will benefit from the works and projects  
14 accomplished by the authority under the powers conferred by Section  
15 59, Article XVI, Texas Constitution.

16 (c) The creation of the authority is essential to accomplish  
17 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
18 70th Leg., R.S., Ch. 916, Secs. 1(b), 5.)

19 Sec. 8273.004. AUTHORITY TERRITORY. (a) The authority is  
20 composed of the territory described by Section 3, Chapter 916, Acts  
21 of the 70th Legislature, Regular Session, 1987, as that territory  
22 may have been modified under:

23 (1) Subchapter H, Chapter 54, Water Code;

24 (2) Subchapter J, Chapter 49, Water Code; or

25 (3) other law.

26 (b) The boundaries and field notes of the authority form a  
27 closure. A mistake in the field notes or in copying the field notes

1 in the legislative process does not affect:

2 (1) the authority's organization, existence, or  
3 validity;

4 (2) the authority's right to impose a tax; or

5 (3) the legality or operation of the authority or its  
6 governing body. (Acts 70th Leg., R.S., Ch. 916, Sec. 4; New.)

7 [Sections 8273.005-8273.050 reserved for expansion]

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8273.051. COMPOSITION OF BOARD; TERMS. (a) The  
10 authority is governed by a board of seven directors elected to  
11 numbered places.

12 (b) Directors serve staggered terms. (Acts 70th Leg., R.S.,  
13 Ch. 916, Secs. 7(a), (b) (part), 9(b).)

14 Sec. 8273.052. DIRECTOR'S BOND. Each director shall  
15 execute a bond for \$5,000 payable to the authority and conditioned  
16 on the faithful performance of the director's duties. (Acts 70th  
17 Leg., R.S., Ch. 916, Sec. 7(g) (part).)

18 Sec. 8273.053. OFFICIAL BOARD ACTIONS. The affirmative  
19 vote of a majority of the directors is required for any official  
20 board action. (Acts 70th Leg., R.S., Ch. 916, Sec. 7(h) (part).)

21 Sec. 8273.054. COMPENSATION. Unless the board by  
22 resolution increases the fee to an amount authorized by Section  
23 49.060, Water Code, the authority may provide that each director is  
24 entitled to receive \$20 for each day of service necessary to  
25 discharge the director's duties. (Acts 70th Leg., R.S., Ch. 916,  
26 Sec. 7(j) (part); New.)

27 Sec. 8273.055. CHANGING METHOD OF ELECTING DIRECTORS. If

1 the board determines that it is in the best interest of the  
2 residents of the authority to change the method by which directors  
3 are elected, the board may adopt any plan of redistricting,  
4 including a plan based on equal geographical areas. (Acts 70th  
5 Leg., R.S., Ch. 916, Sec. 7(i).)

6 [Sections 8273.056-8273.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8273.101. GENERAL POWERS. The authority may perform  
9 any act consistent with the powers granted by this chapter. (Acts  
10 70th Leg., R.S., Ch. 916, Sec. 10(d) (part).)

11 Sec. 8273.102. MUNICIPAL UTILITY DISTRICT POWERS. The  
12 authority has the rights, powers, privileges, and functions  
13 conferred by the general law applicable to a municipal utility  
14 district created under Section 59, Article XVI, Texas Constitution,  
15 including Chapters 49, 50, and 54, Water Code. (Acts 70th Leg.,  
16 R.S., Ch. 916, Sec. 6(a) (part); New.)

17 Sec. 8273.103. PERMITS; WATER SUPPLY ACQUISITION. The  
18 authority may:

19 (1) acquire water appropriation permits, construction  
20 permits, and other permits directly from the Texas Commission on  
21 Environmental Quality or from owners of permits;

22 (2) acquire water or a water supply from any person,  
23 including a public agency, this state, or the United States;

24 (3) contract with one or more substantial users of  
25 water to acquire the water supply on an agreed allocation of storage  
26 space between the authority and the user; or

27 (4) contract independently for the authority's water

1 supply. (Acts 70th Leg., R.S., Ch. 916, Sec. 10(a) (part).)

2       Sec. 8273.104. DOMESTIC, INDUSTRIAL, OR COMMUNAL WASTE.  
3 The authority may collect, transport, process, dispose of, and  
4 control all domestic, industrial, or communal waste, whether in  
5 fluid, solid, or composite state. (Acts 70th Leg., R.S., Ch. 916,  
6 Sec. 10(a) (part).)

7       Sec. 8273.105. WATER CONSERVATION PROGRAM. (a) In this  
8 section, "program of water conservation" means the practices,  
9 techniques, and technologies that will reduce water consumption,  
10 reduce water loss or waste, improve efficiency in water use, or  
11 increase water recycling and reuse so that a water supply is  
12 available for future uses.

13       (b) The authority shall adopt and implement a program of  
14 water conservation consistent with rules and criteria adopted and  
15 enforced by the Texas Commission on Environmental Quality for  
16 similarly situated districts in the region. (Acts 70th Leg., R.S.,  
17 Ch. 916, Sec. 10(b).)

18       Sec. 8273.106. ADDITIONAL POWERS. The authority may  
19 purchase, construct, acquire, own, lease, operate, maintain,  
20 repair, improve, and extend, inside or outside the authority's  
21 boundaries, land or an interest in land, any work, improvement,  
22 facility, plant, equipment, or appliance incident, helpful, or  
23 necessary to provide for:

24       (1) the control, storage, preservation, transmission,  
25 treatment, and distribution and use of storm water, floodwater, the  
26 water of rivers and streams, and groundwater for municipal,  
27 domestic, industrial, and other beneficial uses; and

1           (2) the collection, transportation, processing,  
2 disposition, and control of domestic, industrial, or commercial  
3 waste. (Acts 70th Leg., R.S., Ch. 916, Sec. 10(c).)

4           Sec. 8273.107. CONSTRUCTION CONTRACTS. (a) The authority  
5 may award a construction contract that requires an expenditure of  
6 more than \$12,500 only after publication of notice to bidders once  
7 each week for two consecutive weeks immediately before awarding the  
8 contract.

9           (b) The notice must be published in a newspaper with general  
10 circulation in the authority, as designated by the board.

11           (c) The notice must state:

12                 (1) the time and place for opening the bids;

13                 (2) the general nature of the work to be done or the  
14 material, equipment, or supplies to be purchased; and

15                 (3) the terms on which copies of the plans and  
16 specifications may be obtained.

17           (d) The authority is not required to advertise work to be  
18 performed in an emergency. (Acts 70th Leg., R.S., Ch. 916, Sec. 11.)

19           CHAPTER 8274. HARRIS COUNTY UTILITY DISTRICT NO. 6

20                         SUBCHAPTER A. GENERAL PROVISIONS

21           Sec. 8274.001. DEFINITIONS

22           Sec. 8274.002. NATURE OF DISTRICT

23           Sec. 8274.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

24           Sec. 8274.004. DISTRICT TERRITORY

25           Sec. 8274.005. EXPANSION OF DISTRICT

26           Sec. 8274.006. STATE POLICY REGARDING WASTE DISPOSAL

27           Sec. 8274.007. LIBERAL CONSTRUCTION OF CHAPTER

1 [Sections 8274.008-8274.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Sec. 8274.051. COMPOSITION OF BOARD

4 Sec. 8274.052. DIRECTOR'S BOND

5 Sec. 8274.053. ABSENCE OR INACTION OF BOARD PRESIDENT

6 Sec. 8274.054. DISTRICT OFFICE

7 [Sections 8274.055-8274.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8274.101. MUNICIPAL UTILITY DISTRICT POWERS

10 Sec. 8274.102. ADDITIONAL POWERS

11 Sec. 8274.103. EMINENT DOMAIN

12 Sec. 8274.104. COST OF RELOCATING OR ALTERING PROPERTY

13 Sec. 8274.105. CONTRACT FOR PURCHASE OF WATER, SEWER,

14 OR DRAINAGE SERVICES; ELECTION NOT

15 REQUIRED

16 Sec. 8274.106. NOTICE OF ELECTION

17 [Sections 8274.107-8274.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 8274.151. TAX METHOD

20 Sec. 8274.152. TAX TO PAY OBLIGATIONS INCURRED UNDER

21 CONTRACT FOR WATER PURCHASE

22 Sec. 8274.153. DISTRICT ACCOUNTS

23 Sec. 8274.154. FISCAL YEAR

24 Sec. 8274.155. COPY OF AUDIT REPORT

25 Sec. 8274.156. PAYMENT OF TAX OR ASSESSMENT NOT

26 REQUIRED

27 Sec. 8274.157. DEPOSITORY



1 [Sections 8274.158-8274.200 reserved for expansion]

2 SUBCHAPTER E. BONDS

3 Sec. 8274.201. AUTHORITY TO ISSUE BONDS

4 Sec. 8274.202. USE OF BOND PROCEEDS OUTSIDE DISTRICT

5 Sec. 8274.203. USE OF BOND PROCEEDS DURING

6 CONSTRUCTION

7 Sec. 8274.204. LOST OR MUTILATED BONDS

8 Sec. 8274.205. REFUNDING BONDS

9 CHAPTER 8274. HARRIS COUNTY UTILITY DISTRICT NO. 6

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8274.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the board of directors of the  
13 district.

14 (2) "Director" means a member of the board.

15 (3) "District" means the Harris County Utility  
16 District No. 6. (Acts 61st Leg., R.S., Ch. 391, Sec. 1 (part);  
17 New.)

18 Sec. 8274.002. NATURE OF DISTRICT. The district is a  
19 municipal utility district and a conservation and reclamation  
20 district in Harris County created under Section 59, Article XVI,  
21 Texas Constitution. (Acts 61st Leg., R.S., Ch. 391, Sec. 1 (part);  
22 New.)

23 Sec. 8274.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
24 The district is created to serve a public use and benefit.

25 (b) All land and other property included in the boundaries  
26 of the district will benefit from the works and projects  
27 accomplished by the district under the powers conferred by Section

1 59, Article XVI, Texas Constitution.

2 (c) The creation of the district is essential to accomplish  
3 the purposes of Section 59, Article XVI, Texas Constitution.

4 (d) The accomplishment of the purposes stated in this  
5 chapter is for the benefit of the people of this state and for the  
6 improvement of their property and industries. The district in  
7 carrying out the purposes of this chapter will be performing an  
8 essential public function under the Texas Constitution. (Acts 61st  
9 Leg., R.S., Ch. 391, Secs. 1 (part), 4, 24 (part).)

10 Sec. 8274.004. DISTRICT TERRITORY. (a) The district is  
11 composed of the territory described by Section 2, Chapter 391, Acts  
12 of the 61st Legislature, Regular Session, 1969, as that territory  
13 may have been modified under:

14 (1) Subchapter H, Chapter 54, Water Code;

15 (2) Subchapter J, Chapter 49, Water Code;

16 (3) Section 9, Chapter 391, Acts of the 61st  
17 Legislature, Regular Session, 1969; or

18 (4) other law.

19 (b) The boundaries and field notes of the district form a  
20 closure. A mistake in copying the field notes in the legislative  
21 process or another mistake in the field notes does not affect:

22 (1) the district's organization, existence, or  
23 validity;

24 (2) the district's right to issue any type of bond for  
25 a purpose for which the district is created or to pay the principal  
26 of and interest on the bond;

27 (3) the district's right to impose a tax; or

1           (4) the legality or operation of the district or the  
2 board. (Acts 61st Leg., R.S., Ch. 391, Sec. 3; New.)

3           Sec. 8274.005. EXPANSION OF DISTRICT. (a) If land is  
4 annexed to the district under Section 49.301, Water Code, the board  
5 may require the petitioners to:

6           (1) allow the assumption by the area to be annexed of  
7 its pro rata share of the taxes necessary to support voted but  
8 unissued tax or tax-revenue bonds of the district; and

9           (2) authorize the board to impose a tax on the  
10 petitioners' property to pay for the bonds after the bonds have been  
11 issued.

12           (b) If land is annexed to the district under Section 49.302,  
13 Water Code, the board may submit to the voters of the area to be  
14 annexed a proposition on the question of the assumption by the area  
15 to be annexed of its pro rata share of the voted but not yet issued  
16 or sold tax or tax-revenue bonds of the district and the imposition  
17 of an ad valorem tax on taxable property in the area to be annexed  
18 along with a tax in the rest of the district for the payment of the  
19 bonds.

20           (c) If the petitioners consent or if the election results  
21 favorably, the district may issue its voted but unissued tax or  
22 tax-revenue bonds regardless of changes to district boundaries  
23 since the original voting or authorization of the bonds. (Acts 61st  
24 Leg., R.S., Ch. 391, Sec. 9.)

25           Sec. 8274.006. STATE POLICY REGARDING WASTE DISPOSAL. The  
26 district's powers and functions are subject to the state policy of  
27 encouraging the development and use of integrated area-wide waste

1 collection, treatment, and disposal systems to serve the waste  
2 disposal needs of this state's residents, if integrated systems can  
3 reasonably be provided for an area, so as to avoid the economic  
4 burden on residents and the effect on state water quality caused by  
5 the construction and operation of numerous small waste collection,  
6 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
7 391, Sec. 5.A (part).)

8       Sec. 8274.007. LIBERAL CONSTRUCTION OF CHAPTER. This  
9 chapter shall be liberally construed to effect the purposes,  
10 powers, rights, and functions stated in this chapter. (Acts 61st  
11 Leg., R.S., Ch. 391, Sec. 25 (part).)

12       [Sections 8274.008-8274.050 reserved for expansion]

13               SUBCHAPTER B. DISTRICT ADMINISTRATION

14       Sec. 8274.051. COMPOSITION OF BOARD. The board consists of  
15 five directors elected by position. (Acts 61st Leg., R.S., Ch. 391,  
16 Sec. 10 (part).)

17       Sec. 8274.052. DIRECTOR'S BOND. Each director shall  
18 qualify by giving bond in the amount of \$5,000 for the faithful  
19 performance of the director's duties. (Acts 61st Leg., R.S., Ch.  
20 391, Sec. 10 (part).)

21       Sec. 8274.053. ABSENCE OR INACTION OF BOARD PRESIDENT. (a)  
22 When the board president is absent or fails or declines to act, the  
23 board vice president shall perform all duties and exercise all  
24 power this chapter or general law gives the president.

25       (b) If the board president is absent from a board meeting:

26               (1) the board vice president may sign an order or other  
27 action adopted at the meeting; or

1           (2) the board may authorize the president to sign the  
2 order or other action. (Acts 61st Leg., R.S., Ch. 391, Sec. 10  
3 (part).)

4           Sec. 8274.054. DISTRICT OFFICE. (a) Except as provided by  
5 this section, the board shall designate, establish, and maintain a  
6 district office as provided by Section 49.062, Water Code.

7           (b) The board may establish a second district office outside  
8 the district. If the board establishes a second district office,  
9 the board shall give notice of the location of that office by:

10           (1) filing a copy of the board resolution that  
11 establishes the location of the office:

12                   (A) with the Texas Commission on Environmental  
13 Quality; and

14                   (B) in the municipal utility district records of  
15 Harris County; and

16           (2) publishing notice of the location of the office in  
17 a newspaper of general circulation in Harris County.

18           (c) A district office that is a private residence, office,  
19 or dwelling is a public place for matters relating to the district's  
20 business.

21           (d) The board shall provide notice of any change in the  
22 location of the district office outside the district in the manner  
23 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 391, Sec.  
24 15.)

25           [Sections 8274.055-8274.100 reserved for expansion]

26                   SUBCHAPTER C. POWERS AND DUTIES

27           Sec. 8274.101. MUNICIPAL UTILITY DISTRICT POWERS. (a) The

1 district has all of the rights, powers, privileges, and functions  
2 conferred and imposed by the general law of this state relating to  
3 municipal utility districts created under Section 59, Article XVI,  
4 Texas Constitution, including those conferred by Chapters 49 and  
5 54, Water Code.

6 (b) The district may exercise inside or outside the  
7 district's boundaries any of the rights or powers granted by this  
8 chapter or under the general law relating to municipal utility  
9 districts, including the provision of water, sanitary sewerage, and  
10 drainage services. (Acts 61st Leg., R.S., Ch. 391, Secs. 5.A  
11 (part), 16 (part).)

12 Sec. 8274.102. ADDITIONAL POWERS. (a) The district may:

13 (1) make, purchase, construct, lease, or otherwise  
14 acquire, inside or outside the district's boundaries, property,  
15 works, facilities, or improvements, whether previously existing or  
16 to be made, constructed, or acquired, that are necessary to carry  
17 out the powers granted by this chapter or general law; or

18 (2) enter into a contract with a person on terms the  
19 board considers desirable, fair, and advantageous for:

20 (A) the purchase or sale of water;

21 (B) the transportation, treatment, and disposal  
22 of the domestic, industrial, or communal wastes of the district or  
23 others, including the purposes provided by Chapter 30, Water Code;

24 (C) the continuing and orderly development of  
25 land and property in the district through the purchase,  
26 construction, or installation of facilities, works, or  
27 improvements that the district is otherwise authorized to do or

1 perform so that, to the greatest extent reasonably possible,  
2 considering sound engineering and economic practices, all of the  
3 land and property may ultimately receive the services of the  
4 facilities, works, or improvements; and

5 (D) the performance of any of the powers granted  
6 by this chapter or the general law.

7 (b) A contract under Subsection (a)(2) may not have a  
8 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 391,  
9 Sec. 5.B (part).)

10 Sec. 8274.103. EMINENT DOMAIN. The district may exercise  
11 the power of eminent domain only:

12 (1) in a county in which the district is located; and

13 (2) when necessary to carry out the purposes for which  
14 the district was created. (Acts 61st Leg., R.S., Ch. 391, Sec. 13  
15 (part).)

16 Sec. 8274.104. COST OF RELOCATING OR ALTERING PROPERTY.

17 (a) In this section, "sole expense" means the actual cost of  
18 relocating, raising, lowering, rerouting, changing the grade of, or  
19 altering the construction of a facility described by Subsection (b)  
20 in providing comparable replacement without enhancement of the  
21 facility, after deducting from that cost the net salvage value of  
22 the old facility.

23 (b) If the district's exercise of the power of eminent  
24 domain, the power of relocation, or any other power conferred by  
25 this chapter makes necessary the relocation, raising, rerouting,  
26 changing the grade, or alteration of the construction of a highway,  
27 a railroad, an electric transmission line, a telegraph or telephone

1 property or facility, or a pipeline, the necessary action shall be  
2 accomplished at the sole expense of the district. (Acts 61st Leg.,  
3 R.S., Ch. 391, Sec. 13 (part).)

4       Sec. 8274.105. CONTRACT FOR PURCHASE OF WATER, SEWER, OR  
5 DRAINAGE SERVICES; ELECTION NOT REQUIRED. (a) The district and a  
6 political subdivision may enter into a contract for water, sewer,  
7 or drainage services or any combination of those services without  
8 the necessity of an election by any contracting party to approve the  
9 contract.

10       (b) The district may pay for an obligation incurred by such  
11 a contract by issuing bonds that, if otherwise necessary, have been  
12 approved by the voters in the manner provided by this chapter.

13       (c) The district may deliver the district's bonds to the  
14 United States or an agency or instrumentality of the United States,  
15 or this state or an agency or instrumentality of this state, that  
16 entered into a contract with the district. (Acts 61st Leg., R.S.,  
17 Ch. 391, Sec. 5.B (part).)

18       Sec. 8274.106. NOTICE OF ELECTION. The board president or  
19 secretary may give notice of an election. (Acts 61st Leg., R.S.,  
20 Ch. 391, Sec. 19.)

21       [Sections 8274.107-8274.150 reserved for expansion]

22               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23       Sec. 8274.151. TAX METHOD. (a) The district shall use the  
24 ad valorem plan of taxation.

25       (b) The board is not required to call or hold a hearing on  
26 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 391,  
27 Sec. 8.)



1           Sec. 8274.152. TAX TO PAY OBLIGATIONS INCURRED UNDER  
2 CONTRACT FOR WATER PURCHASE. (a) If the tax is authorized at an  
3 election held for that purpose in the manner provided by Section  
4 49.107, Water Code, the district may impose a tax and pledge the tax  
5 for the payment of all or part of an obligation incurred under a  
6 contract to purchase water.

7           (b) The election may be held in conjunction with an election  
8 authorizing tax bonds or authorizing a maintenance tax. (Acts 61st  
9 Leg., R.S., Ch. 391, Sec. 5.B (part).)

10          Sec. 8274.153. DISTRICT ACCOUNTS. The district shall keep  
11 a complete system of the district's accounts. (Acts 61st Leg.,  
12 R.S., Ch. 391, Sec. 14 (part).)

13          Sec. 8274.154. FISCAL YEAR. The fiscal year of the district  
14 is from January 1 to December 31 of the same year. (Acts 61st Leg.,  
15 R.S., Ch. 391, Sec. 14 (part).)

16          Sec. 8274.155. COPY OF AUDIT REPORT. A copy of the audit  
17 report prepared under Subchapter G, Chapter 49, Water Code, shall  
18 be delivered:

19                 (1) to each director; and

20                 (2) to a holder of at least 25 percent of the  
21 outstanding bonds of the district, on request. (Acts 61st Leg.,  
22 R.S., Ch. 391, Sec. 14 (part); New.)

23          Sec. 8274.156. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

24 The district is not required to pay a tax or assessment on:

25                 (1) district property; or

26                 (2) a purchase made by the district. (Acts 61st Leg.,

27 R.S., Ch. 391, Sec. 24 (part).)

1           Sec. 8274.157. DEPOSITORY. (a) The board shall select one  
2 or more banks in this state to act as depository for the district's  
3 money.

4           (b) To the extent that money in the depository bank is not  
5 insured by the Federal Deposit Insurance Corporation, the money  
6 must be secured in the manner provided by law for the security of  
7 county funds.

8           (c) A director may be a shareholder in a bank that is a  
9 depository of district money. (Acts 61st Leg., R.S., Ch. 391, Sec.  
10 14 (part).)

11           [Sections 8274.158-8274.200 reserved for expansion]

12                                   SUBCHAPTER E. BONDS

13           Sec. 8274.201. AUTHORITY TO ISSUE BONDS. The district may  
14 vote and issue any kind of bonds or issue refunding bonds for  
15 contiguous or noncontiguous areas for any district purpose. (Acts  
16 61st Leg., R.S., Ch. 391, Sec. 16 (part).)

17           Sec. 8274.202. USE OF BOND PROCEEDS OUTSIDE DISTRICT. The  
18 proceeds from the sale of tax-supported district bonds may not be  
19 spent outside the district unless the expenditure is absolutely  
20 necessary to the operation of the district in the exercise of the  
21 district's rights, powers, privileges, and functions. (Acts 61st  
22 Leg., R.S., Ch. 391, Sec. 16 (part).)

23           Sec. 8274.203. USE OF BOND PROCEEDS DURING CONSTRUCTION.  
24 (a) The district may appropriate or set aside out of the proceeds  
25 from the sale of any bonds issued under this chapter an amount for  
26 the payment of interest, administrative, and operating expenses  
27 expected to accrue during a period of construction, as may be

1 provided in the bond orders or resolutions.

2 (b) For purposes of this section, the period of construction  
3 may not exceed three years. (Acts 61st Leg., R.S., Ch. 391, Sec. 12  
4 (part).)

5 Sec. 8274.204. LOST OR MUTILATED BONDS. A trust indenture  
6 securing bonds issued under this chapter may provide for the  
7 issuance of bonds to replace lost or mutilated bonds. (Acts 61st  
8 Leg., R.S., Ch. 391, Sec. 12 (part).)

9 Sec. 8274.205. REFUNDING BONDS. (a) By order or resolution  
10 adopted by the board, the district may issue revenue refunding  
11 bonds or tax-revenue refunding bonds to refund revenue bonds or  
12 tax-revenue bonds, whether original bonds or refunding bonds,  
13 previously issued by the district.

14 (b) The comptroller shall register the refunding bonds on  
15 the surrender and cancellation of the bonds to be refunded.

16 (c) Instead of issuing bonds to be registered on the  
17 surrender and cancellation of the bonds to be refunded, the  
18 district, in the order or resolution authorizing the issuance of  
19 the refunding bonds, may provide for the sale of the refunding bonds  
20 and the deposit of the proceeds in the place or places where the  
21 bonds to be refunded are payable. In that case, the refunding bonds  
22 may be issued if an amount sufficient to pay the principal of and  
23 interest on the bonds to be refunded to their maturity dates, or to  
24 their option dates if according to their terms the bonds have been  
25 called for payment before maturity, has been deposited in the place  
26 or places where the bonds to be refunded are payable, and the  
27 comptroller shall register the refunding bonds without the

1 surrender and cancellation of the bonds to be refunded. (Acts 61st  
2 Leg., R.S., Ch. 391, Sec. 12 (part).)

3 CHAPTER 8275. HARRIS COUNTY UTILITY DISTRICT NO. 14

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 8275.001. DEFINITIONS

6 Sec. 8275.002. NATURE OF DISTRICT

7 Sec. 8275.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

8 Sec. 8275.004. DISTRICT TERRITORY

9 [Sections 8275.005-8275.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 8275.051. COMPOSITION OF BOARD

12 [Sections 8275.052-8275.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 8275.101. MUNICIPAL UTILITY DISTRICT POWERS

15 CHAPTER 8275. HARRIS COUNTY UTILITY DISTRICT NO. 14

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 8275.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the district's board of directors.

19 (2) "Director" means a member of the board.

20 (3) "District" means the Harris County Utility  
21 District No. 14. (Acts 62nd Leg., R.S., Ch. 445, Sec. 1 (part);  
22 New.)

23 Sec. 8275.002. NATURE OF DISTRICT. The district is a  
24 conservation and reclamation district in Harris County created  
25 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
26 R.S., Ch. 445, Sec. 1 (part).)

27 Sec. 8275.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

1 The district is created to serve a public use and benefit.

2 (b) All land and other property included in the boundaries  
3 of the district will benefit from the works and projects  
4 accomplished by the district under the powers conferred by Section  
5 59, Article XVI, Texas Constitution.

6 (c) The creation of the district is essential to accomplish  
7 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
8 62nd Leg., R.S., Ch. 445, Secs. 1 (part), 3.)

9 Sec. 8275.004. DISTRICT TERRITORY. (a) The district is  
10 composed of the territory described by Section 4, Chapter 445, Acts  
11 of the 62nd Legislature, Regular Session, 1971, as that territory  
12 may have been modified under:

13 (1) Subchapter H, Chapter 54, Water Code;

14 (2) Subchapter J, Chapter 49, Water Code; or

15 (3) other law.

16 (b) The boundaries and field notes of the district form a  
17 closure. A mistake in copying the field notes in the legislative  
18 process or another mistake in the field notes does not affect:

19 (1) the district's organization, existence, or  
20 validity;

21 (2) the district's right to issue any type of bond for  
22 a purpose for which the district is created or to pay the principal  
23 of and interest on the bond;

24 (3) the district's right to impose a tax; or

25 (4) the legality or operation of the district or its  
26 governing body. (Acts 62nd Leg., R.S., Ch. 445, Sec. 2; New.)

1 [Sections 8275.005-8275.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8275.051. COMPOSITION OF BOARD. The board of  
4 directors is composed of five elected directors. (Acts 62nd Leg.,  
5 R.S., Ch. 445, Sec. 6 (part).)

6 [Sections 8275.052-8275.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8275.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
9 district has the rights, powers, privileges, and functions  
10 conferred by general law applicable to a municipal utility  
11 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
12 Leg., R.S., Ch. 445, Sec. 5 (part); New.)

13 CHAPTER 8276. HARRIS COUNTY UTILITY DISTRICT NO. 15

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 8276.001. DEFINITIONS

16 Sec. 8276.002. NATURE OF DISTRICT

17 Sec. 8276.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

18 Sec. 8276.004. DISTRICT TERRITORY

19 [Sections 8276.005-8276.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Sec. 8276.051. COMPOSITION OF BOARD

22 [Sections 8276.052-8276.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 8276.101. MUNICIPAL UTILITY DISTRICT POWERS

25 CHAPTER 8276. HARRIS COUNTY UTILITY DISTRICT NO. 15

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8276.001. DEFINITIONS. In this chapter:

1 (1) "Board" means the district's board of directors.

2 (2) "Director" means a member of the board.

3 (3) "District" means the Harris County Utility  
4 District No. 15. (Acts 62nd Leg., R.S., Ch. 642, Sec. 1 (part);  
5 New.)

6 Sec. 8276.002. NATURE OF DISTRICT. The district is a  
7 conservation and reclamation district in Harris County created  
8 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
9 R.S., Ch. 642, Sec. 1 (part).)

10 Sec. 8276.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
11 The district is created to serve a public use and benefit.

12 (b) All land and other property included in the boundaries  
13 of the district will benefit from the works and projects  
14 accomplished by the district under the powers conferred by Section  
15 59, Article XVI, Texas Constitution.

16 (c) The creation of the district is essential to accomplish  
17 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
18 62nd Leg., R.S., Ch. 642, Secs. 1 (part), 3.)

19 Sec. 8276.004. DISTRICT TERRITORY. (a) The district is  
20 composed of the territory described by Section 4, Chapter 642, Acts  
21 of the 62nd Legislature, Regular Session, 1971, as that territory  
22 may have been modified under:

23 (1) Subchapter H, Chapter 54, Water Code;

24 (2) Subchapter J, Chapter 49, Water Code; or

25 (3) other law.

26 (b) The boundaries and field notes of the district form a  
27 closure. A mistake in copying the field notes in the legislative

1 process or another mistake in the field notes does not affect:

2 (1) the district's organization, existence, or  
3 validity;

4 (2) the district's right to issue any type of bond for  
5 a purpose for which the district is created or to pay the principal  
6 of and interest on the bond;

7 (3) the district's right to impose a tax; or

8 (4) the legality or operation of the district or its  
9 governing body. (Acts 62nd Leg., R.S., Ch. 642, Sec. 2; New.)

10 [Sections 8276.005-8276.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8276.051. COMPOSITION OF BOARD. The board of  
13 directors is composed of five elected directors. (Acts 62nd Leg.,  
14 R.S., Ch. 642, Sec. 6 (part).)

15 [Sections 8276.052-8276.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8276.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
18 district has the rights, powers, privileges, and functions  
19 conferred by general law applicable to a municipal utility  
20 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
21 Leg., R.S., Ch. 642, Sec. 5 (part); New.)

22 CHAPTER 8277. HARRIS COUNTY UTILITY DISTRICT NO. 16

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 8277.001. DEFINITIONS

25 Sec. 8277.002. NATURE OF DISTRICT

26 Sec. 8277.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

27 Sec. 8277.004. DISTRICT TERRITORY



1 [Sections 8277.005-8277.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8277.051. COMPOSITION OF BOARD

4 [Sections 8277.052-8277.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 8277.101. MUNICIPAL UTILITY DISTRICT POWERS

7 CHAPTER 8277. HARRIS COUNTY UTILITY DISTRICT NO. 16

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 8277.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the district's board of directors.

11 (2) "Director" means a member of the board.

12 (3) "District" means the Harris County Utility  
13 District No. 16. (Acts 62nd Leg., R.S., Ch. 437, Sec. 1 (part);  
14 New.)

15 Sec. 8277.002. NATURE OF DISTRICT. The district is a  
16 conservation and reclamation district in Harris County created  
17 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
18 R.S., Ch. 437, Sec. 1 (part).)

19 Sec. 8277.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
20 The district is created to serve a public use and benefit.

21 (b) All land and other property included in the boundaries  
22 of the district will benefit from the works and projects  
23 accomplished by the district under the powers conferred by Section  
24 59, Article XVI, Texas Constitution.

25 (c) The creation of the district is essential to accomplish  
26 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
27 62nd Leg., R.S., Ch. 437, Secs. 1 (part), 3.)

1           Sec. 8277.004. DISTRICT TERRITORY. (a) The district is  
2 composed of the territory described by Section 4, Chapter 437, Acts  
3 of the 62nd Legislature, Regular Session, 1971, as that territory  
4 may have been modified under:

- 5                   (1) Subchapter H, Chapter 54, Water Code;  
6                   (2) Subchapter J, Chapter 49, Water Code; or  
7                   (3) other law.

8           (b) The boundaries and field notes of the district form a  
9 closure. A mistake in copying the field notes in the legislative  
10 process or another mistake in the field notes does not affect:

- 11                   (1) the district's organization, existence, or  
12 validity;  
13                   (2) the district's right to issue any type of bond for  
14 a purpose for which the district is created or to pay the principal  
15 of and interest on the bond;  
16                   (3) the district's right to impose a tax; or  
17                   (4) the legality or operation of the district or its  
18 governing body. (Acts 62nd Leg., R.S., Ch. 437, Sec. 2; New.)

19           [Sections 8277.005-8277.050 reserved for expansion]

20                                   SUBCHAPTER B. BOARD OF DIRECTORS

21           Sec. 8277.051. COMPOSITION OF BOARD. The board of  
22 directors is composed of five elected directors. (Acts 62nd Leg.,  
23 R.S., Ch. 437, Sec. 6 (part).)

24           [Sections 8277.052-8277.100 reserved for expansion]

25                                   SUBCHAPTER C. POWERS AND DUTIES

26           Sec. 8277.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
27 district has the rights, powers, privileges, and functions

1 conferred by general law applicable to a municipal utility  
2 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
3 Leg., R.S., Ch. 437, Sec. 5 (part); New.)

4 CHAPTER 8278. HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT  
5 NO. 132 OF HARRIS COUNTY, TEXAS

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 8278.001. DEFINITIONS

8 Sec. 8278.002. NATURE OF DISTRICT

9 Sec. 8278.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

10 Sec. 8278.004. DISTRICT TERRITORY

11 Sec. 8278.005. EXPANSION OF DISTRICT

12 Sec. 8278.006. STATE POLICY REGARDING WASTE DISPOSAL

13 [Sections 8278.007-8278.050 reserved for expansion]

14 SUBCHAPTER B. DISTRICT ADMINISTRATION

15 Sec. 8278.051. COMPOSITION OF BOARD

16 Sec. 8278.052. APPOINTMENT OF TREASURER

17 Sec. 8278.053. DIRECTOR'S AND TREASURER'S BONDS

18 Sec. 8278.054. ABSENCE OR INACTION OF BOARD PRESIDENT

19 Sec. 8278.055. DISTRICT OFFICE

20 [Sections 8278.056-8278.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 8278.101. MUNICIPAL UTILITY DISTRICT POWERS

23 Sec. 8278.102. ADDITIONAL POWERS

24 Sec. 8278.103. EMINENT DOMAIN

25 Sec. 8278.104. COST OF RELOCATING OR ALTERING PROPERTY

26 Sec. 8278.105. NOTICE OF ELECTION

27 [Sections 8278.106-8278.150 reserved for expansion]

1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2   Sec. 8278.151.   TAX METHOD

3   Sec. 8278.152.   DISTRICT ACCOUNTS

4   Sec. 8278.153.   FISCAL YEAR

5   Sec. 8278.154.   COPY OF AUDIT REPORT

6   Sec. 8278.155.   PAYMENT OF TAX OR ASSESSMENT NOT

7                                 REQUIRED

8   Sec. 8278.156.   DEPOSITORY

9                   [Sections 8278.157-8278.200 reserved for expansion]

10                                 SUBCHAPTER E. BONDS

11   Sec. 8278.201.   AUTHORITY TO ISSUE BONDS

12   Sec. 8278.202.   LOST OR MUTILATED BONDS

13   Sec. 8278.203.   USE OF BOND PROCEEDS DURING

14                                 CONSTRUCTION

15   Sec. 8278.204.   REFUNDING BONDS

16   CHAPTER 8278. HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT

17                                 NO. 132 OF HARRIS COUNTY, TEXAS

18                                 SUBCHAPTER A. GENERAL PROVISIONS

19           Sec. 8278.001.   DEFINITIONS. In this chapter:

20                   (1) "Board" means the board of directors of the  
21   district.

22                   (2) "Director" means a member of the board.

23                   (3) "District" means the Harris County Water Control  
24   and Improvement District No. 132 of Harris County, Texas. (Acts  
25   61st Leg., R.S., Ch. 144, Sec. 1 (part); New.)

26           Sec. 8278.002.   NATURE OF DISTRICT. The district is a  
27   municipal utility district and a conservation and reclamation

1 district in Harris County created under Section 59, Article XVI,  
2 Texas Constitution. (Acts 61st Leg., R.S., Ch. 144, Sec. 1 (part);  
3 New.)

4 Sec. 8278.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
5 The district is created to serve a public use and benefit.

6 (b) All land and other property included in the boundaries  
7 of the district will benefit from the works and projects  
8 accomplished by the district under the powers conferred by Section  
9 59, Article XVI, Texas Constitution.

10 (c) The creation of the district is essential to accomplish  
11 the purposes of Section 59, Article XVI, Texas Constitution.

12 (d) The accomplishment of the purposes stated in this  
13 chapter is for the benefit of the people of this state and for the  
14 improvement of their property and industries. The district in  
15 carrying out the purposes of this chapter will be performing an  
16 essential public function under the Texas Constitution. (Acts 61st  
17 Leg., R.S., Ch. 144, Secs. 1 (part), 4, 22 (part).)

18 Sec. 8278.004. DISTRICT TERRITORY. (a) The district is  
19 composed of the territory described by Section 2, Chapter 144, Acts  
20 of the 61st Legislature, Regular Session, 1969, as that territory  
21 may have been modified under:

22 (1) Subchapter H, Chapter 54, Water Code;

23 (2) Subchapter J, Chapter 49, Water Code;

24 (3) Section 9, Chapter 144, Acts of the 61st  
25 Legislature, Regular Session, 1969; or

26 (4) other law.

27 (b) The boundaries and field notes of the district form a

1 closure. A mistake in copying the field notes in the legislative  
2 process or another mistake in the field notes does not affect:

3 (1) the district's organization, existence, or  
4 validity;

5 (2) the district's right to issue any type of bond for  
6 a purpose for which the district is created or to pay the principal  
7 of and interest on the bond;

8 (3) the district's right to impose a tax; or

9 (4) the legality or operation of the district or the  
10 board. (Acts 61st Leg., R.S., Ch. 144, Sec. 3; New.)

11 Sec. 8278.005. EXPANSION OF DISTRICT. (a) If land is  
12 annexed to the district under Section 49.301, Water Code, the board  
13 may require the petitioners to:

14 (1) assume the petitioners' pro rata share of the voted  
15 but unissued bonds of the district; and

16 (2) authorize the board to impose a tax on the  
17 petitioners' property to pay for the bonds after the bonds have been  
18 issued.

19 (b) If land is annexed to the district under Section 49.302,  
20 Water Code, the board may submit to the voters of the area to be  
21 annexed a proposition on the question of the assumption by the area  
22 to be annexed of its part of the voted but not yet issued or sold tax  
23 or tax-revenue bonds of the district and the imposition of an ad  
24 valorem tax on taxable property in the area to be annexed along with  
25 a tax in the rest of the district for the payment of the bonds.

26 (c) If the petitioners consent or if the election results  
27 favorably, the district may issue its voted but unissued tax or

1 tax-revenue bonds regardless of changes to district boundaries  
2 since the original voting or authorization of the bonds. (Acts 61st  
3 Leg., R.S., Ch. 144, Sec. 9.)

4       Sec. 8278.006. STATE POLICY REGARDING WASTE DISPOSAL. The  
5 district's powers and duties are subject to the state policy of  
6 encouraging the development and use of integrated area-wide waste  
7 collection, treatment, and disposal systems to serve the waste  
8 disposal needs of this state's residents, if integrated systems can  
9 reasonably be provided for an area, so as to avoid the economic  
10 burden on residents and the effect on state water quality caused by  
11 the construction and operation of numerous small waste collection,  
12 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
13 144, Sec. 5 (part).)

14       [Sections 8278.007-8278.050 reserved for expansion]

15                   SUBCHAPTER B. DISTRICT ADMINISTRATION

16       Sec. 8278.051. COMPOSITION OF BOARD. The board consists of  
17 five elected directors. (Acts 61st Leg., R.S., Ch. 144, Sec. 10  
18 (part).)

19       Sec. 8278.052. APPOINTMENT OF TREASURER. The board may  
20 appoint the treasurer. (Acts 61st Leg., R.S., Ch. 144, Sec. 10  
21 (part).)

22       Sec. 8278.053. DIRECTOR'S AND TREASURER'S BONDS. (a) Each  
23 director shall qualify by giving bond in the amount of \$5,000 for  
24 the faithful performance of the director's duties.

25       (b) The treasurer shall give bond in the amount required by  
26 the board. The treasurer's bond shall be conditioned on the  
27 treasurer's faithful accounting for all money that comes into the

1 treasurer's custody as treasurer of the district. (Acts 61st Leg.,  
2 R.S., Ch. 144, Sec. 10 (part).)

3 Sec. 8278.054. ABSENCE OR INACTION OF BOARD PRESIDENT. (a)  
4 When the board president is absent or fails or declines to act, the  
5 board vice president shall perform all duties and exercise all  
6 power this chapter or general law gives the president.

7 (b) If the board president is absent from a board meeting:

8 (1) the board vice president may sign an order or other  
9 action adopted at the meeting; or

10 (2) the board may authorize the president to sign the  
11 order or other action. (Acts 61st Leg., R.S., Ch. 144, Sec. 10  
12 (part).)

13 Sec. 8278.055. DISTRICT OFFICE. (a) Except as provided by  
14 this section, the board shall designate, establish, and maintain a  
15 district office as provided by Section 49.062, Water Code.

16 (b) The board may establish a second district office outside  
17 the district. If the board establishes a second district office,  
18 the board shall give notice of the location of that office by:

19 (1) filing a copy of the board resolution that  
20 establishes the location of the office:

21 (A) with the Texas Commission on Environmental  
22 Quality; and

23 (B) in the municipal utility district records of  
24 the county in which the district is located; and

25 (2) publishing notice of the location of the office in  
26 a newspaper of general circulation in the county in which the  
27 district is located.



1 (c) A district office that is a private residence, office,  
2 or dwelling is a public place for matters relating to the district's  
3 business.

4 (d) The board shall provide notice of any change in the  
5 location of the district office outside the district in the manner  
6 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 144, Sec.  
7 15.)

8 [Sections 8278.056-8278.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8278.101. MUNICIPAL UTILITY DISTRICT POWERS. (a) The  
11 district has all of the rights, powers, privileges, and functions  
12 conferred and imposed by the general law of this state relating to  
13 municipal utility districts created under Section 59, Article XVI,  
14 Texas Constitution, including those conferred by Chapters 49 and  
15 54, Water Code.

16 (b) The district may exercise inside or outside the  
17 district's boundaries any of the rights or powers granted by this  
18 chapter or under the general law relating to municipal utility  
19 districts, including the provision of water or sewerage service.  
20 (Acts 61st Leg., R.S., Ch. 144, Secs. 5 (part), 16 (part).)

21 Sec. 8278.102. ADDITIONAL POWERS. (a) The district may:

22 (1) make, purchase, construct, lease, or otherwise  
23 acquire property, works, facilities, existing improvements, or  
24 improvements to be made, constructed, or acquired that are:

25 (A) inside or outside the district's boundaries;

26 and

27 (B) necessary or useful to carry out the powers

1 granted by this chapter or general law; or

2 (2) enter into a contract with a person on terms the  
3 board considers desirable, fair, and advantageous for:

4 (A) the purchase or sale of water;

5 (B) the transportation, treatment, and disposal  
6 of the domestic, industrial, or communal wastes of the district or  
7 others;

8 (C) the continuing and orderly development of  
9 land and property in the district through the purchase,  
10 construction, or installation of facilities, works, or  
11 improvements that the district is otherwise authorized to do or  
12 perform so that, to the greatest extent reasonably possible,  
13 considering sound engineering and economic practices, all of the  
14 land and property may ultimately receive the services of the  
15 facilities, works, or improvements; and

16 (D) the performance of any of the powers granted  
17 by this chapter or the general law relating to municipal utility  
18 districts.

19 (b) A contract under Subsection (a)(2) may not have a  
20 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 144,  
21 Sec. 5 (part).)

22 Sec. 8278.103. EMINENT DOMAIN. The district may exercise  
23 the power of eminent domain only in the county in which the district  
24 is located. (Acts 61st Leg., R.S., Ch. 144, Sec. 13 (part).)

25 Sec. 8278.104. COST OF RELOCATING OR ALTERING PROPERTY.

26 (a) In this section, "sole expense" means the actual cost of  
27 relocating, raising, lowering, rerouting, changing the grade of, or

1 altering the construction of a facility described by Subsection (b)  
2 in providing comparable replacement without enhancement of the  
3 facility, after deducting from that cost the net salvage value of  
4 the old facility.

5 (b) If the district's exercise of the power of eminent  
6 domain makes necessary the relocation, raising, lowering,  
7 rerouting, changing the grade, or alteration of the construction of  
8 a highway, a railroad, an electric transmission line, a telegraph  
9 or telephone property or facility, or a pipeline, the necessary  
10 action shall be accomplished at the sole expense of the district.  
11 (Acts 61st Leg., R.S., Ch. 144, Sec. 13 (part).)

12 Sec. 8278.105. NOTICE OF ELECTION. The board president or  
13 secretary may give notice of an election. (Acts 61st Leg., R.S.,  
14 Ch. 144, Sec. 19 (part).)

15 [Sections 8278.106-8278.150 reserved for expansion]

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 8278.151. TAX METHOD. (a) The district shall use the  
18 ad valorem plan of taxation.

19 (b) The board is not required to call or hold a hearing on  
20 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 144,  
21 Sec. 8.)

22 Sec. 8278.152. DISTRICT ACCOUNTS. The district shall keep  
23 a complete system of the district's accounts. (Acts 61st Leg.,  
24 R.S., Ch. 144, Sec. 14 (part).)

25 Sec. 8278.153. FISCAL YEAR. The fiscal year of the district  
26 is from January 1 to December 31 of the same year. (Acts 61st Leg.,  
27 R.S., Ch. 144, Sec. 14 (part).)

1           Sec. 8278.154. COPY OF AUDIT REPORT. A copy of the audit  
2 report prepared under Subchapter G, Chapter 49, Water Code, shall  
3 be delivered:

4                   (1) to each director; and

5                   (2) to a holder of at least 25 percent of the  
6 outstanding bonds of the district, on request. (Acts 61st Leg.,  
7 R.S., Ch. 144, Sec. 14 (part); New.)

8           Sec. 8278.155. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

9 The district is not required to pay a tax or assessment on:

10                   (1) district property; or

11                   (2) a purchase made by the district. (Acts 61st Leg.,  
12 R.S., Ch. 144, Sec. 22 (part).)

13           Sec. 8278.156. DEPOSITORY. (a) The board shall select one  
14 or more banks in this state to act as depository for the district's  
15 money.

16                   (b) To the extent that money in the depository bank is not  
17 insured by the Federal Deposit Insurance Corporation, the money  
18 must be secured in the manner provided by law for the security of  
19 county funds.

20                   (c) A director may be a shareholder in a bank that is a  
21 depository of district money. (Acts 61st Leg., R.S., Ch. 144, Sec.  
22 14 (part).)

23                   [Sections 8278.157-8278.200 reserved for expansion]

24   SUBCHAPTER E. BONDS

25           Sec. 8278.201. AUTHORITY TO ISSUE BONDS. The district may  
26 issue bonds to provide water and sewer service to areas inside or  
27 outside the boundaries of the district, regardless of whether the

1 areas are contiguous or noncontiguous. (Acts 61st Leg., R.S., Ch.  
2 144, Sec. 16 (part).)

3       Sec. 8278.202. LOST OR MUTILATED BONDS. A trust indenture  
4 securing bonds issued under this chapter may provide for the  
5 issuance of bonds to replace lost or mutilated bonds. (Acts 61st  
6 Leg., R.S., Ch. 144, Sec. 12 (part).)

7       Sec. 8278.203. USE OF BOND PROCEEDS DURING CONSTRUCTION.

8 (a) The district may appropriate or set aside out of the proceeds  
9 from the sale of any bonds issued under this chapter an amount for  
10 the payment of interest, administrative, and operating expenses  
11 expected to accrue during a period of construction, as may be  
12 provided in the bond orders or resolutions.

13 (b) For purposes of this section, the period of construction  
14 may not exceed three years. (Acts 61st Leg., R.S., Ch. 144, Sec. 12  
15 (part).)

16       Sec. 8278.204. REFUNDING BONDS. (a) By order or resolution  
17 adopted by the board, the district may issue tax or revenue  
18 refunding bonds or tax-revenue refunding bonds to refund revenue  
19 bonds or tax-revenue bonds, whether original bonds or refunding  
20 bonds, previously issued by the district.

21 (b) The comptroller shall register the refunding bonds on  
22 the surrender and cancellation of the bonds to be refunded.

23 (c) Instead of issuing bonds to be registered on the  
24 surrender and cancellation of the bonds to be refunded, the  
25 district, in the order or resolution authorizing the issuance of  
26 the refunding bonds, may provide for the sale of the refunding bonds  
27 and the deposit of the proceeds in the place or places where the

1 bonds to be refunded are payable. In that case, the refunding bonds  
2 may be issued if an amount sufficient to pay the principal of and  
3 interest on the bonds to be refunded to their maturity dates, or to  
4 their option dates if according to their terms the bonds have been  
5 called for payment before maturity, has been deposited in the place  
6 or places where the bonds to be refunded are payable, and the  
7 comptroller shall register the refunding bonds without the  
8 surrender and cancellation of the bonds to be refunded. (Acts 61st  
9 Leg., R.S., Ch. 144, Sec. 12 (part).)

10 CHAPTER 8279. HORSEPEN BAYOU MUNICIPAL UTILITY DISTRICT OF  
11 HARRIS COUNTY, TEXAS

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 8279.001. DEFINITIONS

14 Sec. 8279.002. NATURE OF DISTRICT

15 Sec. 8279.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

16 Sec. 8279.004. DISTRICT TERRITORY

17 Sec. 8279.005. EXPANSION OF DISTRICT

18 Sec. 8279.006. STATE POLICY REGARDING WASTE DISPOSAL

19 [Sections 8279.007-8279.050 reserved for expansion]

20 SUBCHAPTER B. DISTRICT ADMINISTRATION

21 Sec. 8279.051. COMPOSITION OF BOARD

22 Sec. 8279.052. APPOINTMENT OF TREASURER

23 Sec. 8279.053. DIRECTOR'S AND TREASURER'S BONDS

24 Sec. 8279.054. ABSENCE OR INACTION OF BOARD PRESIDENT

25 Sec. 8279.055. DISTRICT OFFICE

26 [Sections 8279.056-8279.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 8279.101. MUNICIPAL UTILITY DISTRICT POWERS

3 Sec. 8279.102. ADDITIONAL POWERS

4 Sec. 8279.103. EMINENT DOMAIN

5 Sec. 8279.104. COST OF RELOCATING OR ALTERING PROPERTY

6 Sec. 8279.105. NOTICE OF ELECTION

7 [Sections 8279.106-8279.150 reserved for expansion]

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 8279.151. TAX METHOD

10 Sec. 8279.152. DISTRICT ACCOUNTS

11 Sec. 8279.153. COPY OF AUDIT REPORT

12 Sec. 8279.154. PAYMENT OF TAX OR ASSESSMENT NOT

13 REQUIRED

14 Sec. 8279.155. DEPOSITORY

15 [Sections 8279.156-8279.200 reserved for expansion]

16 SUBCHAPTER E. BONDS

17 Sec. 8279.201. AUTHORITY TO ISSUE BONDS

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22 CHAPTER 8279. HORSEPEN BAYOU MUNICIPAL UTILITY DISTRICT OF

23 HARRIS COUNTY, TEXAS

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8279.001. DEFINITIONS. In this chapter:

26 (1) "Board" means the board of directors of the

27 district.

1           (2) "Director" means a member of the board.

2           (3) "District" means the Horsepen Bayou Municipal  
3 Utility District of Harris County, Texas. (Acts 61st Leg., R.S.,  
4 Ch. 838, Sec. 1 (part); New.)

5           Sec. 8279.002. NATURE OF DISTRICT. The district is a  
6 municipal utility district and a conservation and reclamation  
7 district in Harris County created under Section 59, Article XVI,  
8 Texas Constitution. (Acts 61st Leg., R.S., Ch. 838, Sec. 1 (part);  
9 New.)

10          Sec. 8279.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
11 The district is created to serve a public use and benefit.

12          (b) All land and other property included in the boundaries  
13 of the district will benefit from the works and projects  
14 accomplished by the district under the powers conferred by Section  
15 59, Article XVI, Texas Constitution.

16          (c) The creation of the district is essential to accomplish  
17 the purposes of Section 59, Article XVI, Texas Constitution.

18          (d) The accomplishment of the purposes stated in this  
19 chapter is for the benefit of the people of this state and for the  
20 improvement of their property and industries. The district in  
21 carrying out the purposes of this chapter will be performing an  
22 essential public function under the Texas Constitution. (Acts 61st  
23 Leg., R.S., Ch. 838, Secs. 1 (part), 4, 22 (part).)

24          Sec. 8279.004. DISTRICT TERRITORY. (a) The district is  
25 composed of the territory described by Section 2, Chapter 838, Acts  
26 of the 61st Legislature, Regular Session, 1969, as that territory  
27 may have been modified under:



- 1 (1) Subchapter H, Chapter 54, Water Code;
- 2 (2) Subchapter J, Chapter 49, Water Code;
- 3 (3) Section 9, Chapter 838, Acts of the 61st
- 4 Legislature, Regular Session, 1969; or
- 5 (4) other law.

6 (b) The boundaries and field notes of the district form a  
7 closure. A mistake in copying the field notes in the legislative  
8 process or another mistake in the field notes does not affect:

- 9 (1) the district's organization, existence, or
- 10 validity;
- 11 (2) the district's right to issue any type of bond for
- 12 a purpose for which the district is created or to pay the principal
- 13 of and interest on the bond;
- 14 (3) the district's right to impose a tax; or
- 15 (4) the legality or operation of the district or the
- 16 board. (Acts 61st Leg., R.S., Ch. 838, Sec. 3; New.)

17 Sec. 8279.005. EXPANSION OF DISTRICT. (a) If land is  
18 annexed to the district under Section 49.301, Water Code, the board  
19 may require the petitioners to:

- 20 (1) assume the petitioners' pro rata share of the voted
- 21 but unissued bonds of the district; and
- 22 (2) authorize the board to impose a tax on the
- 23 petitioners' property to pay for the bonds after the bonds have been
- 24 issued.

25 (b) If land is annexed to the district under Section 49.302,  
26 Water Code, the board may submit to the voters of the area to be  
27 annexed a proposition on the question of the assumption by the area

1 to be annexed of its part of the voted but not yet issued or sold tax  
2 or tax-revenue bonds of the district and the imposition of an ad  
3 valorem tax on taxable property in the area to be annexed along with  
4 a tax in the rest of the district for the payment of the bonds.

5 (c) If the petitioners consent or if the election results  
6 favorably, the district may issue its voted but unissued tax or  
7 tax-revenue bonds regardless of changes to district boundaries  
8 since the original voting or authorization of the bonds. (Acts 61st  
9 Leg., R.S., Ch. 838, Sec. 9.)

10 Sec. 8279.006. STATE POLICY REGARDING WASTE DISPOSAL. The  
11 district's powers and duties are subject to the state policy of  
12 encouraging the development and use of integrated area-wide waste  
13 collection, treatment, and disposal systems to serve the waste  
14 disposal needs of this state's residents, if integrated systems can  
15 reasonably be provided for an area, so as to avoid the economic  
16 burden on residents and the effect on state water quality caused by  
17 the construction and operation of numerous small waste collection,  
18 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
19 838, Sec. 5 (part).)

20 [Sections 8279.007-8279.050 reserved for expansion]

21 SUBCHAPTER B. DISTRICT ADMINISTRATION

22 Sec. 8279.051. COMPOSITION OF BOARD. The board consists of  
23 five elected directors. (Acts 61st Leg., R.S., Ch. 838, Sec. 10  
24 (part).)

25 Sec. 8279.052. APPOINTMENT OF TREASURER. The board may  
26 appoint the treasurer. (Acts 61st Leg., R.S., Ch. 838, Sec. 10  
27 (part).)

1           Sec. 8279.053. DIRECTOR'S AND TREASURER'S BONDS. (a) Each  
2 director shall qualify by giving bond in the amount of \$5,000 for  
3 the faithful performance of the director's duties.

4           (b) The treasurer shall give bond in the amount required by  
5 the board. The treasurer's bond shall be conditioned on the  
6 treasurer's faithful accounting for all money that comes into the  
7 treasurer's custody as treasurer of the district. (Acts 61st Leg.,  
8 R.S., Ch. 838, Sec. 10 (part).)

9           Sec. 8279.054. ABSENCE OR INACTION OF BOARD PRESIDENT. (a)  
10 When the board president is absent or fails or declines to act, the  
11 board vice president shall perform all duties and exercise all  
12 power this chapter or general law gives the president.

13           (b) If the board president is absent from a board meeting:

14                 (1) the board vice president may sign an order or other  
15 action adopted at the meeting; or

16                 (2) the board may authorize the president to sign the  
17 order or other action. (Acts 61st Leg., R.S., Ch. 838, Sec. 10  
18 (part).)

19           Sec. 8279.055. DISTRICT OFFICE. (a) Except as provided by  
20 this section, the board shall designate, establish, and maintain a  
21 district office as provided by Section 49.062, Water Code.

22           (b) The board may establish a second district office outside  
23 the district. If the board establishes a second district office,  
24 the board shall give notice of the location of that office by:

25                 (1) filing a copy of the board resolution that  
26 establishes the location of the office:

27                         (A) with the Texas Commission on Environmental

1 Quality; and

2 (B) in the municipal utility district records of  
3 the county in which the district is located; and

4 (2) publishing notice of the location of the office in  
5 a newspaper of general circulation in the county in which the  
6 district is located.

7 (c) A district office that is a private residence, office,  
8 or dwelling is a public place for matters relating to the district's  
9 business.

10 (d) The board shall provide notice of any change in the  
11 location of the district office outside the district in the manner  
12 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 838, Sec.  
13 15.)

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15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 8279.101. MUNICIPAL UTILITY DISTRICT POWERS. (a) The  
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19 municipal utility districts created under Section 59, Article XVI,  
20 Texas Constitution, including those conferred by Chapters 49 and  
21 54, Water Code.

22 (b) The district may exercise inside or outside the  
23 district's boundaries any of the rights or powers granted by this  
24 chapter or under the general law relating to municipal utility  
25 districts, including the provision of water or sewerage service.  
26 (Acts 61st Leg., R.S., Ch. 838, Secs. 5 (part), 16 (part).)

27 Sec. 8279.102. ADDITIONAL POWERS. (a) The district may:

1           (1) make, purchase, construct, lease, or otherwise  
2 acquire property, works, facilities, existing improvements, or  
3 improvements to be made, constructed, or acquired that are:

4                   (A) inside or outside the district's boundaries;  
5 and

6                   (B) necessary to carry out the powers granted by  
7 this chapter or general law; or

8           (2) enter into a contract with a person on terms the  
9 board considers desirable, fair, and advantageous for:

10                   (A) the purchase or sale of water;

11                   (B) the transportation, treatment, and disposal  
12 of the domestic, industrial, or communal wastes of the district or  
13 others;

14                   (C) the continuing and orderly development of  
15 land and property in the district through the purchase,  
16 construction, or installation of facilities, works, or  
17 improvements that the district is otherwise authorized to do or  
18 perform so that, to the greatest extent reasonably possible,  
19 considering sound engineering and economic practices, all of the  
20 land and property may ultimately receive the services of the  
21 facilities, works, or improvements; and

22                   (D) the performance of any of the powers granted  
23 by this chapter or the general law relating to municipal utility  
24 districts.

25           (b) A contract under Subsection (a)(2) may not have a  
26 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 838,  
27 Sec. 5 (part).)

1           Sec. 8279.103. EMINENT DOMAIN. The district may exercise  
2 the power of eminent domain only in a county in which the district  
3 is located. (Acts 61st Leg., R.S., Ch. 838, Sec. 13 (part).)

4           Sec. 8279.104. COST OF RELOCATING OR ALTERING PROPERTY.

5 (a) In this section, "sole expense" means the actual cost of  
6 relocating, raising, lowering, rerouting, changing the grade of, or  
7 altering the construction of a facility described by Subsection (b)  
8 in providing comparable replacement without enhancement of the  
9 facility, after deducting from that cost the net salvage value of  
10 the old facility.

11 (b) If the district's exercise of the power of eminent  
12 domain makes necessary the relocation, raising, rerouting,  
13 changing the grade, or alteration of the construction of a highway,  
14 a railroad, an electric transmission line, a telegraph or telephone  
15 property or facility, or a pipeline, the necessary action shall be  
16 accomplished at the sole expense of the district. (Acts 61st Leg.,  
17 R.S., Ch. 838, Sec. 13 (part).)

18           Sec. 8279.105. NOTICE OF ELECTION. The board president or  
19 secretary may give notice of an election. (Acts 61st Leg., R.S.,  
20 Ch. 838, Sec. 19 (part).)

21           [Sections 8279.106-8279.150 reserved for expansion]

22           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23           Sec. 8279.151. TAX METHOD. (a) The district shall use the  
24 ad valorem plan of taxation.

25 (b) The board is not required to call or hold a hearing on  
26 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 838,  
27 Sec. 8.)

1           Sec. 8279.152. DISTRICT ACCOUNTS. The district shall keep  
2 a complete system of the district's accounts. (Acts 61st Leg.,  
3 R.S., Ch. 838, Sec. 14 (part).)

4           Sec. 8279.153. COPY OF AUDIT REPORT. A copy of the audit  
5 report prepared under Subchapter G, Chapter 49, Water Code, shall  
6 be delivered:

7                   (1) to each director; and

8                   (2) to a holder of at least 25 percent of the  
9 outstanding bonds of the district, on request. (Acts 61st Leg.,  
10 R.S., Ch. 838, Sec. 14 (part); New.)

11           Sec. 8279.154. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.  
12 The district is not required to pay a tax or assessment on:

13                   (1) district property; or

14                   (2) a purchase made by the district. (Acts 61st Leg.,  
15 R.S., Ch. 838, Sec. 22 (part).)

16           Sec. 8279.155. DEPOSITORY. (a) The board shall select one  
17 or more banks in this state to act as depository for the district's  
18 money.

19                   (b) To the extent that money in the depository bank is not  
20 insured by the Federal Deposit Insurance Corporation, the money  
21 must be secured in the manner provided by law for the security of  
22 county funds.

23                   (c) A director may be a shareholder in a bank that is a  
24 depository of district money. (Acts 61st Leg., R.S., Ch. 838, Sec.  
25 14 (part).)

1 [Sections 8279.156-8279.200 reserved for expansion]

2 SUBCHAPTER E. BONDS

3 Sec. 8279.201. AUTHORITY TO ISSUE BONDS. The district may  
4 issue bonds to provide water and sewer service to areas inside or  
5 outside the boundaries of the district, regardless of whether the  
6 areas are contiguous or noncontiguous. (Acts 61st Leg., R.S., Ch.  
7 838, Sec. 16 (part).)

8 Sec. 8279.202. LOST OR MUTILATED BONDS. A trust indenture  
9 securing bonds issued under this chapter may provide for the  
10 issuance of bonds to replace lost or mutilated bonds. (Acts 61st  
11 Leg., R.S., Ch. 838, Sec. 12 (part).)

12 Sec. 8279.203. USE OF BOND PROCEEDS DURING CONSTRUCTION.

13 (a) The district may appropriate or set aside out of the proceeds  
14 from the sale of any bonds issued under this chapter an amount for  
15 the payment of interest, administrative, and operating expenses  
16 expected to accrue during a period of construction, as may be  
17 provided in the bond orders or resolutions.

18 (b) For purposes of this section, the period of construction  
19 may not exceed three years. (Acts 61st Leg., R.S., Ch. 838, Sec. 12  
20 (part).)

21 Sec. 8279.204. REFUNDING BONDS. (a) By order or resolution  
22 adopted by the board, the district may issue revenue refunding  
23 bonds or tax-revenue refunding bonds to refund revenue bonds or  
24 tax-revenue bonds, whether original bonds or refunding bonds,  
25 previously issued by the district.

26 (b) The comptroller shall register the refunding bonds on  
27 the surrender and cancellation of the bonds to be refunded.



1           (c) Instead of issuing bonds to be registered on the  
2 surrender and cancellation of the bonds to be refunded, the  
3 district, in the order or resolution authorizing the issuance of  
4 the refunding bonds, may provide for the sale of the refunding bonds  
5 and the deposit of the proceeds in the place or places where the  
6 bonds to be refunded are payable. In that case, the refunding bonds  
7 may be issued if an amount sufficient to pay the principal of and  
8 interest on the bonds to be refunded to their maturity dates, or to  
9 their option dates if according to their terms the bonds have been  
10 called for payment before maturity, has been deposited in the place  
11 or places where the bonds to be refunded are payable, and the  
12 comptroller shall register the refunding bonds without the  
13 surrender and cancellation of the bonds to be refunded. (Acts 61st  
14 Leg., R.S., Ch. 838, Sec. 12 (part).)

15           CHAPTER 8280. ISAACSON MUNICIPAL UTILITY DISTRICT

16                   SUBCHAPTER A. GENERAL PROVISIONS

17   Sec. 8280.001.   DEFINITIONS

18   Sec. 8280.002.   NATURE OF DISTRICT

19   Sec. 8280.003.   FINDINGS OF BENEFIT AND PUBLIC PURPOSE

20   Sec. 8280.004.   DISTRICT TERRITORY

21           [Sections 8280.005-8280.050 reserved for expansion]

22                   SUBCHAPTER B. BOARD OF DIRECTORS

23   Sec. 8280.051.   COMPOSITION OF BOARD; TERMS

24           [Sections 8280.052-8280.100 reserved for expansion]

25                   SUBCHAPTER C. POWERS AND DUTIES

26   Sec. 8280.101.   MUNICIPAL UTILITY DISTRICT POWERS AND

27                   DUTIES

1           CHAPTER 8280. ISAACSON MUNICIPAL UTILITY DISTRICT

2                   SUBCHAPTER A. GENERAL PROVISIONS

3           Sec. 8280.001. DEFINITIONS. In this chapter:

4                   (1) "Board" means the district's board of directors.

5                   (2) "Director" means a member of the board.

6                   (3) "District" means Isaacson Municipal Utility  
7 District. (Acts 71st Leg., R.S., Ch. 741, Sec. 2; New.)

8           Sec. 8280.002. NATURE OF DISTRICT. The district is a  
9 conservation and reclamation district in Wharton County created  
10 under Section 59, Article XVI, Texas Constitution. (Acts 71st  
11 Leg., R.S., Ch. 741, Secs. 1(a) (part), (b) (part).)

12           Sec. 8280.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
13 The district is created to serve a public use and benefit.

14                   (b) All land and other property included in the district  
15 will benefit from the works and projects accomplished by the  
16 district under the powers conferred by Section 59, Article XVI,  
17 Texas Constitution.

18                   (c) The district is essential to accomplish the purposes of  
19 Section 59, Article XVI, Texas Constitution. (Acts 71st Leg.,  
20 R.S., Ch. 741, Secs. 1(b) (part), 5.)

21           Sec. 8280.004. DISTRICT TERRITORY. (a) The district is  
22 composed of the territory described by Section 3, Acts of the 71st  
23 Legislature, Regular Session, 1989, as that territory may have been  
24 modified under:

25                   (1) Subchapter H, Chapter 54, Water Code;

26                   (2) Subchapter J, Chapter 49, Water Code; or

27                   (3) other law.

1 (b) The boundaries and field notes of the district form a  
2 closure. A mistake in the field notes or in copying the field notes  
3 in the legislative process does not affect:

4 (1) the district's organization, existence, or  
5 validity;

6 (2) the district's right to impose a tax; or

7 (3) the legality or operation of the district or its  
8 governing body. (Acts 71st Leg., R.S., Ch. 741, Sec. 4; New.)

9 [Sections 8280.005-8280.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 8280.051. COMPOSITION OF BOARD; TERMS. (a) The  
12 district is governed by a board of five directors.

13 (b) Directors serve staggered four-year terms. (Acts 71st  
14 Leg., R.S., Ch. 741, Secs. 7(a), (d).)

15 [Sections 8280.052-8280.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8280.101. MUNICIPAL UTILITY DISTRICT POWERS AND  
18 DUTIES. The district has the rights, powers, privileges,  
19 functions, and duties provided by the general law of this state,  
20 including Chapters 49, 50, and 54, Water Code, applicable to a  
21 municipal utility district created under Section 59, Article XVI,  
22 Texas Constitution. (Acts 71st Leg., R.S., Ch. 741, Sec. 6(a)  
23 (part); New.)

24 CHAPTER 8281. EAST CEDAR CREEK FRESH WATER SUPPLY DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8281.001. DEFINITION

27 Sec. 8281.002. NATURE OF DISTRICT

1 Sec. 8281.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

2 Sec. 8281.004. DISTRICT TERRITORY

3 [Sections 8281.005-8281.050 reserved for expansion]

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 8281.051. COMPOSITION OF BOARD

6 Sec. 8281.052. VACANCIES

7 [Sections 8281.053-8281.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8281.101. MUNICIPAL UTILITY DISTRICT POWERS

10 Sec. 8281.102. WATER AND SEWER SYSTEMS

11 Sec. 8281.103. LIMITATION ON PROVIDING WATER TO

12 CERTAIN USERS

13 Sec. 8281.104. AGRICULTURAL PRODUCTS

14 Sec. 8281.105. VOTER APPROVAL OF TAXES REQUIRED

15 CHAPTER 8281. EAST CEDAR CREEK FRESH WATER SUPPLY DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 8281.001. DEFINITION. In this chapter, "district"  
18 means the East Cedar Creek Fresh Water Supply District. (Acts 65th  
19 Leg., R.S., Ch. 696, Sec. 1 (part).)

20 Sec. 8281.002. NATURE OF DISTRICT. The district is a  
21 conservation and reclamation district in Henderson County created  
22 under Section 59, Article XVI, Texas Constitution. (Acts 65th  
23 Leg., R.S., Ch. 696, Sec. 1 (part).)

24 Sec. 8281.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
25 The district is created to serve a public use and benefit.

26 (b) All land and other property included in the boundaries  
27 of the district will benefit from the works and projects that are to

1 be accomplished by the district under the powers conferred by  
2 Section 59, Article XVI, Texas Constitution.

3 (c) The creation of the district is essential to accomplish  
4 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
5 65th Leg., R.S., Ch. 696, Secs. 1 (part), 4.)

6 Sec. 8281.004. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Section 2, Chapter 696, Acts  
8 of the 65th Legislature, Regular Session, 1977, as that territory  
9 may have been modified under:

- 10 (1) Subchapter H, Chapter 54, Water Code;  
11 (2) Subchapter J, Chapter 49, Water Code; or  
12 (3) other law.

13 (b) The boundaries and field notes of the district form a  
14 closure. A mistake in copying the field notes in the legislative  
15 process or any other mistake in the field notes does not affect:

- 16 (1) the district's organization, existence, or  
17 validity;  
18 (2) the district's right to issue any type of bond for  
19 a purpose for which the district is created or to pay the principal  
20 of and interest on a bond;  
21 (3) the district's right to impose a tax; or  
22 (4) the legality or operation of the district or its  
23 governing body. (Acts 65th Leg., R.S., Ch. 696, Sec. 3; New.)

24 [Sections 8281.005-8281.050 reserved for expansion]

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Sec. 8281.051. COMPOSITION OF BOARD. The board of  
27 directors of the district is composed of seven elected directors.

1 (Acts 65th Leg., R.S., Ch. 696, Sec. 7 (part).)

2           Sec. 8281.052. VACANCIES.       The Commissioners Court of  
3 Henderson County shall appoint directors to fill all vacancies on  
4 the board when the number of qualified directors is fewer than four.  
5 (Acts 65th Leg., R.S., Ch. 696, Sec. 7 (part).)

6           [Sections 8281.053-8281.100 reserved for expansion]

7                           SUBCHAPTER C. POWERS AND DUTIES

8           Sec. 8281.101. MUNICIPAL UTILITY DISTRICT POWERS.   The  
9 district has the rights, powers, privileges, and functions provided  
10 by general law applicable to a municipal utility district created  
11 under Section 59, Article XVI, Texas Constitution, including  
12 Chapters 49 and 54, Water Code. (Acts 65th Leg., R.S., Ch. 696,  
13 Sec. 5 (part); New.)

14           Sec. 8281.102. WATER AND SEWER SYSTEMS. (a) The district  
15 may acquire, and may improve or extend, any existing water or sewer  
16 system that serves all or part of the district territory or may  
17 construct a water or sewer system to serve the inhabitants of the  
18 county in which the district is located.

19           (b) A contract to acquire an existing water or sewer  
20 facility may be made on terms approved by the contracting parties.  
21 (Acts 65th Leg., R.S., Ch. 696, Sec. 6 (part).)

22           Sec. 8281.103. LIMITATION ON PROVIDING WATER TO CERTAIN  
23 USERS. Notwithstanding any other provision of this chapter, the  
24 district may not compete with the City of Mabank in providing water  
25 to household users unless the district receives permission from the  
26 Public Utility Commission of Texas, with the consent of that city.  
27 (Acts 65th Leg., R.S., Ch. 696, Sec. 5A.)

1           Sec. 8281.104. AGRICULTURAL PRODUCTS. The district may  
2 produce agricultural products other than livestock on property the  
3 district owns or controls and may market those products. (Acts 65th  
4 Leg., R.S., Ch. 696, Sec. 5B.)

5           Sec. 8281.105. VOTER APPROVAL OF TAXES REQUIRED. The  
6 district may not impose a tax unless the tax has been approved by  
7 the voters at an election called for that purpose. (Acts 65th Leg.,  
8 R.S., Ch. 696, Sec. 6 (part).)

9           CHAPTER 8282. FALCON'S LAIR UTILITY AND RECLAMATION DISTRICT

10                           SUBCHAPTER A. GENERAL PROVISIONS

11       Sec. 8282.001. DEFINITIONS

12       Sec. 8282.002. NATURE OF DISTRICT

13       Sec. 8282.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

14           [Sections 8282.004-8282.050 reserved for expansion]

15                           SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS

16   TO DISTRICT TERRITORY

17       Sec. 8282.051. DISTRICT TERRITORY

18       Sec. 8282.052. CITY APPROVAL REQUIRED FOR ANNEXATION

19           [Sections 8282.053-8282.100 reserved for expansion]

20                           SUBCHAPTER C. DISTRICT ADMINISTRATION

21       Sec. 8282.101. COMPOSITION OF BOARD; TERMS

22       Sec. 8282.102. VACANCY

23       Sec. 8282.103. OFFICERS AND ASSISTANTS

24       Sec. 8282.104. COMPENSATION

25       Sec. 8282.105. BOARD PROCEDURES

26           [Sections 8282.106-8282.150 reserved for expansion]

- 1                           SUBCHAPTER D. POWERS AND DUTIES
- 2   Sec. 8282.151.   MUNICIPAL UTILITY DISTRICT POWERS
- 3   Sec. 8282.152.   AUTHORITY TO CONSTRUCT OR ACQUIRE WORKS
- 4                           AND FACILITIES
- 5   Sec. 8282.153.   ROADS
- 6   Sec. 8282.154.   IMPROVEMENT PROJECTS AND SERVICES
- 7   Sec. 8282.155.   FIRE DEPARTMENT
- 8   Sec. 8282.156.   DISTRICT CONTRACTS
- 9   Sec. 8282.157.   GENERAL CONTRACTING AUTHORITY
- 10   Sec. 8282.158.   WATER AND SEWER CONTRACTS
- 11   Sec. 8282.159.   EMINENT DOMAIN
- 12   Sec. 8282.160.   PROVISION OF WATER AND SEWER SERVICES
- 13                           BY CITY
- 14   Sec. 8282.161.   REGULATORY AUTHORITY
- 15   Sec. 8282.162.   POLICE PROTECTION
- 16   Sec. 8282.163.   DISTRICT ELECTIONS
- 17   Sec. 8282.164.   APPLICABILITY OF CITY ORDINANCES,
- 18                           CODES, RESOLUTIONS, AND RULES
- 19           [Sections 8282.165-8282.200 reserved for expansion]
- 20                           SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
- 21   Sec. 8282.201.   GENERAL FINANCIAL POWERS
- 22   Sec. 8282.202.   TAX METHOD
- 23   Sec. 8282.203.   TAX COLLECTOR
- 24   Sec. 8282.204.   USE OF MAINTENANCE TAX
- 25   Sec. 8282.205.   DEPOSIT AND SECURITY OF DISTRICT MONEY
- 26   Sec. 8282.206.   INVESTMENT OF DISTRICT MONEY
- 27           [Sections 8282.207-8282.250 reserved for expansion]



SUBCHAPTER F. BONDS

Sec. 8282.251. AUTHORITY TO ISSUE BONDS

Sec. 8282.252. AUTHORITY TO ISSUE BONDS FOR ROADS AND  
TURNPIKES

Sec. 8282.253. AUTHORITY TO ISSUE BONDS FOR  
IMPROVEMENT PROJECTS OR SERVICES

Sec. 8282.254. OBLIGATIONS

CHAPTER 8282. FALCON'S LAIR UTILITY AND RECLAMATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8282.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the city of Mesquite.

(3) "District" means the Falcon's Lair Utility and  
Reclamation District. (Acts 69th Leg., R.S., Ch. 935, Secs. 1(a)  
(part), 2.)

Sec. 8282.002. NATURE OF DISTRICT. The district is a  
conservation and reclamation district created under Section 52,  
Article III, and Section 59, Article XVI, Texas Constitution. (Acts  
69th Leg., R.S., Ch. 935, Sec. 1(a) (part).)

Sec. 8282.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
The district is created to serve a public use and benefit.

(b) All land and other property included in the boundaries  
of the district will benefit from the works and projects  
accomplished by the district under the powers conferred by this  
chapter.

(c) The creation of the district is essential to accomplish  
the purposes of Section 52, Article III, and Section 59, Article

1 XVI, Texas Constitution. (Acts 69th Leg., R.S., Ch. 935, Secs. 3,  
2 6.)

3 [Sections 8282.004-8282.050 reserved for expansion]

4 SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS  
5 TO DISTRICT TERRITORY

6 Sec. 8282.051. DISTRICT TERRITORY. (a) The district is  
7 composed of the territory described by Section 5(a), Chapter 935,  
8 Acts of the 69th Legislature, Regular Session, 1985, as that  
9 territory may have been modified under:

10 (1) Subchapter H, Chapter 54, Water Code;

11 (2) Subchapter J, Chapter 49, Water Code; or

12 (3) other law.

13 (b) The boundaries and field notes of the district form a  
14 closure. A mistake in copying the field notes in the legislative  
15 process or another mistake in the field notes does not affect:

16 (1) the district's organization, existence, or  
17 validity;

18 (2) the district's right or power to issue bonds for  
19 the purposes for which the district is created or to pay the  
20 principal of and interest on the bonds;

21 (3) the district's authority to impose a tax;

22 (4) the validity of any contract, agreement, or  
23 obligation of the district; or

24 (5) the legality of the operations or proceedings of  
25 the district or the board. (Acts 69th Leg., R.S., Ch. 935, Sec.  
26 5(b); New.)

27 Sec. 8282.052. CITY APPROVAL REQUIRED FOR ANNEXATION. The

1 district must secure the approval of the city, in the form of an  
2 ordinance or resolution of the city council of the city, before  
3 final annexation of additional land to the district. (Acts 69th  
4 Leg., R.S., Ch. 935, Sec. 17 (part).)

5 [Sections 8282.053-8282.100 reserved for expansion]

6 SUBCHAPTER C. DISTRICT ADMINISTRATION

7 Sec. 8282.101. COMPOSITION OF BOARD; TERMS. (a) The board  
8 consists of five directors.

9 (b) Directors serve staggered four-year terms, with the  
10 terms of two or three directors expiring every other year. (Acts  
11 69th Leg., R.S., Ch. 935, Secs. 9(a), (g) (part).)

12 Sec. 8282.102. VACANCY. (a) Except as provided by  
13 Subsection (b), if a vacancy occurs in the office of director, the  
14 remaining directors shall appoint a person to fill the vacancy  
15 until the next election of directors for the district. If the  
16 vacant position is not regularly scheduled to be filled at that  
17 election, the person elected at that election to fill the vacancy  
18 serves only for the unexpired term.

19 (b) If the number of qualified directors by reason of  
20 vacancies is fewer than three, the city council of the city, on  
21 petition of the owners of a majority in value of the land in the  
22 district, as shown by the tax rolls of the city, shall appoint the  
23 necessary number of directors to fill all vacancies on the board.

24 (c) The city may not be found liable for an act relating to a  
25 district obligation or the operation of the district because of the  
26 city's appointment of a director as prescribed by Subsection (b).  
27 (Acts 69th Leg., R.S., Ch. 935, Secs. 9(d), (h).)

1           Sec. 8282.103. OFFICERS AND ASSISTANTS. (a) The board  
2 shall reorganize and elect officers after each election and at any  
3 other time the board considers appropriate.

4           (b) The board may designate one or more assistant  
5 secretaries and an assistant treasurer. An assistant secretary or  
6 assistant treasurer is not required to be a director.

7           (c) The board secretary or one of the assistant secretaries:

8                 (1) shall keep the minutes of the meetings of the board  
9 and all official records of the board; and

10                (2) may certify as to the accuracy or authenticity of  
11 any actions, proceedings, minutes, or records of the board or of the  
12 district. (Acts 69th Leg., R.S., Ch. 935, Secs. 10(a) (part), (b).)

13           Sec. 8282.104. COMPENSATION. Unless the board by  
14 resolution increases the fee to an amount authorized by Section  
15 49.060, Water Code, each director is entitled to receive  
16 compensation in an amount not to exceed \$50 for each meeting of the  
17 board, as determined by the board. (Acts 69th Leg., R.S., Ch. 935,  
18 Sec. 11 (part).)

19           Sec. 8282.105. BOARD PROCEDURES. The board shall provide  
20 the method of execution of all contracts, the signing of checks, and  
21 the handling of any other matter approved by the board, as shown in  
22 the district's official minutes. (Acts 69th Leg., R.S., Ch. 935,  
23 Sec. 10(a) (part).)

24           [Sections 8282.106-8282.150 reserved for expansion]

25                                   SUBCHAPTER D. POWERS AND DUTIES

26           Sec. 8282.151. MUNICIPAL UTILITY DISTRICT POWERS. The  
27 district has the rights, powers, privileges, and functions

1 conferred, contemplated, and described by Section 59, Article XVI,  
2 Texas Constitution, including the rights, powers, privileges, and  
3 functions conferred by the general law applicable to municipal  
4 utility districts operating under Chapter 54, Water Code. (Acts  
5 69th Leg., R.S., Ch. 935, Sec. 7 (part).)

6       Sec. 8282.152. AUTHORITY TO CONSTRUCT OR ACQUIRE WORKS AND  
7 FACILITIES. Subject to compliance with applicable codes,  
8 ordinances, resolutions, and rules of the city, the district may  
9 plan, lay out, purchase, construct, acquire, own, operate,  
10 maintain, repair, or improve, inside or outside the boundaries of  
11 the district, any works, improvements, facilities, plants,  
12 equipment, and appliances, including any administrative buildings,  
13 properties, and facilities, any permits, franchises, licenses, or  
14 contract or property rights, and any levees, drains, waterways,  
15 lakes, reservoirs, channels, conduits, sewers, dams, storm water  
16 detention facilities, or other similar facilities and  
17 improvements, whether for municipal, industrial, agricultural,  
18 recreational, conservation, reclamation, or flood control  
19 purposes, that are necessary, helpful, or incidental to the  
20 exercise of any right, power, privilege, or function provided by  
21 this chapter. (Acts 69th Leg., R.S., Ch. 935, Sec. 8(e).)

22       Sec. 8282.153. ROADS. (a) To the extent authorized by  
23 Section 52, Article III, Texas Constitution, the district may  
24 provide for the construction, maintenance, and operation of a  
25 macadamized, graveled, or paved road or turnpike, or a work,  
26 facility, or improvement in aid of a road or turnpike, inside or  
27 outside the district's boundaries.

1 (b) Subject to compliance with Sections 8282.252(a) and  
2 (b), the district may issue, sell, and deliver bonds, notes, or  
3 other district obligations for a purpose described by Subsection  
4 (a) and may impose taxes to pay the bonds.

5 (c) Without the city's consent and approval, the district  
6 may not undertake to construct, maintain, operate, repair,  
7 reconstruct, cross, or intersect any city street or road.

8 (d) Sections 49.181, 49.182, and 54.5161, Water Code, do not  
9 apply to projects undertaken by the district under this section.  
10 (Acts 69th Leg., R.S., Ch. 935, Secs. 8(b), 19(c) (part).)

11 Sec. 8282.154. IMPROVEMENT PROJECTS AND SERVICES. (a) The  
12 board may undertake an improvement project or service that confers  
13 a special benefit on all or a definable part of the district.

14 (b) The board may levy and collect special assessments on  
15 property in the area described by Subsection (a), based on the  
16 benefit conferred by the improvement project or service, to pay all  
17 or part of the cost of the project or service.

18 (c) An improvement project or service provided by the  
19 district may include the acquisition, construction, or financing of  
20 water, wastewater, or drainage facilities, streets, sidewalks, or  
21 roadways.

22 (d) Sections 375.113-375.124, Local Government Code, apply  
23 to the financing of an improvement project or service under this  
24 section. (Acts 69th Leg., R.S., Ch. 935, Sec. 20A.)

25 Sec. 8282.155. FIRE DEPARTMENT. (a) The district may  
26 establish, operate, and maintain a fire department to perform all  
27 firefighting activities in the district and may issue bonds and

1 impose taxes to pay for the department and the activities, as  
2 authorized by Section 59(f), Article XVI, Texas Constitution, and  
3 Section 49.351, Water Code. For purposes of this chapter, a  
4 reference in Section 49.351, Water Code, to the Texas Commission on  
5 Environmental Quality or the executive director of the commission  
6 means the city council of the city.

7 (b) The city has the superior right to provide the degree of  
8 firefighting services the city considers to be in the city's best  
9 interests. (Acts 69th Leg., R.S., Ch. 935, Sec. 8(c).)

10 Sec. 8282.156. DISTRICT CONTRACTS. (a) Except as provided  
11 by this section, a contract for the purchase or construction of  
12 materials, machinery, or other things used to constitute the  
13 district's works, improvements, facilities, plants, equipment, or  
14 appliances must be advertised, let, and awarded as provided by  
15 Section 49.273, Water Code.

16 (b) If the district determines, after a contract has been  
17 awarded, that additional work is needed or that the character or  
18 type of the work or facilities should be changed, the board may  
19 authorize change orders to the contract on terms the board  
20 approves, provided the change does not increase the total cost of  
21 the contract by more than 25 percent.

22 (c) The district must seek informal competitive bids or  
23 proposals from at least three bidders if:

24 (1) the estimated amount of a proposed construction  
25 contract is more than \$5,000 but less than \$25,000; or

26 (2) the duration of a proposed construction contract  
27 is more than two years.

1 (d) A contract must be written and awarded to the lowest and  
2 best bidder. (Acts 69th Leg., R.S., Ch. 935, Sec. 22.)

3 Sec. 8282.157. GENERAL CONTRACTING AUTHORITY. (a) The  
4 district may contract with the United States, this state or its  
5 agencies, the city, any other public agency or entity, or an  
6 individual, corporation, or other entity for the operation and  
7 maintenance or the construction of any facility or improvement  
8 authorized by this chapter.

9 (b) A contract that obligates the district to make payments  
10 in whole or in part from ad valorem taxes, other than maintenance  
11 taxes, is subject to approval at an election held under the same  
12 procedures required for the issuance of bonds payable from ad  
13 valorem taxes. (Acts 69th Leg., R.S., Ch. 935, Secs. 23(a), (c).)

14 Sec. 8282.158. WATER AND SEWER CONTRACTS. (a) The district  
15 and the city may enter into, execute, and perform contracts under  
16 Section 552.014, Local Government Code, as they consider to be  
17 appropriate and mutually advantageous.

18 (b) A contract under this section may provide for the  
19 district's acquisition for the benefit of the city and the  
20 district's conveyance to the city of, and the city's acceptance and  
21 ownership of and payment for, all or any designated portion of any  
22 of the works, facilities, improvements, equipment, appliances,  
23 properties, and contract rights as provided by Section 552.014,  
24 Local Government Code, that:

25 (1) the district is authorized under this chapter to  
26 purchase, acquire, construct, own, or improve; and

27 (2) the city, under its home-rule charter or under



1 general law, would have been or may be authorized to purchase,  
2 acquire, construct, own, or improve in its own name or behalf.  
3 (Acts 69th Leg., R.S., Ch. 935, Sec. 24.)

4       Sec. 8282.159. EMINENT DOMAIN. (a) The district may  
5 exercise the power of eminent domain in the manner, with the  
6 privileges, rights, and immunities, and subject to the conditions  
7 and limitations provided by Sections 49.222 and 49.223, Water Code,  
8 to acquire land, an easement, a right-of-way, or other property or  
9 improvement that is or may be needed to carry out the district's  
10 powers, purposes, and functions.

11       (b) Without the city's advance written consent and  
12 approval, the district may not begin eminent domain proceedings for  
13 a purpose described by Subsection (a).

14       (c) Without approval by city ordinance or resolution, the  
15 district may not exercise the power of eminent domain to acquire any  
16 land, easement, right-of-way, or other property or improvement  
17 owned by the city or any city agency or instrumentality. (Acts 69th  
18 Leg., R.S., Ch. 935, Sec. 8(d).)

19       Sec. 8282.160. PROVISION OF WATER AND SEWER SERVICES BY  
20 CITY. (a) Notwithstanding Section 8282.157(a), to the extent that  
21 the city considers practical, the city may provide water supply and  
22 sewer services to residential retail customers in the district and  
23 may provide water supply and wastewater treatment services to the  
24 district, under a mutually agreeable contract or otherwise.

25       (b) The district is responsible for an off-site extension  
26 that is required to provide water supply and sewer service. (Acts  
27 69th Leg., R.S., Ch. 935, Sec. 23(b).)

1           Sec. 8282.161. REGULATORY AUTHORITY. (a) With respect to  
2 district property, the district has the regulatory and police power  
3 provided by Chapters 49 and 54, Water Code, except as limited by  
4 this section.

5           (b) Except with respect to any rules relating to the  
6 operation, use, or occupancy of the lakes, reservoirs, levees,  
7 channels, drains, dams, and contiguous or adjacent facilities  
8 constructed or to be constructed and owned or controlled by the  
9 district, the board may not adopt a rule that includes a penal  
10 provision to be enforced by a district peace officer unless the city  
11 has approved the adoption of the rule. The proposed rule must be  
12 presented to the city for the city's review and approval at least 30  
13 days before the rule's effective date.

14           (c) The district may not adopt a penal rule that conflicts  
15 or is inconsistent with any ordinance of general applicability in  
16 the city.

17           (d) The district may not adopt or enforce a rule relating to  
18 the city's streets or roads. (Acts 69th Leg., R.S., Ch. 935, Secs.  
19 26(a), (b), (c), (d); New.)

20           Sec. 8282.162. POLICE PROTECTION. Except for providing for  
21 the security of lakes, reservoirs, levees, channels, drains, dams,  
22 and contiguous and adjacent facilities, excluding parks and streets  
23 owned or controlled by the district, the district may not provide  
24 peace officers or have responsibility for police protection in the  
25 city's corporate limits. That function is a responsibility of the  
26 city. (Acts 69th Leg., R.S., Ch. 935, Sec. 26(e).)

27           Sec. 8282.163. DISTRICT ELECTIONS. (a) The board shall

1 order each election the district is required to hold.

2 (b) Notice of a district election must be published once a  
3 week for two consecutive weeks in a newspaper with general  
4 circulation in the city, with the first publication occurring at  
5 least 14 days before the date of the election.

6 (c) A district election held for any purpose may be held  
7 separately or at the same time as an election for another purpose  
8 including a director or maintenance tax election that may be held on  
9 the same day as a bond election or another election. An election  
10 held at the same time as an election for another purpose may be  
11 called by the board in a single election order, and the results may  
12 be canvassed in a single order. (Acts 69th Leg., R.S., Ch. 935,  
13 Secs. 16(a), (c), (d).)

14 Sec. 8282.164. APPLICABILITY OF CITY ORDINANCES, CODES,  
15 RESOLUTIONS, AND RULES. Except as expressly provided, this chapter  
16 does not exempt the district from the terms of any applicable  
17 ordinances, codes, resolutions, or rules of the city. (Acts 69th  
18 Leg., R.S., Ch. 935, Sec. 27 (part).)

19 [Sections 8282.165-8282.200 reserved for expansion]

20 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

21 Sec. 8282.201. GENERAL FINANCIAL POWERS. The board may:

- 22 (1) spend and borrow money;
- 23 (2) issue bond anticipation notes and tax anticipation  
24 notes;
- 25 (3) impose maintenance taxes; and
- 26 (4) carry out all acts and exercise all powers  
27 provided by Subchapter E, Chapter 49, Water Code. (Acts 69th Leg.,

1 R.S., Ch. 935, Sec. 18.)

2           Sec. 8282.202. TAX METHOD. (a) The district shall use the  
3 ad valorem plan of taxation.

4           (b) Subchapter G, Chapter 54, Water Code, applies to all  
5 matters relating to the imposition of district taxes. (Acts 69th  
6 Leg., R.S., Ch. 935, Sec. 21.)

7           Sec. 8282.203. TAX COLLECTOR. (a) The board shall appoint  
8 a person as tax collector for the district and may appoint deputies  
9 considered necessary.

10           (b) Each person appointed under this section shall qualify  
11 by executing a bond in the amount of \$10,000 payable to the  
12 district, approved by the board, and conditioned on the faithful  
13 performance of the person's duties.

14           (c) The board shall set the compensation for the tax  
15 collector and any deputy tax collector. (Acts 69th Leg., R.S., Ch.  
16 935, Sec. 14.)

17           Sec. 8282.204. USE OF MAINTENANCE TAX. (a) The board may  
18 use and pledge the proceeds received from all or any designated  
19 portion of the district's maintenance taxes for any lawful purpose,  
20 other than the payment of the principal of or interest on bonds.  
21 Bonds must be paid from taxes imposed separately to the extent that  
22 those bonds are required to be paid from taxes.

23           (b) The district may not use maintenance taxes for the  
24 purpose of maintaining, repairing, operating, or improving any of  
25 the works, facilities, and improvements described by Section  
26 8282.153 until the district has complied with Sections 8282.252(a)  
27 and (b). (Acts 69th Leg., R.S., Ch. 935, Sec. 20.)

1           Sec. 8282.205. DEPOSIT AND SECURITY OF DISTRICT MONEY. (a)  
2 The district's treasurer shall have district money deposited and  
3 invested in the district's depository bank or other banks or  
4 savings associations selected by the district's authorized  
5 investment officers.

6           (b) To the extent that deposited or invested money is not  
7 insured by the Federal Deposit Insurance Corporation, the money  
8 must be secured in the manner provided by law for the security of  
9 county funds. (Acts 69th Leg., R.S., Ch. 935, Secs. 15(a), (b).)

10          Sec. 8282.206. INVESTMENT OF DISTRICT MONEY. At the  
11 direction of the board or any other authorized district  
12 representative or investment officer, district money may be  
13 invested in direct or indirect obligations of the United States,  
14 the state, or any political subdivision of the state, or may be  
15 placed in certificates of deposit of state or national banks or  
16 savings and loan associations in this state, if that money is  
17 secured in the manner provided for the security of county funds.  
18 (Acts 69th Leg., R.S., Ch. 935, Sec. 15(c).)

19                   [Sections 8282.207-8282.250 reserved for expansion]

20   SUBCHAPTER F. BONDS

21          Sec. 8282.251. AUTHORITY TO ISSUE BONDS. The board may  
22 issue bonds as provided by general law, including Sections  
23 54.501-54.515 and 54.518-54.521, Water Code. (Acts 69th Leg.,  
24 R.S., Ch. 935, Sec. 19(a).)

25          Sec. 8282.252. AUTHORITY TO ISSUE BONDS FOR ROADS AND  
26 TURNPIKES. (a) The district may not issue bonds for a purpose  
27 described by Section 8282.153 unless the bonds are approved by a

1 vote of a two-thirds majority of the voters voting in the district  
2 or the territory to be affected by the bonds.

3 (b) Bonds, notes, or other district obligations issued or  
4 incurred for a purpose described by Section 8282.153 may not exceed  
5 one-fourth of the assessed valuation of the real property of the  
6 district or the territory to be affected by the bonds.

7 (c) Sections 49.181, 49.182, and 54.5161, Water Code, do not  
8 apply to bonds issued by the district as provided by this section.  
9 (Acts 69th Leg., R.S., Ch. 935, Secs. 19(b), (c) (part).)

10 Sec. 8282.253. AUTHORITY TO ISSUE BONDS FOR IMPROVEMENT  
11 PROJECTS OR SERVICES. (a) To pay all or part of the costs of an  
12 improvement project or service under Section 8282.154, the board  
13 may issue bonds in one or more series payable from and secured by ad  
14 valorem taxes, assessments, impact fees, revenues, grants, gifts,  
15 contracts, or leases or any combination of those sources of money.

16 (b) Bonds issued under this section may be liens on all or  
17 part of the revenue derived from improvements authorized under  
18 Section 8282.154, including installment payments of special  
19 assessments or from any other source pledged to their payment.

20 (c) Sections 375.202-375.206, Local Government Code, apply  
21 to bonds issued under this section. (Acts 69th Leg., R.S., Ch. 935,  
22 Secs. 19(d), (e).)

23 Sec. 8282.254. OBLIGATIONS. (a) In this section,  
24 "obligation" means a bond, note, lease-purchase agreement, or  
25 installment sale obligation of the district.

26 (b) The principal amount of the district's obligations that  
27 are payable from assessments imposed by the district may be in an

1 amount that does not exceed the aggregate appraised value of the  
2 property in the district, as established by an independent  
3 appraisal by a member of the Appraisal Institute.

4 (c) The appraised value of the property in the district  
5 established for ad valorem tax purposes does not limit the  
6 principal amount of the obligations that may be issued by the  
7 district under Subsection (b).

8 (d) The city is not required to pay the principal of and  
9 interest on an obligation issued by the district. (Acts 69th Leg.,  
10 R.S., Ch. 935, Sec. 19A.)

11 CHAPTER 8283. GREATER TEXOMA UTILITY AUTHORITY

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 8283.001. DEFINITIONS

14 Sec. 8283.002. NATURE OF AUTHORITY

15 Sec. 8283.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

16 [Sections 8283.004-8283.050 reserved for expansion]

17 SUBCHAPTER B. AUTHORITY TERRITORY; ANNEXATION

18 Sec. 8283.051. AUTHORITY TERRITORY

19 Sec. 8283.052. ANNEXATION

20 [Sections 8283.053-8283.100 reserved for expansion]

21 SUBCHAPTER C. BOARD OF DIRECTORS

22 Sec. 8283.101. COMPOSITION OF BOARD; TERMS

23 Sec. 8283.102. APPOINTMENT OF DIRECTORS BY HOME-RULE

24 MUNICIPALITIES

25 Sec. 8283.103. APPOINTMENT OF DIRECTORS BY

26 MUNICIPALITIES OTHER THAN HOME-RULE

27 MUNICIPALITIES

1 Sec. 8283.104. QUALIFICATIONS FOR OFFICE

2 Sec. 8283.105. BOARD VACANCY

3 Sec. 8283.106. REMOVAL FROM OFFICE

4 Sec. 8283.107. VOTING REQUIREMENT

5 [Sections 8283.108-8283.150 reserved for expansion]

6 SUBCHAPTER D. POWERS AND DUTIES

7 Sec. 8283.151. MUNICIPAL UTILITY DISTRICT POWERS

8 Sec. 8283.152. ACQUISITION AND USE OF PROPERTY

9 Sec. 8283.153. WATER RIGHTS

10 Sec. 8283.154. EMINENT DOMAIN

11 Sec. 8283.155. GENERAL CONTRACT POWERS

12 Sec. 8283.156. WATER, SEWER, SOLID WASTE, OR DRAINAGE

13 CONTRACTS; ELECTION NOT REQUIRED

14 Sec. 8283.157. TREATMENT OF PAYMENTS UNDER CERTAIN

15 MUNICIPAL CORPORATION CONTRACTS

16 Sec. 8283.158. STANDARD SPECIFICATIONS FOR FACILITIES

17 IN GRAYSON COUNTY

18 Sec. 8283.159. TAX PROHIBITION

19 [Sections 8283.160-8283.200 reserved for expansion]

20 SUBCHAPTER E. BONDS

21 Sec. 8283.201. REVENUE BONDS

22 Sec. 8283.202. BONDS FOR CERTAIN FACILITIES

23 CHAPTER 8283. GREATER TEXOMA UTILITY AUTHORITY

24 SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8283.001. DEFINITIONS. In this chapter:

26 (1) "Board" means the board of directors of the

27 authority.



1 (2) "Director" means a member of the board.

2 (3) "Authority" means the Greater Texoma Utility  
3 Authority. (Acts 66th Leg., R.S., Ch. 97, Sec. 1 (part); New.)

4 Sec. 8283.002. NATURE OF AUTHORITY. (a) The authority is a  
5 conservation and reclamation district created under Section 59,  
6 Article XVI, Texas Constitution.

7 (b) The authority is a political subdivision of this state.  
8 (Acts 66th Leg., R.S., Ch. 97, Sec. 1 (part).)

9 Sec. 8283.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
10 The authority is created to serve a public use and benefit.

11 (b) All land and other property included in the boundaries  
12 of the authority will benefit from the works and projects  
13 accomplished by the authority under the powers conferred by Section  
14 59, Article XVI, Texas Constitution.

15 (c) The creation of the authority is essential to accomplish  
16 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
17 66th Leg., R.S., Ch. 97, Secs. 1 (part), 2(f).)

18 [Sections 8283.004-8283.050 reserved for expansion]

19 SUBCHAPTER B. AUTHORITY TERRITORY; ANNEXATION

20 Sec. 8283.051. AUTHORITY TERRITORY. The authority is  
21 composed of the territory that was included in the corporate  
22 boundaries of the cities of Denison and Sherman on May 2, 1979, as  
23 that territory may have been modified under:

24 (1) Section 2 or 4, Chapter 97, Acts of the 66th  
25 Legislature, Regular Session, 1979;

26 (2) Subchapter H, Chapter 54, Water Code;

27 (3) Subchapter J, Chapter 49, Water Code; or

1           (4) other law. (Acts 66th Leg., R.S., Ch. 97, Sec.  
2 2(a); New.)

3           Sec. 8283.052. ANNEXATION. (a) The authority may annex  
4 territory only as specified by this section.

5           (b) A municipality, by resolution or ordinance adopted by  
6 its governing body, may request that the territory then included in  
7 its corporate limits be annexed to the authority. On receipt of the  
8 request, the board shall proceed in the manner provided by  
9 Subsections (d) and (e).

10          (c) Territory that is annexed to a municipality after May 2,  
11 1979, or after annexation of the municipality to the authority may  
12 be annexed to the authority if the board determines the annexation  
13 should be considered and proceeds in the manner provided by  
14 Subsections (d) and (e).

15          (d) Under the circumstances described by this section, the  
16 board shall call and hold a public hearing to determine if the  
17 territory should be annexed. Notice of the hearing must be  
18 published at least:

19           (1) once in a newspaper of general circulation in the  
20 area of the authority and the territory proposed to be annexed; and

21           (2) 10 days before the date set for the hearing.

22          (e) If at the conclusion of the hearing the board finds that  
23 the annexation would be in the best interest of the territory to be  
24 annexed, the area in the authority, and the inhabitants of both, it  
25 shall enter an order to that effect. The order finally annexes the  
26 territory to the authority.

27          (f) An action to review the annexation of territory to the

1 authority may be brought in a district court in the county where the  
2 principal office of the authority is located. An annexation may be  
3 set aside for fraud or abuse of discretion. (Acts 66th Leg., R.S.,  
4 Ch. 97, Secs. 2(b), (c), (d), (e).)

5 [Sections 8283.053-8283.100 reserved for expansion]

6 SUBCHAPTER C. BOARD OF DIRECTORS

7 Sec. 8283.101. COMPOSITION OF BOARD; TERMS. (a) The board  
8 consists of at least six and not more than nine directors appointed  
9 as follows:

10 (1) three directors appointed by the governing body of  
11 the City of Denison;

12 (2) three directors appointed by the governing body of  
13 the City of Sherman; and

14 (3) any directors appointed under Sections 8283.102  
15 and 8283.103.

16 (b) Except for a director appointed under Section 8283.103,  
17 a director serves a two-year term that begins January 1 following  
18 the director's appointment.

19 (c) A director's term may not be shortened because of the  
20 annexation of a municipality under Section 8283.102 or 8283.103.

21 (d) The City of Denison or the City of Sherman by ordinance  
22 may provide for staggered terms for directors it appoints, but the  
23 term of an incumbent may not be shortened or be longer than two  
24 years. (Acts 66th Leg., R.S., Ch. 97, Secs. 6(a) (part), (d), (f)  
25 (part).)

26 Sec. 8283.102. APPOINTMENT OF DIRECTORS BY HOME-RULE  
27 MUNICIPALITIES. (a) If a home-rule municipality is annexed, the

1 governing body of the municipality shall appoint a director whose  
2 term begins January 1 following the annexation.

3 (b) If more than two home-rule municipalities are annexed,  
4 those municipalities are collectively entitled to appoint two  
5 directors and shall designate their directors by any method agreed  
6 to by those municipalities. (Acts 66th Leg., R.S., Ch. 97, Sec.  
7 6(b).)

8 Sec. 8283.103. APPOINTMENT OF DIRECTORS BY MUNICIPALITIES  
9 OTHER THAN HOME-RULE MUNICIPALITIES. Municipalities, other than  
10 home-rule municipalities, are collectively entitled to appoint one  
11 director and shall designate their director by any method agreed to  
12 by those municipalities. (Acts 66th Leg., R.S., Ch. 97, Sec. 6(c).)

13 Sec. 8283.104. QUALIFICATIONS FOR OFFICE. (a) Each  
14 director must be a qualified voter of the municipality that  
15 appoints the director.

16 (b) An officer, employee, or member of the governing body of  
17 a municipal corporation may not be a director. (Acts 66th Leg.,  
18 R.S., Ch. 97, Secs. 6(f) (part), (h).)

19 Sec. 8283.105. BOARD VACANCY. A vacancy in the office of  
20 director shall be filled for the unexpired term, if applicable, by  
21 the governing body of the municipality that appointed the previous  
22 director. (Acts 66th Leg., R.S., Ch. 97, Sec. 6(f) (part).)

23 Sec. 8283.106. REMOVAL FROM OFFICE. (a) Under procedures  
24 adopted by board rule, the board may remove a director from office  
25 only for malfeasance in office.

26 (b) The procedures must be designed to guarantee due process  
27 to the director. (Acts 66th Leg., R.S., Ch. 97, Sec. 6(i).)

1           Sec. 8283.107. VOTING REQUIREMENT. A majority vote of the  
2 board is required to adopt any measure. (Acts 66th Leg., R.S., Ch.  
3 97, Sec. 6(g).)

4           [Sections 8283.108-8283.150 reserved for expansion]

5                           SUBCHAPTER D. POWERS AND DUTIES

6           Sec. 8283.151. MUNICIPAL UTILITY DISTRICT POWERS. Except  
7 as otherwise provided by this chapter, the authority has the  
8 rights, powers, privileges, and functions conferred and imposed by  
9 the general law applicable to a municipal utility district created  
10 under Section 59, Article XVI, Texas Constitution, including those  
11 conferred by Chapters 30, 49, and 54, Water Code. (Acts 66th Leg.,  
12 R.S., Ch. 97, Sec. 3(a) (part); New.)

13          Sec. 8283.152. ACQUISITION AND USE OF PROPERTY. The  
14 authority may operate, control, purchase, construct, lease, or  
15 acquire, inside or outside the boundaries of the authority,  
16 property, works, facilities, or improvements, whether previously  
17 existing or to be made, constructed, or acquired, that the board  
18 finds necessary to carry out the powers granted by this chapter or  
19 general law. (Acts 66th Leg., R.S., Ch. 97, Sec. 3(b) (part).)

20          Sec. 8283.153. WATER RIGHTS. The authority may acquire,  
21 develop, and use rights to groundwater or surface water. (Acts 66th  
22 Leg., R.S., Ch. 97, Sec. 3(b) (part).)

23          Sec. 8283.154. EMINENT DOMAIN. To carry out an authority  
24 power or purpose, the authority, in the manner provided by Chapter  
25 49, Water Code, may exercise the power of eminent domain to acquire  
26 land, an easement, or other property inside or outside the  
27 authority's boundaries. (Acts 66th Leg., R.S., Ch. 97, Sec. 3(b)

1 (part).)

2           Sec. 8283.155. GENERAL CONTRACT POWERS. (a) The authority  
3 may enter into a contract with a person, including a political  
4 subdivision, on terms the board considers desirable, fair, and  
5 advantageous for:

6                   (1) the purchase or sale of raw or treated water;

7                   (2) the purchase, lease, use, management, control, or  
8 operation of water treatment or distribution facilities or sewer  
9 collection and treatment facilities, all or part of the facilities  
10 or systems owned by the other political subdivision, in accordance  
11 with terms mutually agreed on by the governing bodies of the  
12 contracting parties; or

13                   (3) planning, making preliminary surveys,  
14 investigations, or feasibility reports, engineering, or reports of  
15 any kind.

16           (b) A contract for the acquisition of an existing water or  
17 sewer facility may be made on terms approved by the contracting  
18 parties. (Acts 66th Leg., R.S., Ch. 97, Sec. 3(b) (part).)

19           Sec. 8283.156. WATER, SEWER, SOLID WASTE, OR DRAINAGE  
20 CONTRACTS; ELECTION NOT REQUIRED. The authority and a municipal  
21 corporation or other political subdivision may enter into a water,  
22 sewer, solid waste, or drainage contract or any combination of  
23 those contracts without the necessity of an election by any  
24 contracting party to approve the contract. (Acts 66th Leg., R.S.,  
25 Ch. 97, Sec. 3(c).)

26           Sec. 8283.157. TREATMENT OF PAYMENTS UNDER CERTAIN  
27 MUNICIPAL CORPORATION CONTRACTS. A payment by a municipal

1 corporation for the purchase of water or the treatment and disposal  
2 of sewage is a maintenance and operating expense of the utility  
3 system or combined systems of the municipal corporation unless the  
4 contract:

5 (1) provides for the municipal corporation to acquire  
6 an ownership interest in the facilities; or

7 (2) makes other provisions. (Acts 66th Leg., R.S., Ch.  
8 97, Sec. 3(d).)

9 Sec. 8283.158. STANDARD SPECIFICATIONS FOR FACILITIES IN  
10 GRAYSON COUNTY. (a) In this section, "commission" means the Texas  
11 Commission on Environmental Quality or its successor.

12 (b) Subject to Subsection (f), for area in Grayson County,  
13 the authority by order may adopt standard specifications for  
14 facilities designed or constructed to:

15 (1) store, treat, or transport water for domestic,  
16 municipal, or industrial purposes to ensure that the facilities are  
17 adequate in design to serve the needs of the area's inhabitants;

18 (2) collect, treat, and dispose of sewage; or

19 (3) dispose of solid waste.

20 (c) Before the specifications become final, the board must  
21 hold a public hearing. The board must give notice of the hearing to  
22 the commission and must publish in a newspaper of general  
23 circulation in the area notice of the hearing one time at least 10  
24 days before the date of the hearing so that any interested party may  
25 present evidence for or against a proposed specification.

26 (d) An appeal of an order adopting standard specifications  
27 may be made to a district court of Grayson County. The substantial

1 evidence rule applies to the appeal.

2 (e) The authority is entitled to seek an injunction against:

3 (1) the construction of a facility, including an  
4 extension to an existing facility, if the construction does not  
5 meet the authority's standard specifications; or

6 (2) the operation of a facility if construction has  
7 begun and the facility does not meet those specifications.

8 (f) A standard specification adopted under this section  
9 does not apply to an area that, on the date the order is adopted, is  
10 located inside the corporate boundaries or the extraterritorial  
11 jurisdiction of a municipality unless approved by the governing  
12 body of the municipality.

13 (g) The authority shall file the standard specifications  
14 with the commission. (Acts 66th Leg., R.S., Ch. 97, Sec. 3(b)  
15 (part); New.)

16 Sec. 8283.159. TAX PROHIBITION. The authority may not  
17 impose a tax. (Acts 66th Leg., R.S., Ch. 97, Sec. 3(e).)

18 [Sections 8283.160-8283.200 reserved for expansion]

19 SUBCHAPTER E. BONDS

20 Sec. 8283.201. REVENUE BONDS. The authority may issue  
21 revenue bonds to carry out any of its powers, functions, or  
22 obligations. (Acts 66th Leg., R.S., Ch. 97, Sec. 5 (part).)

23 Sec. 8283.202. BONDS FOR CERTAIN FACILITIES. If the  
24 authority operates a facility under contract with a municipal  
25 corporation, it may, if the contract permits the issuance, issue  
26 bonds to improve or extend the facility. (Acts 66th Leg., R.S., Ch.  
27 97, Sec. 5 (part).)



- 1                   CHAPTER 8284. GREENWOOD UTILITY DISTRICT
- 2                   SUBCHAPTER A. GENERAL PROVISIONS
- 3   Sec. 8284.001.  DEFINITIONS
- 4   Sec. 8284.002.  NATURE OF DISTRICT
- 5   Sec. 8284.003.  FINDINGS OF BENEFIT AND PUBLIC PURPOSE
- 6   Sec. 8284.004.  DISTRICT TERRITORY
- 7   Sec. 8284.005.  EXPANSION OF DISTRICT
- 8   Sec. 8284.006.  STATE POLICY REGARDING WASTE DISPOSAL
- 9                   [Sections 8284.007-8284.050 reserved for expansion]
- 10                  SUBCHAPTER B. DISTRICT ADMINISTRATION
- 11   Sec. 8284.051.  COMPOSITION OF BOARD
- 12   Sec. 8284.052.  APPOINTMENT OF TREASURER
- 13   Sec. 8284.053.  DIRECTOR'S AND TREASURER'S BONDS
- 14   Sec. 8284.054.  ABSENCE OR INACTION OF BOARD PRESIDENT
- 15   Sec. 8284.055.  DISTRICT OFFICE
- 16                  [Sections 8284.056-8284.100 reserved for expansion]
- 17                  SUBCHAPTER C. POWERS AND DUTIES
- 18   Sec. 8284.101.  MUNICIPAL UTILITY DISTRICT POWERS
- 19   Sec. 8284.102.  ADDITIONAL POWERS
- 20   Sec. 8284.103.  EMINENT DOMAIN
- 21   Sec. 8284.104.  COST OF RELOCATING OR ALTERING PROPERTY
- 22   Sec. 8284.105.  NOTICE OF ELECTION
- 23                  [Sections 8284.106-8284.150 reserved for expansion]
- 24                  SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 25   Sec. 8284.151.  TAX METHOD
- 26   Sec. 8284.152.  DISTRICT ACCOUNTS
- 27   Sec. 8284.153.  FISCAL YEAR

1 Sec. 8284.154. COPY OF AUDIT REPORT

2 Sec. 8284.155. PAYMENT OF TAX OR ASSESSMENT NOT

3 REQUIRED

4 Sec. 8284.156. DEPOSITORY

5 [Sections 8284.157-8284.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 8284.201. LOST OR MUTILATED BONDS

8 Sec. 8284.202. USE OF BOND PROCEEDS DURING

9 CONSTRUCTION

10 Sec. 8284.203. REFUNDING BONDS

11 CHAPTER 8284. GREENWOOD UTILITY DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 8284.001. DEFINITIONS. In this chapter:

14 (1) "Board" means the board of directors of the  
15 district.

16 (2) "Director" means a member of the board.

17 (3) "District" means the Greenwood Utility District.

18 (Acts 61st Leg., R.S., Ch. 616, Sec. 1 (part); New.)

19 Sec. 8284.002. NATURE OF DISTRICT. The district is a  
20 municipal utility district and a conservation and reclamation  
21 district in Harris County created under Section 59, Article XVI,  
22 Texas Constitution. (Acts 61st Leg., R.S., Ch. 616, Sec. 1 (part);  
23 New.)

24 Sec. 8284.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
25 The district is created to serve a public use and benefit.

26 (b) All land and other property included in the boundaries  
27 of the district will benefit from the works and projects

1 accomplished by the district under the powers conferred by Section  
2 59, Article XVI, Texas Constitution.

3 (c) The creation of the district is essential to accomplish  
4 the purposes of Section 59, Article XVI, Texas Constitution.

5 (d) The accomplishment of the purposes stated in this  
6 chapter is for the benefit of the people of this state and for the  
7 improvement of their property and industries. The district in  
8 carrying out the purposes of this chapter will be performing an  
9 essential public function under the Texas Constitution. (Acts 61st  
10 Leg., R.S., Ch. 616, Secs. 1 (part), 4, 21 (part).)

11 Sec. 8284.004. DISTRICT TERRITORY. (a) The district is  
12 composed of the territory described by Section 2, Chapter 616, Acts  
13 of the 61st Legislature, Regular Session, 1969, as that territory  
14 may have been modified under:

15 (1) Subchapter H, Chapter 54, Water Code;

16 (2) Subchapter J, Chapter 49, Water Code;

17 (3) Section 9, Chapter 616, Acts of the 61st  
18 Legislature, Regular Session, 1969; or

19 (4) other law.

20 (b) The boundaries and field notes of the district form a  
21 closure. A mistake in copying the field notes in the legislative  
22 process or another mistake in the field notes does not affect:

23 (1) the district's organization, existence, or  
24 validity;

25 (2) the district's right to issue any type of bond for  
26 a purpose for which the district is created or to pay the principal  
27 of and interest on the bond;

1           (3) the district's right to impose a tax; or

2           (4) the legality or operation of the district or the  
3 board. (Acts 61st Leg., R.S., Ch. 616, Sec. 3; New.)

4           Sec. 8284.005. EXPANSION OF DISTRICT. (a) If land is  
5 annexed to the district under Section 49.301, Water Code, the board  
6 may require the petitioners to:

7           (1) assume the petitioners' pro rata share of the voted  
8 but unissued bonds of the district; and

9           (2) authorize the board to impose a tax on the  
10 petitioners' property to pay for the bonds after the bonds have been  
11 issued.

12           (b) If land is annexed to the district under Section 49.302,  
13 Water Code, the board may submit to the voters of the area to be  
14 annexed a proposition on the question of the assumption by the area  
15 to be annexed of its part of the voted but not yet issued or sold tax  
16 or tax-revenue bonds of the district and the imposition of an ad  
17 valorem tax on taxable property in the area to be annexed along with  
18 a tax in the rest of the district for the payment of the bonds.

19           (c) If the petitioners consent or if the election results  
20 favorably, the district may issue its voted but unissued tax or  
21 tax-revenue bonds regardless of changes to district boundaries  
22 since the original voting or authorization of the bonds. (Acts 61st  
23 Leg., R.S., Ch. 616, Sec. 9.)

24           Sec. 8284.006. STATE POLICY REGARDING WASTE DISPOSAL. The  
25 district's powers and duties are subject to the state policy of  
26 encouraging the development and use of integrated area-wide waste  
27 collection, treatment, and disposal systems to serve the waste

1 disposal needs of this state's residents, if integrated systems can  
2 reasonably be provided for an area, so as to avoid the economic  
3 burden on residents and the effect on state water quality caused by  
4 the construction and operation of numerous small waste collection,  
5 treatment, and disposal facilities. (Acts 61st Leg., R.S., Ch.  
6 616, Sec. 5 (part).)

7 [Sections 8284.007-8284.050 reserved for expansion]

8 SUBCHAPTER B. DISTRICT ADMINISTRATION

9 Sec. 8284.051. COMPOSITION OF BOARD. The board consists of  
10 five elected directors. (Acts 61st Leg., R.S., Ch. 616, Sec. 10  
11 (part).)

12 Sec. 8284.052. APPOINTMENT OF TREASURER. The board may  
13 appoint the treasurer. (Acts 61st Leg., R.S., Ch. 616, Sec. 10  
14 (part).)

15 Sec. 8284.053. DIRECTOR'S AND TREASURER'S BONDS. (a) Each  
16 director shall qualify by giving bond in the amount of \$5,000 for  
17 the faithful performance of the director's duties.

18 (b) The treasurer shall give bond in the amount required by  
19 the board. The treasurer's bond shall be conditioned on the  
20 treasurer's faithful accounting for all money that comes into the  
21 treasurer's custody as treasurer of the district. (Acts 61st Leg.,  
22 R.S., Ch. 616, Sec. 10 (part).)

23 Sec. 8284.054. ABSENCE OR INACTION OF BOARD PRESIDENT. (a)  
24 When the board president is absent or fails or declines to act, the  
25 board vice president shall perform all duties and exercise all  
26 power this chapter or general law gives the president.

27 (b) If the board president is absent from a board meeting:

1           (1) the board vice president may sign an order or other  
2 action adopted at the meeting; or

3           (2) the board may authorize the president to sign the  
4 order or other action. (Acts 61st Leg., R.S., Ch. 616, Sec. 10  
5 (part).)

6           Sec. 8284.055. DISTRICT OFFICE. (a) Except as provided by  
7 this section, the board shall designate, establish, and maintain a  
8 district office as provided by Section 49.062, Water Code.

9           (b) The board may establish a second district office outside  
10 the district. If the board establishes a second district office,  
11 the board shall give notice of the location of that office by:

12           (1) filing a copy of the board resolution that  
13 establishes the location of the office:

14           (A) with the Texas Commission on Environmental  
15 Quality; and

16           (B) in the municipal utility district records of  
17 the county in which the district is located; and

18           (2) publishing notice of the location of the office in  
19 a newspaper of general circulation in the county in which the  
20 district is located.

21           (c) A district office that is a private residence, office,  
22 or dwelling is a public place for matters relating to the district's  
23 business.

24           (d) The board shall provide notice of any change in the  
25 location of the district office outside the district in the manner  
26 required by Subsection (b). (Acts 61st Leg., R.S., Ch. 616, Sec.  
27 15.)

1 [Sections 8284.056-8284.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8284.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
4 district has all of the rights, powers, privileges, and functions  
5 conferred and imposed by the general law of this state relating to  
6 municipal utility districts created under Section 59, Article XVI,  
7 Texas Constitution, including those conferred by Chapters 49 and  
8 54, Water Code. (Acts 61st Leg., R.S., Ch. 616, Sec. 5 (part).)

9 Sec. 8284.102. ADDITIONAL POWERS. (a) The district may:

10 (1) make, purchase, construct, lease, or otherwise  
11 acquire property, works, facilities, existing improvements, or  
12 improvements to be made, constructed, or acquired that are:

13 (A) inside or outside the district's boundaries;

14 and

15 (B) necessary to carry out the powers granted by  
16 this chapter or general law; or

17 (2) enter into a contract with a person on terms the  
18 board considers desirable, fair, and advantageous for:

19 (A) the purchase or sale of water;

20 (B) the transportation, treatment, and disposal  
21 of the domestic, industrial, or communal wastes of the district or  
22 others;

23 (C) the continuing and orderly development of  
24 land and property in the district through the purchase,  
25 construction, or installation of facilities, works, or  
26 improvements that the district is otherwise authorized to do or  
27 perform so that, to the greatest extent reasonably possible,

1 considering sound engineering and economic practices, all of the  
2 land and property may ultimately receive the services of the  
3 facilities, works, or improvements; and

4 (D) the performance of any of the powers granted  
5 by this chapter or the general law relating to municipal utility  
6 districts.

7 (b) A contract under Subsection (a)(2) may not have a  
8 duration of more than 40 years. (Acts 61st Leg., R.S., Ch. 616,  
9 Sec. 5 (part).)

10 Sec. 8284.103. EMINENT DOMAIN. The district may exercise  
11 the power of eminent domain only:

12 (1) in the county in which the district is located; and

13 (2) when necessary to carry out the purposes for which  
14 the district was created. (Acts 61st Leg., R.S., Ch. 616, Sec. 13  
15 (part).)

16 Sec. 8284.104. COST OF RELOCATING OR ALTERING PROPERTY.

17 (a) In this section, "sole expense" means the actual cost of  
18 relocating, raising, lowering, rerouting, changing the grade of, or  
19 altering the construction of a facility described by Subsection (b)  
20 in providing comparable replacement without enhancement of the  
21 facility, after deducting from that cost the net salvage value of  
22 the old facility.

23 (b) If the district's exercise of the power of eminent  
24 domain makes necessary the relocation, raising, lowering,  
25 rerouting, changing the grade, or alteration of the construction of  
26 a highway, a railroad, an electric transmission line, a telegraph  
27 or telephone property or facility, or a pipeline, the necessary



1 action shall be accomplished at the sole expense of the district.  
2 (Acts 61st Leg., R.S., Ch. 616, Sec. 13 (part).)

3 Sec. 8284.105. NOTICE OF ELECTION. The board president or  
4 secretary may give notice of an election. (Acts 61st Leg., R.S.,  
5 Ch. 616, Sec. 18 (part).)

6 [Sections 8284.106-8284.150 reserved for expansion]

7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

8 Sec. 8284.151. TAX METHOD. (a) The district shall use the  
9 ad valorem plan of taxation.

10 (b) The board is not required to call or hold a hearing on  
11 the adoption of a plan of taxation. (Acts 61st Leg., R.S., Ch. 616,  
12 Sec. 8.)

13 Sec. 8284.152. DISTRICT ACCOUNTS. The district shall keep  
14 a complete system of the district's accounts. (Acts 61st Leg.,  
15 R.S., Ch. 616, Sec. 14 (part).)

16 Sec. 8284.153. FISCAL YEAR. The fiscal year of the district  
17 is from January 1 to December 31 of the same year. (Acts 61st Leg.,  
18 R.S., Ch. 616, Sec. 14 (part).)

19 Sec. 8284.154. COPY OF AUDIT REPORT. A copy of the audit  
20 report prepared under Subchapter G, Chapter 49, Water Code, shall  
21 be delivered:

22 (1) to each director; and

23 (2) to a holder of at least 25 percent of the  
24 outstanding bonds of the district, on request. (Acts 61st Leg.,  
25 R.S., Ch. 616, Sec. 14 (part); New.)

26 Sec. 8284.155. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

27 The district is not required to pay a tax or assessment on:

1 (1) district property; or

2 (2) a purchase made by the district. (Acts 61st Leg.,  
3 R.S., Ch. 616, Sec. 21 (part).)

4 Sec. 8284.156. DEPOSITORY. (a) The board shall select one  
5 or more banks in this state to act as depository for the district's  
6 money.

7 (b) To the extent that money in the depository bank is not  
8 insured by the Federal Deposit Insurance Corporation, the money  
9 must be secured in the manner provided by law for the security of  
10 county funds.

11 (c) A director may be a shareholder in a bank that is a  
12 depository of district money. (Acts 61st Leg., R.S., Ch. 616, Sec.  
13 14 (part).)

14 [Sections 8284.157-8284.200 reserved for expansion]

15 SUBCHAPTER E. BONDS

16 Sec. 8284.201. LOST OR MUTILATED BONDS. A trust indenture  
17 securing bonds issued under this chapter may provide for the  
18 issuance of bonds to replace lost or mutilated bonds. (Acts 61st  
19 Leg., R.S., Ch. 616, Sec. 12 (part).)

20 Sec. 8284.202. USE OF BOND PROCEEDS DURING CONSTRUCTION.

21 (a) The district may appropriate or set aside out of the proceeds  
22 from the sale of any bonds issued under this chapter an amount for  
23 the payment of interest, administrative, and operating expenses  
24 expected to accrue during a period of construction, as may be  
25 provided in the bond orders or resolutions.

26 (b) For purposes of this section, the period of construction  
27 may not exceed three years. (Acts 61st Leg., R.S., Ch. 616, Sec. 12

1 (part).)

2           Sec. 8284.203. REFUNDING BONDS. (a) By order or resolution  
3 adopted by the board, the district may issue tax or revenue  
4 refunding bonds or tax-revenue refunding bonds to refund revenue  
5 bonds or tax-revenue bonds, whether original bonds or refunding  
6 bonds, previously issued by the district.

7           (b) The comptroller shall register the refunding bonds on  
8 the surrender and cancellation of the bonds to be refunded.

9           (c) Instead of issuing bonds to be registered on the  
10 surrender and cancellation of the bonds to be refunded, the  
11 district, in the order or resolution authorizing the issuance of  
12 the refunding bonds, may provide for the sale of the refunding bonds  
13 and the deposit of the proceeds in the place or places where the  
14 bonds to be refunded are payable. In that case, the refunding bonds  
15 may be issued if an amount sufficient to pay the principal of and  
16 interest on the bonds to be refunded to their maturity dates, or to  
17 their option dates if according to their terms the bonds have been  
18 called for payment before maturity, has been deposited in the place  
19 or places where the bonds to be refunded are payable, and the  
20 comptroller shall register the refunding bonds without the  
21 surrender and cancellation of the bonds to be refunded. (Acts 61st  
22 Leg., R.S., Ch. 616, Sec. 12 (part).)

23                   CHAPTER 8285. MALCOMSON ROAD UTILITY DISTRICT

24                           SUBCHAPTER A. GENERAL PROVISIONS

25   Sec. 8285.001. DEFINITIONS

26   Sec. 8285.002. NATURE OF DISTRICT

27   Sec. 8285.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

1 Sec. 8285.004. DISTRICT TERRITORY

2 [Sections 8285.005-8285.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 8285.051. COMPOSITION OF BOARD

5 [Sections 8285.052-8285.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 8285.101. MUNICIPAL UTILITY DISTRICT POWERS

8 CHAPTER 8285. MALCOMSON ROAD UTILITY DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8285.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the district's board of directors.

12 (2) "Director" means a member of the board.

13 (3) "District" means the Malcomson Road Utility  
14 District. (Acts 62nd Leg., R.S., Ch. 658, Sec. 1 (part); New.)

15 Sec. 8285.002. NATURE OF DISTRICT. The district is a  
16 conservation and reclamation district in Harris County created  
17 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
18 R.S., Ch. 658, Sec. 1 (part).)

19 Sec. 8285.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
20 The district is created to serve a public use and benefit.

21 (b) All land and other property included in the boundaries  
22 of the district will benefit from the works and projects  
23 accomplished by the district under the powers conferred by Section  
24 59, Article XVI, Texas Constitution.

25 (c) The creation of the district is essential to accomplish  
26 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
27 62nd Leg., R.S., Ch. 658, Secs. 1 (part), 3.)

1           Sec. 8285.004. DISTRICT TERRITORY. (a) The district is  
2 composed of the territory described by Section 4, Chapter 658, Acts  
3 of the 62nd Legislature, Regular Session, 1971, as that territory  
4 may have been modified under:

- 5                   (1) Subchapter H, Chapter 54, Water Code;  
6                   (2) Subchapter J, Chapter 49, Water Code; or  
7                   (3) other law.

8           (b) The boundaries and field notes of the district form a  
9 closure. A mistake in copying the field notes in the legislative  
10 process or another mistake in the field notes does not affect:

- 11                   (1) the district's organization, existence, or  
12 validity;  
13                   (2) the district's right to issue any type of bond for  
14 a purpose for which the district is created or to pay the principal  
15 of and interest on the bond;  
16                   (3) the district's right to impose a tax; or  
17                   (4) the legality or operation of the district or its  
18 governing body. (Acts 62nd Leg., R.S., Ch. 658, Sec. 2; New.)

19           [Sections 8285.005-8285.050 reserved for expansion]

20                                   SUBCHAPTER B. BOARD OF DIRECTORS

21           Sec. 8285.051. COMPOSITION OF BOARD. The board of  
22 directors is composed of five elected directors. (Acts 62nd Leg.,  
23 R.S., Ch. 658, Sec. 6 (part).)

24           [Sections 8285.052-8285.100 reserved for expansion]

25                                   SUBCHAPTER C. POWERS AND DUTIES

26           Sec. 8285.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
27 district has the rights, powers, privileges, and functions

1 conferred by general law applicable to a municipal utility  
2 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
3 Leg., R.S., Ch. 658, Sec. 5 (part); New.)

4 CHAPTER 8286. MASON CREEK UTILITY DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 8286.001. DEFINITIONS

7 Sec. 8286.002. NATURE OF DISTRICT

8 Sec. 8286.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

9 Sec. 8286.004. DISTRICT TERRITORY

10 [Sections 8286.005-8286.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8286.051. COMPOSITION OF BOARD

13 [Sections 8286.052-8286.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 8286.101. MUNICIPAL UTILITY DISTRICT POWERS

16 CHAPTER 8286. MASON CREEK UTILITY DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 8286.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the district's board of directors.

20 (2) "Director" means a member of the board.

21 (3) "District" means the Mason Creek Utility District.

22 (Acts 62nd Leg., R.S., Ch. 664, Sec. 1 (part); New.)

23 Sec. 8286.002. NATURE OF DISTRICT. The district is a  
24 conservation and reclamation district in Harris County created  
25 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
26 Leg., R.S., Ch. 664, Sec. 1 (part).)

27 Sec. 8286.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

1 The district is created to serve a public use and benefit.

2 (b) All land and other property included in the boundaries  
3 of the district will benefit from the works and projects  
4 accomplished by the district under the powers conferred by Section  
5 59, Article XVI, Texas Constitution.

6 (c) The creation of the district is essential to accomplish  
7 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
8 62nd Leg., R.S., Ch. 664, Secs. 1 (part), 3.)

9 Sec. 8286.004. DISTRICT TERRITORY. (a) The district is  
10 composed of the territory described by Section 4, Chapter 664, Acts  
11 of the 62nd Legislature, Regular Session, 1971, as that territory  
12 may have been modified under:

- 13 (1) Subchapter H, Chapter 54, Water Code;  
14 (2) Subchapter J, Chapter 49, Water Code; or  
15 (3) other law.

16 (b) The boundaries and field notes of the district form a  
17 closure. A mistake in copying the field notes in the legislative  
18 process or another mistake in the field notes does not affect:

- 19 (1) the district's organization, existence, or  
20 validity;  
21 (2) the district's right to issue any type of bond for  
22 the purpose for which the district is created or to pay the  
23 principal of and interest on the bond;  
24 (3) the district's right to impose a tax; or  
25 (4) the legality or operation of the district or its  
26 governing body. (Acts 62nd Leg., R.S., Ch. 664, Sec. 2; New.)

1 [Sections 8286.005-8286.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8286.051. COMPOSITION OF BOARD. The board of  
4 directors is composed of five elected directors. (Acts 62nd Leg.,  
5 R.S., Ch. 664, Sec. 6 (part).)

6 [Sections 8286.052-8286.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8286.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
9 district has the rights, powers, privileges, and functions  
10 conferred by general law applicable to a municipal utility  
11 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
12 Leg., R.S., Ch. 664, Sec. 5 (part); New.)

13 CHAPTER 8287. MONTGOMERY COUNTY UTILITY DISTRICT NO. 2

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 8287.001. DEFINITIONS

16 Sec. 8287.002. NATURE OF DISTRICT

17 Sec. 8287.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

18 Sec. 8287.004. DISTRICT TERRITORY

19 [Sections 8287.005-8287.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Sec. 8287.051. COMPOSITION OF BOARD

22 [Sections 8287.052-8287.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 8287.101. MUNICIPAL UTILITY DISTRICT POWERS

25 CHAPTER 8287. MONTGOMERY COUNTY UTILITY DISTRICT NO. 2

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8287.001. DEFINITIONS. In this chapter:



1 (1) "Board" means the district's board of directors.

2 (2) "Director" means a member of the board.

3 (3) "District" means the Montgomery County Utility  
4 District No. 2. (Acts 62nd Leg., R.S., Ch. 635, Sec. 1 (part);  
5 New.)

6 Sec. 8287.002. NATURE OF DISTRICT. The district is a  
7 conservation and reclamation district in Montgomery County created  
8 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
9 R.S., Ch. 635, Sec. 1 (part).)

10 Sec. 8287.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
11 The district is created to serve a public use and benefit.

12 (b) All land and other property included in the boundaries  
13 of the district will benefit from the works and projects  
14 accomplished by the district under the powers conferred by Section  
15 59, Article XVI, Texas Constitution.

16 (c) The creation of the district is essential to accomplish  
17 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
18 62nd Leg., R.S., Ch. 635, Secs. 1 (part), 3.)

19 Sec. 8287.004. DISTRICT TERRITORY. (a) The district is  
20 composed of the territory described by Section 4, Chapter 635, Acts  
21 of the 62nd Legislature, Regular Session, 1971, as that territory  
22 may have been modified under:

23 (1) Subchapter H, Chapter 54, Water Code;

24 (2) Subchapter J, Chapter 49, Water Code; or

25 (3) other law.

26 (b) The boundaries and field notes of the district form a  
27 closure. A mistake in copying the field notes in the legislative

1 process or another mistake in the field notes does not affect:

2 (1) the district's organization, existence, or  
3 validity;

4 (2) the district's right to issue any type of bond for  
5 a purpose for which the district is created or to pay the principal  
6 of and interest on the bond;

7 (3) the district's right to impose a tax; or

8 (4) the legality or operation of the district or its  
9 governing body. (Acts 62nd Leg., R.S., Ch. 635, Sec. 2; New.)

10 [Sections 8287.005-8287.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8287.051. COMPOSITION OF BOARD. The board of  
13 directors is composed of five elected directors. (Acts 62nd Leg.,  
14 R.S., Ch. 635, Sec. 6 (part).)

15 [Sections 8287.052-8287.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8287.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
18 district has the rights, powers, privileges, and functions  
19 conferred by general law applicable to a municipal utility  
20 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
21 Leg., R.S., Ch. 635, Sec. 5 (part); New.)

22 CHAPTER 8288. MEEKER MUNICIPAL WATER DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 8288.001. DEFINITIONS

25 Sec. 8288.002. NATURE OF DISTRICT

26 Sec. 8288.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

27 Sec. 8288.004. LIBERAL CONSTRUCTION OF CHAPTER

- 1 Sec. 8288.005. DISTRICT TERRITORY  
2 [Sections 8288.006-8288.050 reserved for expansion]  
3 SUBCHAPTER B. BOARD OF DIRECTORS  
4 Sec. 8288.051. COMPOSITION OF BOARD; TERMS  
5 Sec. 8288.052. QUALIFICATIONS FOR OFFICE  
6 Sec. 8288.053. BOARD RESOLUTIONS; VOTING REQUIREMENTS  
7 Sec. 8288.054. OFFICERS AND ASSISTANTS  
8 Sec. 8288.055. OFFICER DUTIES  
9 Sec. 8288.056. MEETINGS  
10 [Sections 8288.057-8288.100 reserved for expansion]  
11 SUBCHAPTER C. POWERS AND DUTIES  
12 Sec. 8288.101. DISTRICT POWERS  
13 Sec. 8288.102. GENERAL POWERS REGARDING WATER  
14 Sec. 8288.103. GENERAL POWERS REGARDING WASTE  
15 Sec. 8288.104. GENERAL POWERS REGARDING GARBAGE  
16 COLLECTION AND DISPOSAL  
17 Sec. 8288.105. GENERAL CONTRACT POWERS  
18 Sec. 8288.106. AUTHORITY OF PUBLIC AGENCIES AND  
19 POLITICAL SUBDIVISIONS TO CONTRACT  
20 WITH DISTRICT  
21 Sec. 8288.107. CONVEYANCE OF PROPERTY TO DISTRICT  
22 Sec. 8288.108. ACQUISITION OF EXISTING FACILITIES  
23 Sec. 8288.109. EMINENT DOMAIN  
24 Sec. 8288.110. COST OF RELOCATING OR ALTERING  
25 PROPERTY; RIGHTS-OF-WAY AND EASEMENTS  
26 [Sections 8288.111-8288.150 reserved for expansion]

1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2   Sec. 8288.151.   IMPOSITION OF MAINTENANCE TAX;  
3                                 PROHIBITION ON OTHER TAXES OR  
4                                 ASSESSMENTS

5   Sec. 8288.152.   ELECTION TO IMPOSE TAX

6   Sec. 8288.153.   DEPOSITORY

7   Sec. 8288.154.   INVESTMENT OF DISTRICT MONEY

8   Sec. 8288.155.   DISTRICT FACILITIES EXEMPT FROM  
9                                 TAXATION AND ASSESSMENT

10                 [Sections 8288.156-8288.200 reserved for expansion]

11                   SUBCHAPTER E. BONDS

12   Sec. 8288.201.   AUTHORITY TO ISSUE BONDS

13   Sec. 8288.202.   FORM OF BONDS

14   Sec. 8288.203.   MATURITY

15   Sec. 8288.204.   BONDS SECURED BY REVENUE; ADDITIONAL  
16                                 BONDS

17   Sec. 8288.205.   ADDITIONAL SECURITY

18   Sec. 8288.206.   TRUST INDENTURE

19   Sec. 8288.207.   CHARGES FOR DISTRICT SERVICES

20   Sec. 8288.208.   STATE PLEDGE REGARDING RIGHTS AND  
21                                 REMEDIES OF BONDHOLDERS

22   Sec. 8288.209.   USE OF BOND PROCEEDS

23   Sec. 8288.210.   APPOINTMENT OF RECEIVER

24   Sec. 8288.211.   REFUNDING BONDS

25   Sec. 8288.212.   OTHER REMEDIES AND COVENANTS

26   Sec. 8288.213.   LIMITATION ON RIGHTS OF BONDHOLDERS

27   Sec. 8288.214.   BONDS EXEMPT FROM TAXATION

1 CHAPTER 8288. MEEKER MUNICIPAL WATER DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8288.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the board of directors of the  
5 district.

6 (2) "Bond" means a bond or note.

7 (3) "Director" means a member of the board.

8 (4) "District" means the Meeker Municipal Water  
9 District. (Acts 65th Leg., R.S., Ch. 714, Secs. 1 (part), 4(a)  
10 (part), 15(a) (part); New.)

11 Sec. 8288.002. NATURE OF DISTRICT. The district is a  
12 conservation and reclamation district in Jefferson County created  
13 under Section 59, Article XVI, Texas Constitution. (Acts 65th  
14 Leg., R.S., Ch. 714, Sec. 1 (part).)

15 Sec. 8288.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
16 The district is created to serve a public use and benefit.

17 (b) All land and other property included in the boundaries  
18 of the district will benefit from the works and projects  
19 accomplished by the district under the powers conferred by Section  
20 59, Article XVI, Texas Constitution.

21 (c) The accomplishment of the purposes stated in this  
22 chapter is for the benefit of the people of this state and for the  
23 improvement of their property and industries. The district, in  
24 carrying out the purposes of this chapter, will be performing an  
25 essential public function under the constitution. (Acts 65th Leg.,  
26 R.S., Ch. 714, Secs. 3, 22 (part).)

27 Sec. 8288.004. LIBERAL CONSTRUCTION OF CHAPTER. This

1 chapter shall be liberally construed to effect the purposes,  
2 powers, rights, and functions stated in this chapter. (Acts 65th  
3 Leg., R.S., Ch. 714, Sec. 23 (part).)

4 Sec. 8288.005. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 1, Chapter 714, Acts  
6 of the 65th Legislature, Regular Session, 1977, as that territory  
7 may have been modified under:

- 8 (1) Subchapter H, Chapter 54, Water Code;
- 9 (2) Subchapter J, Chapter 49, Water Code; or
- 10 (3) other law.

11 (b) The boundaries of the district form a closure. A  
12 mistake in copying the field notes in the legislative process or  
13 another mistake in the field notes does not affect:

- 14 (1) the district's organization, existence, or  
15 validity;
- 16 (2) the district's right to issue bonds or to pay the  
17 principal of and interest on the bonds;
- 18 (3) the district's right to impose a tax; or
- 19 (4) the legality or operation of the district or the  
20 board.

21 (c) The board may redefine the boundaries of the district to  
22 correct any mistake in the field notes appearing in Section 1,  
23 Chapter 714, Acts of the 65th Legislature, Regular Session, 1977.  
24 (Acts 65th Leg., R.S., Ch. 714, Sec. 2; New.)

25 [Sections 8288.006-8288.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 8288.051. COMPOSITION OF BOARD; TERMS. (a) The

1 district is governed by a board of nine elected directors, each of  
2 whom occupies a numbered place on the board.

3 (b) Directors serve staggered terms.

4 (c) Director elections must be held in the manner provided  
5 in the Water Code for municipal utility districts. (Acts 65th Leg.,  
6 R.S., Ch. 714, Sec. 4(a) (part).)

7 Sec. 8288.052. QUALIFICATIONS FOR OFFICE. To be eligible to  
8 be elected or to serve as a director, a person must be a resident,  
9 qualified voter of the district. (Acts 65th Leg., R.S., Ch. 714,  
10 Sec. 4(b).)

11 Sec. 8828.053. BOARD RESOLUTIONS; VOTING REQUIREMENTS. (a)  
12 The district shall act through orders or resolutions adopted by the  
13 board.

14 (b) All directors are entitled to vote.

15 (c) The affirmative vote of a majority of the directors in  
16 attendance, but not fewer than five directors, is necessary to  
17 adopt an order or resolution. (Acts 65th Leg., R.S., Ch. 714, Sec.  
18 4(g).)

19 Sec. 8288.054. OFFICERS AND ASSISTANTS. (a) The board  
20 shall elect a president, vice president, secretary, and treasurer.

21 (b) The board shall elect the president and vice president  
22 from among the directors.

23 (c) The president serves for a one-year term.

24 (d) The offices of secretary and treasurer:

25 (1) may be held by one person; and

26 (2) are not required to be held by a director.

27 (e) The board may appoint one or more assistant officers who

1 are not required to be directors. (Acts 65th Leg., R.S., Ch. 714,  
2 Sec. 4(f) (part).)

3 Sec. 8288.055. OFFICER DUTIES. (a) The board president  
4 shall preside at board meetings and perform other duties prescribed  
5 by the board.

6 (b) The board secretary is the official custodian of the  
7 minutes, books, records, and seal of the board and shall perform  
8 other duties and functions prescribed by the board.

9 (c) The board treasurer shall perform duties and functions  
10 prescribed by the board.

11 (d) An assistant officer may perform any duties or functions  
12 as may be prescribed by the board. (Acts 65th Leg., R.S., Ch. 714,  
13 Sec. 4(f) (part).)

14 Sec. 8288.056. MEETINGS. The board shall have regular  
15 meetings at times specified by board resolution or bylaws and shall  
16 have special meetings when called by the board president or by any  
17 three directors. (Acts 65th Leg., R.S., Ch. 714, Sec. 4(h).)

18 [Sections 8288.057-8288.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 8288.101. DISTRICT POWERS. The district may exercise  
21 any power necessary or appropriate to achieve the purposes of this  
22 chapter, including the power to:

23 (1) adopt an official seal;

24 (2) adopt and enforce:

25 (A) bylaws and rules for the conduct of its  
26 affairs; and

27 (B) any rule that a municipal utility district



1 may adopt and enforce under Section 54.205 et seq., Water Code;

2 (3) acquire, hold, use, invest, reinvest, and dispose  
3 of its receipts and money from any source;

4 (4) select a depository or depositories;

5 (5) acquire, own, rent, lease, accept, hold, or  
6 dispose of property or an interest in property, including a right or  
7 easement, by purchase, exchange, gift, assignment, condemnation,  
8 sale, lease, or other means, in performing a duty or exercising a  
9 power under this chapter;

10 (6) hold, manage, operate, or improve property;

11 (7) lease or rent any land, buildings, structures, or  
12 facilities from or to any person;

13 (8) sell, assign, lease, encumber, mortgage, or  
14 otherwise dispose of property or an interest in property, and  
15 release or relinquish a right, title, claim, lien, interest,  
16 easement, or demand, regardless of the manner in which acquired,  
17 and conduct a transaction authorized by this subdivision by public  
18 or private sale, notwithstanding any other law;

19 (9) in the manner and to the extent permitted by this  
20 chapter:

21 (A) borrow money for a corporate purpose;

22 (B) enter into an agreement in connection with  
23 the borrowing;

24 (C) issue bonds for money borrowed;

25 (D) provide for and secure the payment of the  
26 bonds; and

27 (E) provide for the rights of the holders of the

1 bonds;

2           (10) request and accept an appropriation, grant,  
3 allocation, subsidy, guaranty, aid, service, material, or gift from  
4 any public or private source, including the federal government, the  
5 state, a public agency, or a political subdivision;

6           (11) operate and maintain an office; and

7           (12) appoint and determine the duties, tenure,  
8 qualifications, and compensation of officers, employees, agents,  
9 and professional advisors and counselors considered necessary or  
10 advisable by the board, including financial consultants,  
11 accountants, attorneys, architects, engineers, appraisers, and  
12 financing experts. (Acts 65th Leg., R.S., Ch. 714, Sec. 10 (part).)

13           Sec. 8288.102. GENERAL POWERS REGARDING WATER.       The  
14 district has all rights, powers, and privileges necessary or useful  
15 to enable it to acquire, provide, supply, deliver, and sell potable  
16 water inside or outside its boundaries for any beneficial purpose.  
17 (Acts 65th Leg., R.S., Ch. 714, Sec. 6.)

18           Sec. 8288.103. GENERAL POWERS REGARDING WASTE.       The  
19 district has all rights, powers, and privileges necessary or useful  
20 to enable it to collect, transport, dispose of, and control  
21 domestic, industrial, or communal wastes, whether in fluid, solid,  
22 or composite state. (Acts 65th Leg., R.S., Ch. 714, Sec. 7.)

23           Sec. 8288.104. GENERAL POWERS REGARDING GARBAGE COLLECTION  
24 AND DISPOSAL. The district has all rights, powers, and privileges  
25 necessary or useful to enable it to provide for garbage collection  
26 and disposal in all or part of the district on terms and at rates and  
27 charges the board considers just and reasonable to:

1           (1) preserve the water of rivers and streams in this  
2 state; and

3           (2) aid in the preservation and conservation of the  
4 natural resources of this state. (Acts 65th Leg., R.S., Ch. 714,  
5 Sec. 8.)

6           Sec. 8288.105. GENERAL CONTRACT POWERS. (a) The district  
7 may enter into and enforce a contract or agreement necessary or  
8 convenient to the exercise of the powers, rights, privileges, and  
9 functions conferred on the district by this chapter or the general  
10 law, including a contract or agreement with any person as the board  
11 considers necessary or proper for, or in connection with, any power  
12 or function of the district for:

13           (1) the purchase or sale of water;

14           (2) the collection, transportation, processing, or  
15 disposal of waste; or

16           (3) the construction, acquisition, ownership,  
17 financing, operation, maintenance, sale, leasing to or from, or  
18 other use or disposition of any facilities authorized to be  
19 developed, acquired, or constructed under this chapter or the  
20 general law.

21           (b) The authority to enter into or enforce the contract or  
22 agreement includes the authority to enter into or enforce a  
23 contract or agreement regarding:

24           (1) any improvements, structures, facilities,  
25 equipment, and other property of any kind in connection with the  
26 subject of the contract or agreement;

27           (2) any land, leaseholds, and easements; and

1           (3) any interests in the property.

2           (c) The contract or agreement:

3                 (1) may not have a term of more than 40 years; and

4                 (2) may contain provisions the board determines to be  
5 in the best interest of the district.

6           (d) The district may pledge all or part of its revenue to the  
7 payment of its obligations under the contract or agreement to the  
8 same extent and on the same conditions as it may pledge revenue to  
9 secure district bonds. (Acts 65th Leg., R.S., Ch. 714, Sec. 9(a).)

10           Sec. 8288.106. AUTHORITY OF PUBLIC AGENCIES AND POLITICAL  
11 SUBDIVISIONS TO CONTRACT WITH DISTRICT. A public agency or  
12 political subdivision of this state may enter into a contract or  
13 agreement with the district, on terms agreed to by the parties, for:

14                 (1) the purchase or sale of water;

15                 (2) waste collection, transportation, processing, or  
16 disposal; or

17                 (3) any purpose relating to the district's powers or  
18 functions. (Acts 65th Leg., R.S., Ch. 714, Sec. 9(b) (part).)

19           Sec. 8288.107. CONVEYANCE OF PROPERTY TO DISTRICT. A public  
20 agency or political subdivision of this state may lease, sell, or  
21 otherwise convey to the district, for any consideration that the  
22 parties agree is adequate, any of its land, improvements, property,  
23 plants, lines, or other facilities related to:

24                 (1) the supply of water; or

25                 (2) waste collection, transportation, processing, or  
26 disposal. (Acts 65th Leg., R.S., Ch. 714, Sec. 9(b) (part).)

27           Sec. 8288.108. ACQUISITION OF EXISTING FACILITIES. If the

1 district acquires existing works, improvements, facilities,  
2 plants, equipment, or appliances that are completed, partially  
3 created, or under construction, the district may:

4 (1) assume the contracts and obligations of the  
5 previous owner; and

6 (2) perform the obligations of the previous owner in  
7 the same manner and to the same extent that any other purchaser or  
8 assignee would be bound. (Acts 65th Leg., R.S., Ch. 714, Sec. 9(c).)

9 Sec. 8288.109. EMINENT DOMAIN. (a) To carry out a power  
10 conferred by this chapter, the district may exercise the power of  
11 eminent domain inside or outside the district to acquire the fee  
12 simple title to land, or any other interest in land as determined by  
13 the board, and other property and easements, necessary for water  
14 wells, water or sewer treatment plants, water or sewer lines,  
15 pumping stations and force mains, storage tanks, or other similar  
16 facilities.

17 (b) The district must exercise the power of eminent domain  
18 in the manner provided by Chapter 21, Property Code. (Acts 65th  
19 Leg., R.S., Ch. 714, Sec. 11(a) (part).)

20 Sec. 8288.110. COST OF RELOCATING OR ALTERING PROPERTY;  
21 RIGHTS-OF-WAY AND EASEMENTS. (a) If the district's exercise of its  
22 eminent domain, police, or other power requires relocating,  
23 raising, lowering, rerouting, or changing the grade of or altering  
24 the construction of any highway, railroad, electric, transmission,  
25 telegraph, or telephone line, conduit, pole, property, or facility  
26 or pipeline, the action shall be accomplished at the sole expense of  
27 the district. The term "sole expense" means the actual cost of the

1 lowering, rerouting, or change in grade or alteration of  
2 construction to provide a comparable replacement without enhancing  
3 the facility, after deducting from the cost the net salvage value  
4 derived from the old facility.

5 (b) The district has all necessary or useful rights-of-way  
6 and easements along, over, under, and across all public, state,  
7 municipal, and county roads, highways, and places for any of its  
8 purposes. The district shall restore a used facility to its  
9 previous condition as nearly as possible at the sole expense of the  
10 district. (Acts 65th Leg., R.S., Ch. 714, Secs. 11(c), (d).)

11 [Sections 8288.111-8288.150 reserved for expansion]

12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

13 Sec. 8288.151. IMPOSITION OF MAINTENANCE TAX; PROHIBITION  
14 ON OTHER TAXES OR ASSESSMENTS. (a) The district may impose a tax,  
15 not to exceed 10 cents on each \$100 of the assessed value of taxable  
16 property in the district according to the most recent certified tax  
17 appraisal roll of the district, for:

18 (1) maintenance purposes, including money for  
19 studying, planning, maintaining, repairing, and operating all  
20 necessary plants, works, facilities, improvements, appliances, and  
21 equipment of the district;

22 (2) paying costs of proper services, engineering, and  
23 legal fees; and

24 (3) organization and administrative expenses.

25 (b) The district may not impose a maintenance tax unless the  
26 tax is approved by a majority of the voters voting at an election  
27 held for that purpose.

1           (c) Except for the maintenance tax authorized by this  
2 section, the district may not under this chapter or any other law  
3 levy or collect a tax or assessment or create a debt payable from a  
4 tax or assessment. (Acts 65th Leg., R.S., Ch. 714, Secs. 12(a), (b)  
5 (part), (c).)

6           Sec. 8288.152. ELECTION TO IMPOSE TAX. (a) The board may  
7 order an election to impose a maintenance tax. The election order  
8 must specify:

- 9                   (1) the time and place of the election;  
10                   (2) the maximum amount of tax to be authorized;  
11                   (3) the form of the ballot; and  
12                   (4) other matters the board considers necessary or  
13 advisable.

14           (b) Notice of the election must be given by publishing once  
15 a week for two consecutive weeks a substantial copy of the election  
16 order in a newspaper of general circulation in the district. The  
17 first publication must occur at least 14 days before the date of the  
18 election. (Acts 65th Leg., R.S., Ch. 714, Sec. 12(b) (part).)

19           Sec. 8288.153. DEPOSITORY. (a) The board shall designate  
20 one or more banks inside or outside the district to serve as the  
21 depository for the district's money.

22           (b) All district money shall be deposited in the depository  
23 designated by the board, except that:

- 24                   (1) bond proceeds and money pledged to pay bonds, to  
25 the extent provided in a resolution or trust indenture authorizing  
26 or securing district bonds, may be deposited with another bank or  
27 trustee named in the bond resolution or trust indenture; and

1 (2) money shall be remitted to each paying agent for  
2 the payment of principal of and interest on the bonds.

3 (c) To the extent that money in a depository bank or the  
4 trustee bank is not insured by the Federal Deposit Insurance  
5 Corporation, the money must be secured in the manner provided by law  
6 for the security of the county funds in this state. (Acts 65th  
7 Leg., R.S., Ch. 714, Sec. 19 (part).)

8 Sec. 8288.154. INVESTMENT OF DISTRICT MONEY. The board may  
9 invest district money in obligations and make time deposits of  
10 district money in a manner determined by the board or in the manner  
11 permitted or required in a resolution or trust indenture  
12 authorizing or securing district bonds. (Acts 65th Leg., R.S., Ch.  
13 714, Sec. 19 (part).)

14 Sec. 8288.155. DISTRICT FACILITIES EXEMPT FROM TAXATION AND  
15 ASSESSMENT. The district is not required to pay a tax or assessment  
16 on its facilities or any part of its facilities. (Acts 65th Leg.,  
17 R.S., Ch. 714, Sec. 22 (part).)

18 [Sections 8288.156-8288.200 reserved for expansion]

19 SUBCHAPTER E. BONDS

20 Sec. 8288.201. AUTHORITY TO ISSUE BONDS. (a) The district  
21 may issue bonds payable from and secured by district revenue to  
22 carry out any power conferred by this chapter. The bonds must be  
23 authorized by a board resolution.

24 (b) The bonds must be issued in the manner and under the  
25 terms of the resolution authorizing the issuance of the bonds.  
26 (Acts 65th Leg., R.S., Ch. 714, Secs. 15(a) (part), (b) (part).)

27 Sec. 8288.202. FORM OF BONDS. District bonds must be:



- 1           (1) issued in the district's name;  
2           (2) signed by the president or vice president; and  
3           (3) attested by the secretary. (Acts 65th Leg., R.S.,  
4 Ch. 714, Sec. 15(b) (part).)

5           Sec. 8288.203. MATURITY. District bonds must mature not  
6 later than 40 years after the date of their issuance. (Acts 65th  
7 Leg., R.S., Ch. 714, Sec. 15(b) (part).)

8           Sec. 8288.204. BONDS SECURED BY REVENUE; ADDITIONAL BONDS.

9           (a) District bonds may be secured by a pledge of all or part of the  
10 district's revenue, or by all or part of the payments or rentals  
11 under one or more contracts or leases specified by board resolution  
12 or a trust indenture securing the bonds.

13           (b) A resolution authorizing the issuance of bonds secured  
14 by a pledge of revenue of all or part of the district's facilities  
15 may provide that the district shall first pay the expenses of  
16 operating and maintaining all or part of the facilities as the board  
17 considers appropriate before paying the principal of and interest  
18 on the bonds.

19           (c) In a resolution authorizing the issuance of bonds  
20 secured by revenue, contract payments, or lease rentals, the  
21 district may reserve the right, under conditions specified by the  
22 resolution, to issue additional bonds that will be on a parity with,  
23 superior to, or subordinate to the bonds then being issued. (Acts  
24 65th Leg., R.S., Ch. 714, Sec. 15(d).)

25           Sec. 8288.205. ADDITIONAL SECURITY. (a) District bonds  
26 may be additionally secured, at the discretion of the board, by a  
27 deed of trust or mortgage lien on all or part of the district's

1 physical property, facilities, easements, water rights and  
2 appropriation permits, leases, contracts, and all rights  
3 appurtenant to the property, vesting in the trustee power to:

- 4 (1) sell the property for the payment of the debt;
- 5 (2) operate the property; and
- 6 (3) take other action to further secure the bonds.

7 (b) A purchaser under a sale under the deed of trust lien, if  
8 one is given:

- 9 (1) is the absolute owner of the property, facilities,  
10 and rights purchased; and
- 11 (2) is entitled to maintain and operate the property,  
12 facilities, and rights. (Acts 65th Leg., R.S., Ch. 714, Sec. 16  
13 (part).)

14 Sec. 8288.206. TRUST INDENTURE. District bonds authorized  
15 by this chapter, including refunding bonds, may be additionally  
16 secured by a trust indenture. The trustee may be a bank with trust  
17 powers that is located inside or outside the state. (Acts 65th  
18 Leg., R.S., Ch. 714, Sec. 16 (part).)

19 Sec. 8288.207. CHARGES FOR DISTRICT SERVICES. If district  
20 bonds payable wholly from revenue are issued, the board shall set  
21 and revise the rates, fees, and charges assessed for water sold and  
22 waste collection and treatment services provided by the district.  
23 The rates, fees, and charges must be sufficient to:

- 24 (1) pay the expense of operating and maintaining the  
25 district facilities that generate the revenue from which the bonds  
26 will be paid;
- 27 (2) pay the principal of and interest on the bonds when

1 due; and

2 (3) maintain the reserve fund and other funds as  
3 provided in the resolution authorizing the bonds. (Acts 65th Leg.,  
4 R.S., Ch. 714, Sec. 15(e) (part).)

5 Sec. 8288.208. STATE PLEDGE REGARDING RIGHTS AND REMEDIES  
6 OF BONDHOLDERS. Without depriving this state of its power to  
7 regulate and control the rates, fees, and charges assessed for  
8 water sold and waste collection and treatment services provided by  
9 the district, the state pledges to and agrees with the holders of  
10 district bonds that the state will not exercise its power to  
11 regulate and control the rates, fees, and charges in any way that  
12 would impair the rights or remedies of the holders of the bonds.  
13 (Acts 65th Leg., R.S., Ch. 714, Sec. 15(e) (part).)

14 Sec. 8288.209. USE OF BOND PROCEEDS. (a) The district may  
15 set aside an amount of proceeds from the sale of district bonds for:

16 (1) the payment of interest expected to accrue during  
17 construction not to exceed three years;

18 (2) a debt service reserve fund; and

19 (3) other funds as may be provided in the resolution  
20 authorizing the bonds or in the trust indenture.

21 (b) The district may use proceeds from the sale of the bonds  
22 to pay any expense necessarily incurred in accomplishing the  
23 purpose of the district, including any expense of issuing and  
24 selling the bonds. (Acts 65th Leg., R.S., Ch. 714, Sec. 15(f).)

25 Sec. 8288.210. APPOINTMENT OF RECEIVER. (a) On default or  
26 threatened default in the payment of the principal of or interest on  
27 district bonds that are payable wholly or partly from revenue, a

1 court may, on petition of the holders of at least 25 percent of the  
2 district's outstanding revenue bonds, appoint a receiver for the  
3 district.

4 (b) The receiver may collect and receive all district  
5 revenue, other than taxes, employ and discharge district agents and  
6 employees, and take charge of money on hand, other than money  
7 received from taxes, unless commingled, and or hindrance by the  
8 board.

9 (c) The receiver may be authorized to sell or contract for  
10 the sale of water or the collection or treatment of waste or to  
11 renew contracts with the approval of the court that appointed the  
12 receiver.

13 (d) The court may vest the receiver with any other power or  
14 duty the court finds necessary to protect the holders of the bonds.  
15 (Acts 65th Leg., R.S., Ch. 714, Sec. 15(g) (part).)

16 Sec. 8288.211. REFUNDING BONDS. (a) The district may issue  
17 refunding bonds to refund outstanding district bonds and interest  
18 on those bonds. Refunding bonds may be issued without an election.

19 (b) Refunding bonds may:

20 (1) be issued to refund bonds of more than one series;

21 (2) combine the pledges for the outstanding bonds for  
22 the security of the refunding bonds; or

23 (3) be secured by a pledge of other or additional  
24 revenue or mortgage liens.

25 (c) The provisions of this subchapter regarding the  
26 issuance of other bonds, their security, and the remedies of the  
27 holders apply to refunding bonds.

1 (d) The comptroller shall register the refunding bonds on  
2 the surrender and cancellation of the bonds to be refunded.

3 (e) Instead of issuing bonds to be registered on the  
4 surrender and cancellation of the bonds to be refunded, the  
5 district, in the resolution authorizing the issuance of the  
6 refunding bonds, may provide for the sale of the refunding bonds and  
7 the deposit of the proceeds in a bank at which the bonds to be  
8 refunded are payable. In that case, the refunding bonds may be  
9 issued in an amount sufficient to pay the principal of and interest  
10 and any required redemption premium on the bonds to be refunded to  
11 any redemption date or to their maturity date, and the comptroller  
12 shall register the refunding bonds without the surrender and  
13 cancellation of the bonds to be refunded.

14 (f) The district may also issue refunding bonds under any  
15 other applicable law. (Acts 65th Leg., R.S., Ch. 714, Sec. 17.)

16 Sec. 8288.212. OTHER REMEDIES AND COVENANTS. The  
17 resolution authorizing the issuance of any district bonds  
18 authorized under this chapter, including refunding bonds, or the  
19 trust indenture securing the bonds, may provide other remedies and  
20 covenants the board considers necessary to issue the bonds on the  
21 most favorable terms. (Acts 65th Leg., R.S., Ch. 714, Sec. 15(h).)

22 Sec. 8288.213. LIMITATION ON RIGHTS OF BONDHOLDERS. The  
23 resolution authorizing the bonds or the trust indenture securing  
24 the bonds may limit or qualify the rights of the holders of less  
25 than all of the outstanding bonds payable from the same source to  
26 institute or prosecute litigation affecting the district's  
27 property or income. (Acts 65th Leg., R.S., Ch. 714, Sec. 15(g))

1 (part).)

2           Sec. 8288.214. BONDS EXEMPT FROM TAXATION. A district  
3 bond, the transfer of the bond, and the income from the bond,  
4 including profits made on the sale of the bond, are exempt from  
5 taxation in this state. (Acts 65th Leg., R.S., Ch. 714, Sec. 22  
6 (part).)

7                   CHAPTER 8289. MEMORIAL POINT UTILITY DISTRICT

8                           SUBCHAPTER A. GENERAL PROVISIONS

9           Sec. 8289.001. DEFINITIONS

10          Sec. 8289.002. NATURE OF DISTRICT

11          Sec. 8289.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

12          Sec. 8289.004. DISTRICT TERRITORY

13                   [Sections 8289.005-8289.050 reserved for expansion]

14                           SUBCHAPTER B. BOARD OF DIRECTORS

15          Sec. 8289.051. COMPOSITION OF BOARD

16                   [Sections 8289.052-8289.100 reserved for expansion]

17                           SUBCHAPTER C. POWERS AND DUTIES

18          Sec. 8289.101. MUNICIPAL UTILITY DISTRICT POWERS

19                   CHAPTER 8289. MEMORIAL POINT UTILITY DISTRICT

20                           SUBCHAPTER A. GENERAL PROVISIONS

21          Sec. 8289.001. DEFINITIONS. In this chapter:

22                   (1) "Board" means the district's board of directors.

23                   (2) "Director" means a member of the board.

24                   (3) "District" means the Memorial Point Utility  
25 District. (Acts 62nd Leg., R.S., Ch. 423, Sec. 1 (part); New.)

26          Sec. 8289.002. NATURE OF DISTRICT. The district is a  
27 conservation and reclamation district in Polk County created under

1 Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg., R.S.,  
2 Ch. 423, Sec. 1 (part).)

3 Sec. 8289.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
4 The district is created to serve a public use and benefit.

5 (b) All land and other property included in the boundaries  
6 of the district will benefit from the works and projects  
7 accomplished by the district under the powers conferred by Section  
8 59, Article XVI, Texas Constitution.

9 (c) The creation of the district is essential to accomplish  
10 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
11 62nd Leg., R.S., Ch. 423, Secs. 1 (part), 3.)

12 Sec. 8289.004. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 4, Chapter 423, Acts  
14 of the 62nd Legislature, Regular Session, 1971, as that territory  
15 may have been modified under:

- 16 (1) Subchapter H, Chapter 54, Water Code;  
17 (2) Subchapter J, Chapter 49, Water Code; or  
18 (3) other law.

19 (b) The boundaries and field notes of the district form a  
20 closure. A mistake in copying the field notes in the legislative  
21 process or another mistake in the field notes does not affect:

22 (1) the district's organization, existence, or  
23 validity;

24 (2) the district's right to issue any type of bond for  
25 a purpose for which the district is created or to pay the principal  
26 of and interest on the bond;

27 (3) the district's right to impose a tax; or

1 (4) the legality or operation of the district or its  
2 governing body. (Acts 62nd Leg., R.S., Ch. 423, Sec. 2; New.)

3 [Sections 8289.005-8289.050 reserved for expansion]

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 8289.051. COMPOSITION OF BOARD. The board of  
6 directors is composed of five elected directors. (Acts 62nd Leg.,  
7 R.S., Ch. 423, Sec. 6 (part).)

8 [Sections 8289.052-8289.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8289.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
11 district has the rights, powers, privileges, and functions  
12 conferred by general law applicable to a municipal utility  
13 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
14 Leg., R.S., Ch. 423, Sec. 5 (part); New.)

15 CHAPTER 8290. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 6

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 8290.001. DEFINITIONS

18 Sec. 8290.002. NATURE OF DISTRICT

19 Sec. 8290.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

20 Sec. 8290.004. DISTRICT TERRITORY

21 [Sections 8290.005-8290.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 8290.051. COMPOSITION OF BOARD

24 [Sections 8290.052-8290.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 8290.101. MUNICIPAL UTILITY DISTRICT POWERS



1 CHAPTER 8290. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 6

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8290.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the district's board of directors.

5 (2) "Director" means a member of the board.

6 (3) "District" means the Montgomery County Municipal  
7 Utility District No. 6. (Acts 62nd Leg., R.S., Ch. 693, Sec. 1  
8 (part); New.)

9 Sec. 8290.002. NATURE OF DISTRICT. The district is a  
10 conservation and reclamation district in Montgomery County created  
11 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
12 Leg., R.S., Ch. 693, Sec. 1 (part).)

13 Sec. 8290.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
14 The district is created to serve a public use and benefit.

15 (b) All land and other property included in the boundaries  
16 of the district will benefit from the works and projects  
17 accomplished by the district under the powers conferred by Section  
18 59, Article XVI, Texas Constitution.

19 (c) The creation of the district is essential to accomplish  
20 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
21 62nd Leg., R.S., Ch. 693, Secs. 1 (part), 3.)

22 Sec. 8290.004. DISTRICT TERRITORY. (a) The district is  
23 composed of the territory described by Section 4, Chapter 693, Acts  
24 of the 62nd Legislature, Regular Session, 1971, as that territory  
25 may have been modified under:

26 (1) Subchapter H, Chapter 54, Water Code;

27 (2) Subchapter J, Chapter 49, Water Code; or

1 (3) other law.

2 (b) The boundaries and field notes of the district form a  
3 closure. A mistake in copying the field notes in the legislative  
4 process or another mistake in the field notes does not affect:

5 (1) the district's organization, existence, or  
6 validity;

7 (2) the district's right to issue any type of bonds for  
8 a purpose for which the district is created or to pay the principal  
9 of and interest on the bonds;

10 (3) the district's right to impose a tax; or

11 (4) the legality or operation of the district or its  
12 governing body. (Acts 62nd Leg., R.S., Ch. 693, Sec. 2; New.)

13 [Sections 8290.005-8290.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8290.051. COMPOSITION OF BOARD. The board of  
16 directors is composed of five elected directors. (Acts 62nd Leg.,  
17 R.S., Ch. 693, Sec. 6 (part).)

18 [Sections 8290.052-8290.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 8290.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
21 district has the rights, powers, privileges, and functions  
22 conferred by general law applicable to a municipal utility  
23 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
24 Leg., R.S., Ch. 693, Sec. 5 (part); New.)

25 CHAPTER 8291. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 7

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8291.001. DEFINITIONS

1 Sec. 8291.002. NATURE OF DISTRICT

2 Sec. 8291.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

3 Sec. 8291.004. DISTRICT TERRITORY

4 [Sections 8291.005-8291.050 reserved for expansion]

5 SUBCHAPTER B. BOARD OF DIRECTORS

6 Sec. 8291.051. COMPOSITION OF BOARD

7 [Sections 8291.052-8291.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8291.101. MUNICIPAL UTILITY DISTRICT POWERS

10 CHAPTER 8291. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 7

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 8291.001. DEFINITIONS. In this chapter:

13 (1) "Board" means the district's board of directors.

14 (2) "Director" means a member of the board.

15 (3) "District" means the Montgomery County Municipal  
16 Utility District No. 7. (Acts 62nd Leg., R.S., Ch. 694, Sec. 1  
17 (part); New.)

18 Sec. 8291.002. NATURE OF DISTRICT. The district is a  
19 conservation and reclamation district in Montgomery County created  
20 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
21 R.S., Ch. 694, Sec. 1 (part).)

22 Sec. 8291.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
23 The district is created to serve a public use and benefit.

24 (b) All land and other property included in the boundaries  
25 of the district will benefit from the works and projects  
26 accomplished by the district under the powers conferred by Section  
27 59, Article XVI, Texas Constitution.

1 (c) The creation of the district is essential to accomplish  
2 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
3 62nd Leg., R.S., Ch. 694, Secs. 1 (part), 3.)

4 Sec. 8291.004. DISTRICT TERRITORY. (a) The district is  
5 composed of the territory described by Section 4, Chapter 694, Acts  
6 of the 62nd Legislature, Regular Session, 1971, as that territory  
7 may have been modified under:

8 (1) Subchapter H, Chapter 54, Water Code;

9 (2) Subchapter J, Chapter 49, Water Code; or

10 (3) other law.

11 (b) The boundaries and field notes of the district form a  
12 closure. A mistake in copying the field notes in the legislative  
13 process or another mistake in the field notes does not affect:

14 (1) the district's organization, existence, or  
15 validity;

16 (2) the district's right to issue any type of bonds for  
17 a purpose for which the district is created or to pay the principal  
18 of and interest on the bonds;

19 (3) the district's right to impose a tax; or

20 (4) the legality or operation of the district or its  
21 governing body. (Acts 62nd Leg., R.S., Ch. 694, Sec. 2; New.)

22 [Sections 8291.005-8291.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8291.051. COMPOSITION OF BOARD. The board of  
25 directors is composed of five elected directors. (Acts 62nd Leg.,  
26 R.S., Ch. 694, Sec. 6 (part).)

1 [Sections 8291.052-8291.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8291.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
4 district has the rights, powers, privileges, and functions  
5 conferred by general law applicable to a municipal utility  
6 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
7 Leg., R.S., Ch. 694, Sec. 5 (part); New.)

8 CHAPTER 8292. MONTGOMERY COUNTY MUNICIPAL UTILITY

9 DISTRICT NO. 67

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8292.001. DEFINITIONS

12 Sec. 8292.002. NATURE OF DISTRICT

13 Sec. 8292.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

14 Sec. 8292.004. DISTRICT TERRITORY

15 [Sections 8292.005-8292.050 reserved for expansion]

16 SUBCHAPTER B. BOARD OF DIRECTORS

17 Sec. 8292.051. COMPOSITION OF BOARD; TERMS

18 Sec. 8292.052. BOARD VACANCY

19 [Sections 8292.053-8292.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8292.101. MUNICIPAL UTILITY DISTRICT POWERS

22 Sec. 8292.102. WATER CONSERVATION PROGRAM

23 CHAPTER 8292. MONTGOMERY COUNTY MUNICIPAL UTILITY

24 DISTRICT NO. 67

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8292.001. DEFINITIONS. In this chapter:

27 (1) "Board" means the board of directors of the

1 district.

2 (2) "Director" means a member of the board.

3 (3) "District" means the Montgomery County Municipal  
4 Utility District No. 67. (Acts 69th Leg., R.S., Ch. 756, Secs. 1(a)  
5 (part), 2; New.)

6 Sec. 8292.002. NATURE OF DISTRICT. The district is a  
7 conservation and reclamation district in Montgomery County created  
8 under Section 59, Article XVI, Texas Constitution. (Acts 69th  
9 Leg., R.S., Ch. 756, Sec. 1(a) (part).)

10 Sec. 8292.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
11 The district is created to serve a public use and benefit.

12 (b) All land and other property included in the boundaries  
13 of the district will benefit from the works and projects  
14 accomplished by the district under the powers conferred by Section  
15 59, Article XVI, Texas Constitution.

16 (c) The creation of the district is essential to accomplish  
17 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
18 69th Leg., R.S., Ch. 756, Secs. 1(b), 5.)

19 Sec. 8292.004. DISTRICT TERRITORY. (a) The district is  
20 composed of the territory described by Section 3, Chapter 756, Acts  
21 of the 69th Legislature, Regular Session, 1985, as that territory  
22 may have been modified under:

23 (1) Subchapter H, Chapter 54, Water Code;

24 (2) Subchapter J, Chapter 49, Water Code; or

25 (3) other law.

26 (b) The boundaries and field notes of the district form a  
27 closure. A mistake in the field notes or in copying the field notes

1 in the legislative process does not affect:

2 (1) the district's organization, existence, or  
3 validity;

4 (2) the district's right to issue any type of bonds for  
5 a purpose for which the district is created or to pay the principal  
6 of and interest on the bonds;

7 (3) the district's right to impose a tax; or

8 (4) the legality or operation of the district or its  
9 governing board. (Acts 69th Leg., R.S., Ch. 756, Sec. 4; New.)

10 [Sections 8292.005-8292.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8292.051. COMPOSITION OF BOARD; TERMS. (a) The  
13 district is governed by a board of five elected directors.

14 (b) Directors serve staggered four-year terms. (Acts 69th  
15 Leg., R.S., Ch. 756, Secs. 8(a), 10 (part).)

16 Sec. 8292.052. BOARD VACANCY. (a) Except as provided by  
17 Subsection (b), if a director fails to qualify for office, the  
18 remaining directors shall appoint a person to fill the vacancy  
19 until the next election of directors for the district. If the  
20 vacant position is not regularly scheduled to be filled at that  
21 election, the person elected at that election to fill the vacancy  
22 serves only for the unexpired term.

23 (b) If at any time there are fewer than three qualified  
24 directors, the Texas Commission on Environmental Quality shall  
25 appoint, on petition of a landowner in the district, the necessary  
26 number of directors to fill all vacancies on the board. Persons  
27 appointed under this subsection serve the same terms as provided

1 for persons appointed under Subsection (a). (Acts 69th Leg., R.S.,  
2 Ch. 756, Sec. 8(d).)

3 [Sections 8292.053-8292.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 8292.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
6 district has the rights, powers, privileges, and functions provided  
7 by general law applicable to a municipal utility district created  
8 under Section 59, Article XVI, Texas Constitution, including  
9 Chapters 49 and 54, Water Code. (Acts 69th Leg., R.S., Ch. 756,  
10 Sec. 6(a) (part); New.)

11 Sec. 8292.102. WATER CONSERVATION PROGRAM. (a) In this  
12 section, "program of water conservation" means the practices,  
13 techniques, and technologies that will reduce water consumption,  
14 reduce water loss or waste, improve efficiency in water use, or  
15 increase water recycling and reuse so that a water supply is  
16 available for future or alternative uses.

17 (b) The district shall adopt and implement a program of  
18 water conservation consistent with rules and criteria adopted and  
19 enforceable by the Texas Commission on Environmental Quality for  
20 similarly situated districts in the region. (Acts 69th Leg., R.S.,  
21 Ch. 756, Sec. 7.)

22 CHAPTER 8293. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 9

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 8293.001. DEFINITIONS

25 Sec. 8293.002. NATURE OF DISTRICT

26 Sec. 8293.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

27 Sec. 8293.004. DISTRICT TERRITORY



1 [Sections 8293.005-8293.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8293.051. COMPOSITION OF BOARD

4 [Sections 8293.052-8293.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 8293.101. MUNICIPAL UTILITY DISTRICT POWERS

7 CHAPTER 8293. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 9

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 8293.001. DEFINITIONS. In this chapter:

10 (1) "Board" means the district's board of directors.

11 (2) "Director" means a member of the board.

12 (3) "District" means the Montgomery County Municipal  
13 Utility District No. 9. (Acts 62nd Leg., R.S., Ch. 704, Sec. 1  
14 (part); New.)

15 Sec. 8293.002. NATURE OF DISTRICT. The district is a  
16 conservation and reclamation district in Montgomery County created  
17 under Section 59, Article XVI, Texas Constitution. (Acts 62nd  
18 Leg., R.S., Ch. 704, Sec. 1 (part).)

19 Sec. 8293.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
20 The district is created to serve a public use and benefit.

21 (b) All land and other property included in the boundaries  
22 of the district will benefit from the works and projects  
23 accomplished by the district under the powers conferred by Section  
24 59, Article XVI, Texas Constitution.

25 (c) The creation of the district is essential to accomplish  
26 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
27 62nd Leg., R.S., Ch. 704, Secs. 1 (part), 3.)

1           Sec. 8293.004. DISTRICT TERRITORY. (a) The district is  
2 composed of the territory described by Section 4, Chapter 704, Acts  
3 of the 62nd Legislature, Regular Session, 1971, as that territory  
4 may have been modified under:

- 5                   (1) Subchapter H, Chapter 54, Water Code;  
6                   (2) Subchapter J, Chapter 49, Water Code; or  
7                   (3) other law.

8           (b) The boundaries and field notes of the district form a  
9 closure. A mistake in copying the field notes in the legislative  
10 process or another mistake in the field notes does not affect:

- 11                   (1) the district's organization, existence, or  
12 validity;  
13                   (2) the district's right to issue any type of bond for  
14 a purpose for which the district is created or to pay the principal  
15 of and interest on the bond;  
16                   (3) the district's right to impose a tax; or  
17                   (4) the legality or operation of the district or its  
18 governing body. (Acts 62nd Leg., R.S., Ch. 704, Sec. 2; New.)

19           [Sections 8293.005-8293.050 reserved for expansion]

20                                   SUBCHAPTER B. BOARD OF DIRECTORS

21           Sec. 8293.051. COMPOSITION OF BOARD. The board of  
22 directors is composed of five elected directors. (Acts 62nd Leg.,  
23 R.S., Ch. 704, Sec. 6 (part).)

24           [Sections 8293.052-8293.100 reserved for expansion]

25                                   SUBCHAPTER C. POWERS AND DUTIES

26           Sec. 8293.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
27 district has the rights, powers, privileges, and functions

1 conferred by general law applicable to a municipal utility  
2 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
3 Leg., R.S., Ch. 704, Sec. 5 (part); New.)

4 CHAPTER 8302. MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 8302.001. DEFINITIONS

7 Sec. 8302.002. NATURE OF DISTRICT

8 Sec. 8302.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

9 Sec. 8302.004. DISTRICT TERRITORY

10 [Sections 8302.005-8302.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8302.051. COMPOSITION OF BOARD

13 [Sections 8302.052-8302.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 8302.101. MUNICIPAL UTILITY DISTRICT POWERS

16 CHAPTER 8302. MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 8302.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the district's board of directors.

20 (2) "Director" means a member of the board.

21 (3) "District" means the Montgomery County Utility  
22 District No. 3. (Acts 62nd Leg., R.S., Ch. 634, Sec. 1 (part);  
23 New.)

24 Sec. 8302.002. NATURE OF DISTRICT. The district is a  
25 conservation and reclamation district in Montgomery County created  
26 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
27 R.S., Ch. 634, Sec. 1 (part).)

1           Sec. 8302.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)

2 The district is created to serve a public use and benefit.

3           (b) All land and other property included in the boundaries  
4 of the district will benefit from the works and projects  
5 accomplished by the district under the powers conferred by Section  
6 59, Article XVI, Texas Constitution.

7           (c) The creation of the district is essential to accomplish  
8 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
9 62nd Leg., R.S., Ch. 634, Secs. 1 (part), 3.)

10          Sec. 8302.004. DISTRICT TERRITORY. (a) The district is  
11 composed of the territory described by Section 4, Chapter 634, Acts  
12 of the 62nd Legislature, Regular Session, 1971, as that territory  
13 may have been modified under:

14                 (1) Subchapter H, Chapter 54, Water Code;

15                 (2) Subchapter J, Chapter 49, Water Code; or

16                 (3) other law.

17          (b) The boundaries and field notes of the district form a  
18 closure. A mistake in copying the field notes in the legislative  
19 process or another mistake in the field notes does not affect:

20                 (1) the district's organization, existence, or  
21 validity;

22                 (2) the district's right to issue any type of bond for  
23 a purpose for which the district is created or to pay the principal  
24 of and interest on the bond;

25                 (3) the district's right to impose a tax; or

26                 (4) the legality or operation of the district or its  
27 governing body. (Acts 62nd Leg., R.S., Ch. 634, Sec. 2; New.)

1 [Sections 8302.005-8302.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8302.051. COMPOSITION OF BOARD. The board of  
4 directors is composed of five elected directors. (Acts 62nd Leg.,  
5 R.S., Ch. 634, Sec. 6 (part).)

6 [Sections 8302.052-8302.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8302.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
9 district has the rights, powers, privileges, and functions  
10 conferred by general law applicable to a municipal utility  
11 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
12 Leg., R.S., Ch. 634, Sec. 5 (part); New.)

13 CHAPTER 8303. MONTGOMERY COUNTY UTILITY DISTRICT NO. 4

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 8303.001. DEFINITIONS

16 Sec. 8303.002. NATURE OF DISTRICT

17 Sec. 8303.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

18 Sec. 8303.004. DISTRICT TERRITORY

19 [Sections 8303.005-8303.050 reserved for expansion]

20 SUBCHAPTER B. BOARD OF DIRECTORS

21 Sec. 8303.051. COMPOSITION OF BOARD

22 [Sections 8303.052-8303.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 8303.101. MUNICIPAL UTILITY DISTRICT POWERS

25 CHAPTER 8303. MONTGOMERY COUNTY UTILITY DISTRICT NO. 4

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8303.001. DEFINITIONS. In this chapter:

1 (1) "Board" means the district's board of directors.

2 (2) "Director" means a member of the board.

3 (3) "District" means the Montgomery County Utility  
4 District No. 4. (Acts 62nd Leg., R.S., Ch. 344, Sec. 1 (part); New.)

5 Sec. 8303.002. NATURE OF DISTRICT. The district is a  
6 conservation and reclamation district in Montgomery County created  
7 under Section 59, Article XVI, Texas Constitution. (Acts 62nd Leg.,  
8 R.S., Ch. 344, Sec. 1 (part).)

9 Sec. 8303.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
10 The district is created to serve a public use and benefit.

11 (b) All land and other property included in the boundaries  
12 of the district will benefit from the works and projects  
13 accomplished by the district under the powers conferred by Section  
14 59, Article XVI, Texas Constitution.

15 (c) The creation of the district is essential to accomplish  
16 the purposes of Section 59, Article XVI, Texas Constitution. (Acts  
17 62nd Leg., R.S., Ch. 344, Secs. 1 (part), 3.)

18 Sec. 8303.004. DISTRICT TERRITORY. (a) The district is  
19 composed of the territory described by Section 4, Chapter 344, Acts  
20 of the 62nd Legislature, Regular Session, 1971, as that territory  
21 may have been modified under:

22 (1) Subchapter H, Chapter 54, Water Code;

23 (2) Subchapter J, Chapter 49, Water Code; or

24 (3) other law.

25 (b) The boundaries and field notes of the district form a  
26 closure. A mistake in copying the field notes in the legislative  
27 process or another mistake in the field notes does not affect:

1           (1) the district's organization, existence, or  
2 validity;

3           (2) the district's right to issue any type of bonds for  
4 a purpose for which the district is created or to pay the principal  
5 of and interest on the bonds;

6           (3) the district's right to impose a tax; or

7           (4) the legality or operation of the district or its  
8 governing body. (Acts 62nd Leg., R.S., Ch. 344, Sec. 2; New.)

9           [Sections 8303.005-8303.050 reserved for expansion]

10                           SUBCHAPTER B. BOARD OF DIRECTORS

11           Sec. 8303.051. COMPOSITION OF BOARD. The board of  
12 directors is composed of five elected directors. (Acts 62nd Leg.,  
13 R.S., Ch. 344, Sec. 6 (part).)

14           [Sections 8303.052-8303.100 reserved for expansion]

15                           SUBCHAPTER C. POWERS AND DUTIES

16           Sec. 8303.101. MUNICIPAL UTILITY DISTRICT POWERS. The  
17 district has the rights, powers, privileges, and functions  
18 conferred by general law applicable to a municipal utility  
19 district, including Chapters 49 and 54, Water Code. (Acts 62nd  
20 Leg., R.S., Ch. 344, Sec. 5 (part); New.)

21           SECTION 1.05. Subtitle H, Title 6, Special District Local  
22 Laws Code, is amended by adding Chapters 8805, 8809, 8814, 8816,  
23 8825, 8826, 8827, 8828, 8829, 8831, 8832, 8834, 8836, 8840, 8842,  
24 8844, 8846, 8848, and 8849 to read as follows:

25                           CHAPTER 8805. LIPAN-KICKAPOO WATER CONSERVATION DISTRICT

26   SUBCHAPTER A. GENERAL PROVISIONS

27           Sec. 8805.001. DEFINITIONS

- 1 Sec. 8805.002. NATURE OF DISTRICT  
2 Sec. 8805.003. LEGISLATIVE FINDINGS  
3 Sec. 8805.004. DISTRICT TERRITORY  
4 Sec. 8805.005. OWNERSHIP OF GROUNDWATER AND SURFACE  
5 WATER RIGHTS NOT AFFECTED BY CHAPTER  
6 [Sections 8805.006-8805.050 reserved for expansion]  
7 SUBCHAPTER B. BOARD OF DIRECTORS  
8 Sec. 8805.051. COMPOSITION OF BOARD; TERMS  
9 Sec. 8805.052. ELECTION OF DIRECTORS  
10 Sec. 8805.053. QUALIFICATIONS FOR ELECTION  
11 Sec. 8805.054. BOARD VACANCY  
12 Sec. 8805.055. COMPOSITION OF BOARD AND ELECTION OF  
13 DIRECTORS FOLLOWING ANNEXATION  
14 Sec. 8805.056. VOTE REQUIRED FOR OFFICIAL BOARD ACTION  
15 [Sections 8805.057-8805.100 reserved for expansion]  
16 SUBCHAPTER C. POWERS AND DUTIES  
17 Sec. 8805.101. GENERAL POWERS AND DUTIES  
18 Sec. 8805.102. SEAL  
19 Sec. 8805.103. CONTROL, STORAGE, AND PRESERVATION OF  
20 STORM AND FLOOD WATER  
21 Sec. 8805.104. RECLAMATION  
22 Sec. 8805.105. SOIL CONSERVATION AND IMPROVEMENT  
23 Sec. 8805.106. ACQUISITION OF PROPERTY  
24 Sec. 8805.107. SALE AND DISPOSAL OF PROPERTY  
25 Sec. 8805.108. BORROWING MONEY  
26 Sec. 8805.109. APPEARANCE BEFORE RAILROAD COMMISSION



1 CHAPTER 8805. LIPAN-KICKAPOO WATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8805.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the district's board of directors.

5 (2) "Director" means a board member.

6 (3) "District" means the Lipan-Kickapoo Water  
7 Conservation District. (Acts 70th Leg., R.S., Ch. 439, Sec. 1;  
8 New.)

9 Sec. 8805.002. NATURE OF DISTRICT. The district is created  
10 under Section 59, Article XVI, Texas Constitution, to provide for  
11 the conservation, preservation, protection, recharge, and  
12 prevention of waste and pollution of the district's groundwater and  
13 surface water, consistent with the objectives of Section 59,  
14 Article XVI, Texas Constitution, and Chapter 36, Water Code. (Acts  
15 70th Leg., R.S., Ch. 439, Secs. 2(a) (part), (b).)

16 Sec. 8805.003. LEGISLATIVE FINDINGS. The legislature finds  
17 that:

18 (1) the creation of the district is feasible and  
19 practicable;

20 (2) the district will benefit the land in the  
21 district;

22 (3) there is a public necessity for the district; and

23 (4) the district will provide a public use and  
24 benefit. (Acts 70th Leg., R.S., Ch. 439, Sec. 3.)

25 Sec. 8805.004. DISTRICT TERRITORY. The district is  
26 composed of the territory described by Section 4, Chapter 439, Acts  
27 of the 70th Legislature, Regular Session, 1987, as that territory

1 may have been modified under:

2 (1) Subchapter J, Chapter 36, Water Code; or

3 (2) other law. (New.)

4 Sec. 8805.005. OWNERSHIP OF GROUNDWATER AND SURFACE WATER  
5 RIGHTS NOT AFFECTED BY CHAPTER. The ownership and rights of the  
6 owner of land, the owner's lessees, and assigns in groundwater and  
7 any surface water rights are recognized and this chapter does not  
8 deprive or divest the owner, the owner's lessees, or assigns of  
9 those ownership rights. (Acts 70th Leg., R.S., Ch. 439, Sec. 16.)

10 [Sections 8805.006-8805.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8805.051. COMPOSITION OF BOARD; TERMS. (a) The board  
13 consists of:

14 (1) an equal number of directors from each county in  
15 the district, elected by a majority vote of the voters residing in  
16 any part of the county that is included in the district; and

17 (2) one director elected from the district at large.

18 (b) Directors serve staggered four-year terms.

19 (c) A director takes office at the first regular meeting of  
20 the board following the director's election to the board. (Acts  
21 70th Leg., R.S., Ch. 439, Secs. 8(a) (part), 9(b), 10(a).)

22 Sec. 8805.052. ELECTION OF DIRECTORS. (a) Every second  
23 year, the board shall hold an election on the uniform election date  
24 in May provided by Section 41.001, Election Code, to elect the  
25 appropriate number of directors.

26 (b) Three directors are elected at one election and four at  
27 the next election in continuing sequence unless the number of

1 directors changes under Section 8805.055. (Acts 70th Leg., R.S.,  
2 Ch. 439, Secs. 9(a), 10(b).)

3 Sec. 8805.053. QUALIFICATIONS FOR ELECTION. (a) To be  
4 qualified for election as a director, a person must be:

5 (1) a resident of the district or proposed district;  
6 and

7 (2) at least 18 years of age.

8 (b) In addition to the requirements of Subsection (a), a  
9 director from a county area must be a resident of that county.  
10 (Acts 70th Leg., R.S., Ch. 439, Secs. 7(a) (part), (b).)

11 Sec. 8805.054. BOARD VACANCY. (a) If a vacancy occurs in  
12 the office of director, the remaining directors shall appoint a  
13 replacement who meets the qualifications of Section 8805.053.

14 (b) The appointed replacement serves until the next  
15 directors' election.

16 (c) If the position is not regularly scheduled to be filled  
17 at the next election, the person elected to fill the position serves  
18 for the remainder of the unexpired term. (Acts 70th Leg., R.S., Ch.  
19 439, Sec. 8(b).)

20 Sec. 8805.055. COMPOSITION OF BOARD AND ELECTION OF  
21 DIRECTORS FOLLOWING ANNEXATION. (a) When the district annexes  
22 territory, the board shall change the number of directors, if  
23 necessary, so that:

24 (1) an equal number of directors is elected by  
25 district voters of each county; and

26 (2) one director is elected from the district at  
27 large.

1 (b) If the board changes the number of directors under  
2 Subsection (a), the board shall provide that, as nearly as  
3 possible, half of the directors are elected at each subsequent  
4 election in continuing sequence. (Acts 70th Leg., R.S., Ch. 439,  
5 Sec. 8(c).)

6 Sec. 8805.056. VOTE REQUIRED FOR OFFICIAL BOARD ACTION. An  
7 official action of the board is not valid without the affirmative  
8 vote of a majority of the directors. (Acts 70th Leg., R.S., Ch.  
9 439, Sec. 12 (part).)

10 [Sections 8805.057-8805.100 reserved for expansion]

11 SUBCHAPTER C. POWERS AND DUTIES

12 Sec. 8805.101. GENERAL POWERS AND DUTIES. (a) Except to  
13 the extent of any conflict with this chapter or as specifically  
14 limited by this chapter, the district:

15 (1) is governed by and subject to Chapter 36 and  
16 Subchapters H and I, Chapter 49, Water Code; and

17 (2) may exercise the powers provided by the chapters  
18 described by Subdivision (1), including the power to issue bonds,  
19 impose taxes, and exercise eminent domain authority.

20 (b) The district shall exercise the duties provided by the  
21 chapters specified by Subsection (a)(1). (Acts 70th Leg., R.S.,  
22 Ch. 439, Secs. 5, 14(1).)

23 Sec. 8805.102. SEAL. The board may adopt a seal for the  
24 district. (Acts 70th Leg., R.S., Ch. 439, Sec. 14(b).)

25 Sec. 8805.103. CONTROL, STORAGE, AND PRESERVATION OF STORM  
26 AND FLOOD WATER. The district may control, store, and preserve  
27 storm water and floodwater in the district and water of rivers and

1 streams in the district for:

- 2 (1) irrigation of arid land;
- 3 (2) prevention of floods and flood damage in the
- 4 district; and
- 5 (3) domestic, agricultural, and industrial use. (Acts
- 6 70th Leg., R.S., Ch. 439, Sec. 14(c).)

7 Sec. 8805.104. RECLAMATION. The district may:

- 8 (1) reclaim land in the district; and
- 9 (2) construct works, facilities, and improvements
- 10 necessary to accomplish that purpose. (Acts 70th Leg., R.S., Ch.
- 11 439, Sec. 14(d).)

12 Sec. 8805.105. SOIL CONSERVATION AND IMPROVEMENT. The

13 district may construct and maintain terraces or other structures on

14 land in the district and may engage in or promote land treatment

15 measures for soil conservation and improvement. (Acts 70th Leg.,

16 R.S., Ch. 439, Sec. 14(e).)

17 Sec. 8805.106. ACQUISITION OF PROPERTY. The district may

18 acquire land or other property necessary to carry out this chapter

19 by:

- 20 (1) gift;
- 21 (2) grant;
- 22 (3) devise;
- 23 (4) lease;
- 24 (5) purchase; or
- 25 (6) condemnation. (Acts 70th Leg., R.S., Ch. 439,
- 26 Sec. 14(h).)

27 Sec. 8805.107. SALE AND DISPOSAL OF PROPERTY. Subject to

1 this chapter and Chapter 36, Water Code, the district may sell or  
2 otherwise dispose of land and other property of the district that  
3 the board determines is not necessary to carry out the purposes or  
4 powers of the district. (Acts 70th Leg., R.S., Ch. 439, Sec. 14(i).)

5 Sec. 8805.108. BORROWING MONEY. The district may borrow  
6 money for any purpose authorized by this chapter. (Acts 70th Leg.,  
7 R.S., Ch. 439, Sec. 14(k).)

8 Sec. 8805.109. APPEARANCE BEFORE RAILROAD COMMISSION. The  
9 district, through the directors or the district's general manager,  
10 may appear before the Railroad Commission of Texas and present  
11 evidence and information relating to any pending permit application  
12 for an injection well to be located in the district. (Acts 70th  
13 Leg., R.S., Ch. 439, Sec. 14(j).)

14 CHAPTER 8809. ANDERSON COUNTY UNDERGROUND WATER CONSERVATION

15 DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 8809.001. DEFINITIONS

18 Sec. 8809.002. NATURE OF DISTRICT

19 Sec. 8809.003. LEGISLATIVE FINDINGS

20 Sec. 8809.004. DISTRICT TERRITORY

21 [Sections 8809.005-8809.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 8809.051. COMPOSITION OF BOARD; TERMS

24 Sec. 8809.052. ELECTION DATE

25 Sec. 8809.053. QUALIFICATIONS FOR ELECTION

26 Sec. 8809.054. BOARD RESOLUTIONS; VOTING REQUIREMENTS

27 Sec. 8809.055. NOTICE OF MEETINGS

[Sections 8809.056-8809.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8809.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8809.102. LIMITATIONS ON DISTRICT POWERS

Sec. 8809.103. REGULATION OF GROUNDWATER PUMPING AND

USE

Sec. 8809.104. PURCHASE OF WATER BY INJECTION WELL

PERMIT HOLDER

Sec. 8809.105. DISPOSAL OF SALT DOME LEACHATE

Sec. 8809.106. WATER WELL FEES

Sec. 8809.107. DISSOLUTION OF DISTRICT

CHAPTER 8809. ANDERSON COUNTY UNDERGROUND WATER CONSERVATION

DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8809.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Anderson County Underground Water Conservation District. (Acts 70th Leg., R.S., Ch. 992, Sec. 1; New.)

Sec. 8809.002. NATURE OF DISTRICT. The district is created under Section 59, Article XVI, Texas Constitution. (Acts 70th Leg., R.S., Ch. 992, Sec. 2 (part).)

Sec. 8809.003. LEGISLATIVE FINDINGS. The legislature finds that:

(1) the creation of the district is feasible and

1 practicable;

2 (2) the district will benefit the land in the  
3 district;

4 (3) there is a public necessity for the district; and

5 (4) the district will provide a public use and  
6 benefit. (Acts 70th Leg., R.S., Ch. 992, Sec. 3.)

7 Sec. 8809.004. DISTRICT TERRITORY. The district is  
8 composed of the territory described by Section 4, Chapter 992, Acts  
9 of the 70th Legislature, Regular Session, 1987, as that territory  
10 may have been modified under:

11 (1) Subchapter J, Chapter 36, Water Code; or

12 (2) other law. (New.)

13 [Sections 8809.005-8809.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8809.051. COMPOSITION OF BOARD; TERMS. (a) The board  
16 is composed of nine directors.

17 (b) Directors serve staggered four-year terms. (Acts 70th  
18 Leg., R.S., Ch. 992, Secs. 8, 10(a), (b) (part).)

19 Sec. 8809.052. ELECTION DATE. Every two years, an election  
20 shall be held on the uniform election date in May to elect the  
21 appropriate number of directors. (Acts 70th Leg., R.S., Ch. 992,  
22 Sec. 9.)

23 Sec. 8809.053. QUALIFICATIONS FOR ELECTION. To be  
24 qualified for election as a director, a person must be:

25 (1) a resident of the district; and

26 (2) at least 18 years of age. (Acts 70th Leg., R.S.,  
27 Ch. 992, Sec. 7.)



1           Sec. 8809.054. BOARD RESOLUTIONS; VOTING REQUIREMENTS. (a)  
2 The district shall act by resolutions adopted by the board.

3           (b) All directors are entitled to vote.

4           (c) The affirmative vote of a majority of the board is  
5 necessary to adopt a resolution. (Acts 70th Leg., R.S., Ch. 992,  
6 Secs. 13(a) (part), (b).)

7           Sec. 8809.055. NOTICE OF MEETINGS. The board must publish  
8 notice in a newspaper of general circulation in the district not  
9 later than the fifth day before the date the board is scheduled to  
10 meet. (Acts 70th Leg., R.S., Ch. 992, Sec. 14.)

11           [Sections 8809.056-8809.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 8809.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
14 AND DUTIES. Except to the extent of any conflict with this chapter  
15 or as specifically limited by this chapter, the district is  
16 governed by and subject to Chapter 36, Water Code, and has the  
17 powers and duties provided by Chapter 36, Water Code. (Acts 70th  
18 Leg., R.S., Ch. 992, Sec. 5 (part).)

19           Sec. 8809.102. LIMITATIONS ON DISTRICT POWERS. The  
20 district does not have the power to issue bonds and impose taxes  
21 under Subchapters F and G, Chapter 36, Water Code. (Acts 70th Leg.,  
22 R.S., Ch. 992, Sec. 5 (part).)

23           Sec. 8809.103. REGULATION OF GROUNDWATER PUMPING AND USE.  
24 The district may:

25                   (1) prohibit the pumping or use of groundwater if the  
26 district determines that the pumping would present an unreasonable  
27 risk of pollution; or

1           (2) limit the pumping of groundwater to uses  
2 determined by the board to benefit the district. (Acts 70th Leg.,  
3 R.S., Ch. 992, Secs. 12(a), (b).)

4           Sec. 8809.104. PURCHASE OF WATER BY INJECTION WELL PERMIT  
5 HOLDER. The district may require persons holding a permit for an  
6 injection well to purchase water from the district. (Acts 70th  
7 Leg., R.S., Ch. 992, Sec. 12(c).)

8           Sec. 8809.105. DISPOSAL OF SALT DOME LEACHATE. The  
9 district may:

10           (1) adopt rules for the disposal of salt dome leachate  
11 in the district; or

12           (2) require the disposal of salt dome leachate outside  
13 the district. (Acts 70th Leg., R.S., Ch. 992, Sec. 12(d).)

14           Sec. 8809.106. WATER WELL FEES. (a) The district shall  
15 impose a fee on each water well at the time a permit is first issued  
16 and may impose an annual fee on each well.

17           (b) The amount of a well fee must be set according to:

18               (1) the size of the column pipe used in the well;

19               (2) the production capacity of the well; or

20               (3) the amount of water produced.

21           (c) The board shall adopt rules relating to the rates for  
22 the fees.

23           (d) The board may:

24               (1) adopt rules classifying the types of uses made of  
25 groundwater in the district; and

26               (2) use the classifications to determine, in part, the  
27 amount of fees to be imposed under this section.

1 (e) The district may use money collected from fees to manage  
2 and operate the district. (Acts 70th Leg., R.S., Ch. 992, Sec. 15.)

3 Sec. 8809.107. DISSOLUTION OF DISTRICT. The district may  
4 be dissolved as provided by Subchapter P, Chapter 51, Water Code.  
5 (Acts 70th Leg., R.S., Ch. 992, Sec. 16.)

6 CHAPTER 8814. STERLING COUNTY UNDERGROUND WATER CONSERVATION  
7 DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 8814.001. DEFINITIONS

10 Sec. 8814.002. NATURE OF DISTRICT

11 Sec. 8814.003. LEGISLATIVE FINDINGS

12 Sec. 8814.004. DISTRICT TERRITORY

13 Sec. 8814.005. DISTRICT NAME CHANGE

14 Sec. 8814.006. OWNERSHIP OF GROUNDWATER AND SURFACE

15 WATER RIGHTS NOT AFFECTED BY CHAPTER

16 Sec. 8814.007. PAYMENT OF ORGANIZATIONAL EXPENSES

17 [Sections 8814.008-8814.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 8814.051. COMPOSITION OF BOARD; TERMS

20 Sec. 8814.052. ELECTION OF DIRECTORS

21 Sec. 8814.053. ELECTION DATE

22 Sec. 8814.054. QUALIFICATIONS FOR ELECTION;

23 ELIGIBILITY TO SERVE

24 Sec. 8814.055. BOARD VACANCY

25 Sec. 8814.056. COMPOSITION OF BOARD FOLLOWING

26 ANNEXATION OR CONSOLIDATION

27 Sec. 8814.057. COMPENSATION; EXPENSES

- 1 Sec. 8814.058. VOTE REQUIRED FOR OFFICIAL BOARD ACTION
- 2 Sec. 8814.059. OFFICERS
- 3 Sec. 8814.060. GENERAL MANAGER; SERVICE OF PROCESS
- 4 Sec. 8814.061. TREASURER AND ATTORNEY
- 5 Sec. 8814.062. ENGINEER
- 6 Sec. 8814.063. PERSONNEL
- 7 Sec. 8814.064. DISTRICT OFFICE
- 8 Sec. 8814.065. MEETINGS
- 9 Sec. 8814.066. RECORDS
- 10 [Sections 8814.067-8814.100 reserved for expansion]
- 11 SUBCHAPTER C. POWERS AND DUTIES
- 12 Sec. 8814.101. GROUNDWATER CONSERVATION DISTRICT
- 13 POWERS AND DUTIES
- 14 Sec. 8814.102. RULES
- 15 Sec. 8814.103. EMINENT DOMAIN
- 16 Sec. 8814.104. CERTAIN PERMIT DENIALS PROHIBITED
- 17 Sec. 8814.105. CONTROL, STORAGE, AND PRESERVATION OF
- 18 STORM AND FLOOD WATER
- 19 Sec. 8814.106. RECLAMATION
- 20 Sec. 8814.107. SOIL CONSERVATION AND IMPROVEMENT
- 21 Sec. 8814.108. ACQUISITION OF PROPERTY
- 22 Sec. 8814.109. SALE AND DISPOSAL OF PROPERTY
- 23 Sec. 8814.110. IMPROVEMENTS AND FACILITIES
- 24 Sec. 8814.111. INPUT WELLS
- 25 Sec. 8814.112. APPEARANCE BEFORE RAILROAD COMMISSION
- 26 Sec. 8814.113. STUDIES AND SURVEYS
- 27 Sec. 8814.114. RESEARCH; INFORMATION

1 Sec. 8814.115. DISTRICT PLANS

2 Sec. 8814.116. PAYMENT OF JUDGMENTS

3 CHAPTER 8814. STERLING COUNTY UNDERGROUND WATER CONSERVATION

4 DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 8814.001. DEFINITIONS. In this chapter:

7 (1) "Board" means the district's board of directors.

8 (2) "Director" means a board member.

9 (3) "District" means the Sterling County Underground  
10 Water Conservation District. (Acts 70th Leg., R.S., Ch. 915, Sec.  
11 2; New.)

12 Sec. 8814.002. NATURE OF DISTRICT. The district is created  
13 under Section 59, Article XVI, Texas Constitution, to provide for  
14 the conservation, preservation, protection, recharge, and  
15 prevention of waste and pollution of the district's groundwater and  
16 surface water, consistent with the objectives of Section 59,  
17 Article XVI, Texas Constitution, and Chapter 36 and Subchapters H  
18 and I, Chapter 49, Water Code. (Acts 70th Leg., R.S., Ch. 915,  
19 Secs. 1 (part), 29.)

20 Sec. 8814.003. LEGISLATIVE FINDINGS. The legislature finds  
21 that:

22 (1) the organization of the district is feasible and  
23 practicable;

24 (2) the land to be included in and the residents of the  
25 district will benefit from the creation of the district;

26 (3) there is a public necessity for the district; and

27 (4) the creation of the district will further the

1 public welfare. (Acts 70th Leg., R.S., Ch. 915, Sec. 3.)

2           Sec. 8814.004. DISTRICT TERRITORY. The district is  
3 composed of the territory in Sterling County unless the district's  
4 territory has been modified under:

- 5           (1) Subchapter J or K, Chapter 36, Water Code; or  
6           (2) other law. (Acts 70th Leg., R.S., Ch. 915, Sec. 4;  
7 New.)

8           Sec. 8814.005. DISTRICT NAME CHANGE. The board may change  
9 the name of the district if additional territory is annexed to or  
10 consolidated with the district. (Acts 70th Leg., R.S., Ch. 915,  
11 Sec. 28.)

12           Sec. 8814.006. OWNERSHIP OF GROUNDWATER AND SURFACE WATER  
13 RIGHTS NOT AFFECTED BY CHAPTER. The ownership and rights of the  
14 owner of land, the owner's lessees, and assigns in groundwater and  
15 any surface water rights are recognized, and this chapter does not  
16 deprive or divest the owner, the owner's lessees, or assigns of  
17 those ownership rights. (Acts 70th Leg., R.S., Ch. 915, Sec. 45.)

18           Sec. 8814.007. PAYMENT OF ORGANIZATIONAL EXPENSES. (a)  
19 The board may pay:

- 20           (1) all costs and expenses necessarily incurred in the  
21 creation and organization of the district;  
22           (2) legal fees; and  
23           (3) other incidental expenses.

24           (b) The board may reimburse a person for money advanced for  
25 a purpose described by Subsection (a).

26           (c) A payment may be made from maintenance taxes or other  
27 district revenue. (Acts 70th Leg., R.S., Ch. 915, Sec. 47.)

1 [Sections 8814.008-8814.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Sec. 8814.051. COMPOSITION OF BOARD; TERMS. (a) The board  
4 is composed of five directors.

5 (b) Directors serve staggered four-year terms.

6 (c) A director takes office at the first regular meeting of  
7 the board following the director's election to the board. (Acts  
8 70th Leg., R.S., Ch. 915, Secs. 8(a), 11, 12.)

9 Sec. 8814.052. ELECTION OF DIRECTORS. One director is  
10 elected from the district at large. One director is elected from  
11 each county commissioners precinct. (Acts 70th Leg., R.S., Ch.  
12 915, Sec. 8(b).)

13 Sec. 8814.053. ELECTION DATE. Every two years, an election  
14 shall be held on the uniform election date in May to elect the  
15 appropriate number of directors. (Acts 70th Leg., R.S., Ch. 915,  
16 Sec. 10.)

17 Sec. 8814.054. QUALIFICATIONS FOR ELECTION; ELIGIBILITY TO  
18 SERVE. (a) To be qualified for election as a director, a person  
19 must be:

20 (1) a resident of the district; and

21 (2) at least 18 years of age.

22 (b) In addition to the requirements of Subsection (a), a  
23 person who is a director from a county commissioners precinct must  
24 be a resident of that precinct unless the composition of the board  
25 is changed by annexation or consolidation. (Acts 70th Leg., R.S.,  
26 Ch. 915, Sec. 9.)

27 Sec. 8814.055. BOARD VACANCY. If a vacancy occurs in the

1 office of director, the remaining directors shall appoint a  
2 director for the unexpired term. (Acts 70th Leg., R.S., Ch. 915,  
3 Sec. 13.)

4 Sec. 8814.056. COMPOSITION OF BOARD FOLLOWING ANNEXATION OR  
5 CONSOLIDATION. If the district annexes territory or consolidates  
6 with another district, the board shall determine the composition of  
7 the board in a manner that is equitable for the residents of the  
8 district as provided by Chapter 36, Water Code. (Acts 70th Leg.,  
9 R.S., Ch. 915, Sec. 8(c).)

10 Sec. 8814.057. COMPENSATION; EXPENSES. (a) A director or  
11 officer serves without compensation but may be reimbursed for  
12 actual expenses incurred in the performance of official duties.

13 (b) The expenses described by Subsection (a) must be:

14 (1) reported in the district's records; and

15 (2) approved by the board. (Acts 70th Leg., R.S., Ch.  
16 915, Sec. 15.)

17 Sec. 8814.058. VOTE REQUIRED FOR OFFICIAL BOARD ACTION. An  
18 official action of the board is not valid without the affirmative  
19 vote of a majority of the directors. (Acts 70th Leg., R.S., Ch.  
20 915, Sec. 17 (part).)

21 Sec. 8814.059. OFFICERS. (a) After each directors'  
22 election, the board shall:

23 (1) hold a regular meeting at the district office; and

24 (2) organize by electing from the directors a  
25 president, a vice president, and a secretary.

26 (b) A person selected to serve as president, vice president,  
27 or secretary serves in that capacity for a two-year term.



1 (c) The president, vice president, and secretary shall  
2 perform the duties and may exercise the powers specifically  
3 provided by this chapter or by order of the board. (Acts 70th Leg.,  
4 R.S., Ch. 915, Secs. 16(a), (b), (d).)

5 Sec. 8814.060. GENERAL MANAGER; SERVICE OF PROCESS. (a)  
6 The general manager shall execute a bond in the amount determined by  
7 the board, payable to the district, and conditioned on the faithful  
8 performance of the general manager's duties. The district shall  
9 pay for the bond.

10 (b) The general manager is entitled to receive the  
11 compensation provided by the district's budget.

12 (c) Service of process in a suit may be had by serving the  
13 general manager. (Acts 70th Leg., R.S., Ch. 915, Secs. 19(b), (c),  
14 27(a) (part).)

15 Sec. 8814.061. TREASURER AND ATTORNEY. (a) The board may  
16 appoint a treasurer and an attorney for the district.

17 (b) The person appointed as treasurer shall execute a bond  
18 in the amount determined by the board, payable to the district,  
19 conditioned on the faithful performance of the treasurer's duties.  
20 The district shall pay for the bond.

21 (c) A person appointed under this section is entitled to the  
22 compensation provided by the district's budget. (Acts 70th Leg.,  
23 R.S., Ch. 915, Sec. 18.)

24 Sec. 8814.062. ENGINEER. The board may:

25 (1) appoint or contract with a competent professional  
26 engineer for the district; and

27 (2) determine the amount of compensation to be paid to

1 the engineer. (Acts 70th Leg., R.S., Ch. 915, Sec. 20.)

2           Sec. 8814.063. PERSONNEL. (a) The general manager or the  
3 board may:

4                   (1) employ other persons necessary to properly handle  
5 the district's business and operation; and

6                   (2) employ or contract with expert and specialized  
7 personnel who are necessary to carry out this chapter.

8           (b) The board shall determine the terms of employment and  
9 the compensation to be paid to employees described by this section.

10           (c) The district shall pay for any bond that an employee of  
11 or person under contract with the district is required to furnish  
12 under Section 36.057(d), Water Code.

13           (d) The general manager or the board may dismiss an employee  
14 of the district. (Acts 70th Leg., R.S., Ch. 915, Secs. 21(a), (b),  
15 (c), (d) (part).)

16           Sec. 8814.064. DISTRICT OFFICE. The board shall maintain an  
17 office in the district for conducting district business. (Acts  
18 70th Leg., R.S., Ch. 915, Sec. 22.)

19           Sec. 8814.065. MEETINGS. The board shall hold regular  
20 meetings at the district office on a date established by the board.  
21 (Acts 70th Leg., R.S., Ch. 915, Sec. 23.)

22           Sec. 8814.066. RECORDS. The board shall keep a complete  
23 written account of board meetings and other proceedings and shall  
24 preserve the board's minutes, contracts, records, plans, notices,  
25 accounts, receipts, and records in a secure manner at the  
26 district's office. (Acts 70th Leg., R.S., Ch. 915, Sec. 24(a).)

1 [Sections 8814.067-8814.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8814.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. Except to the extent of any conflict with this chapter  
5 or as specifically limited by this chapter, the district may  
6 exercise the powers granted by, and shall exercise the duties  
7 provided by, Chapter 36, Water Code, to carry out the purpose of the  
8 district and this chapter. (Acts 70th Leg., R.S., Ch. 915, Secs.  
9 31(a), 46.)

10 Sec. 8814.102. RULES. (a) The board may adopt rules  
11 necessary to carry out the purpose and powers under this chapter.

12 (b) In addition to the rules adopted under Subsection (a),  
13 the board may adopt and enforce rules as provided by Chapter 36 and  
14 Subchapters H and I, Chapter 49, Water Code. (Acts 70th Leg., R.S.,  
15 Ch. 915, Secs. 30(a) (part), (b).)

16 Sec. 8814.103. EMINENT DOMAIN. (a) The district may  
17 exercise the power of eminent domain to acquire by condemnation a  
18 fee simple or other interest in property in the district if the  
19 property interest is necessary to the exercise of the authority  
20 conferred by this chapter.

21 (b) The district must exercise the power of eminent domain  
22 in the manner provided by Chapter 21, Property Code, but the  
23 district is not required to deposit in the trial court money or a  
24 bond as provided by Section 21.021(a), Property Code. (Acts 70th  
25 Leg., R.S., Ch. 915, Secs. 42(a), (b).)

26 Sec. 8814.104. CERTAIN PERMIT DENIALS PROHIBITED. If the  
27 district regulates production of groundwater by permit as

1 authorized by Chapter 36, Water Code, the board may not deny a  
2 permit to drill a well to the owner of land, or the owner's heirs,  
3 assigns, and lessees on that land, and the right to produce water  
4 from that well under rules adopted by the district. (Acts 70th  
5 Leg., R.S., Ch. 915, Sec. 32.)

6 Sec. 8814.105. CONTROL, STORAGE, AND PRESERVATION OF STORM  
7 AND FLOOD WATER. The district may control, store, and preserve the  
8 storm and flood water in the district and the water of the rivers  
9 and streams in the district for:

- 10 (1) irrigation of arid land;
- 11 (2) prevention of floods and flood damage in the  
12 district; and
- 13 (3) domestic, agricultural, municipal, and industrial  
14 uses. (Acts 70th Leg., R.S., Ch. 915, Sec. 36.)

15 Sec. 8814.106. RECLAMATION. The district may:

- 16 (1) reclaim land in the district; and
- 17 (2) construct works, facilities, and improvements  
18 necessary to accomplish that purpose. (Acts 70th Leg., R.S., Ch.  
19 915, Sec. 37.)

20 Sec. 8814.107. SOIL CONSERVATION AND IMPROVEMENT. The  
21 district may construct and maintain terraces or other structures on  
22 land in the district and may engage in or promote land treatment  
23 measures for soil conservation and improvement. (Acts 70th Leg.,  
24 R.S., Ch. 915, Sec. 38.)

25 Sec. 8814.108. ACQUISITION OF PROPERTY. The district may  
26 acquire land or other property necessary to carry out this chapter  
27 by:

- 1 (1) gift;
- 2 (2) devise;
- 3 (3) lease;
- 4 (4) purchase; or
- 5 (5) condemnation. (Acts 70th Leg., R.S., Ch. 915,
- 6 Sec. 41.)

7 Sec. 8814.109. SALE AND DISPOSAL OF PROPERTY. Subject to  
8 this chapter and Chapter 36 and Subchapters H and I, Chapter 49,  
9 Water Code, the district may sell or otherwise dispose of land and  
10 other property of the district that is not necessary to carry out  
11 the purpose or powers of the district as determined by the board.  
12 (Acts 70th Leg., R.S., Ch. 915, Sec. 43.)

13 Sec. 8814.110. IMPROVEMENTS AND FACILITIES. (a) The  
14 district may construct or acquire and improve and maintain works,  
15 facilities, and improvements necessary to carry out the purpose,  
16 powers, and plans of the district.

17 (b) The district must construct and acquire works,  
18 facilities, and improvements in the manner provided by Chapter 49,  
19 Water Code. (Acts 70th Leg., R.S., Ch. 915, Sec. 39.)

20 Sec. 8814.111. INPUT WELLS. The district may drill, equip,  
21 operate, and maintain input wells, pumps, and other facilities to  
22 carry out its purpose and powers under this chapter. (Acts 70th  
23 Leg., R.S., Ch. 915, Sec. 40.)

24 Sec. 8814.112. APPEARANCE BEFORE RAILROAD COMMISSION. The  
25 district, through the directors or the district's general manager,  
26 may appear before the Railroad Commission of Texas and present  
27 evidence and information relating to a pending permit application

1 for an injection well to be located in the district. (Acts 70th  
2 Leg., R.S., Ch. 915, Sec. 44.)

3       Sec. 8814.113. STUDIES AND SURVEYS. (a) The board may have  
4 a professional engineer conduct studies and surveys of the  
5 groundwater and surface water supplies in the district and the  
6 facilities available for use in the conservation, preservation,  
7 protection, recharge, and prevention of waste and pollution of  
8 those water resources.

9       (b) A professional engineer may determine the quantities of  
10 groundwater and surface water in the district. (Acts 70th Leg.,  
11 R.S., Ch. 915, Sec. 33.)

12       Sec. 8814.114. RESEARCH; INFORMATION. The district may  
13 engage in research projects and shall develop information to be  
14 used by the district in preparing and implementing the district's  
15 plans and in carrying out the district's powers and duties under  
16 this chapter. (Acts 70th Leg., R.S., Ch. 915, Sec. 35.)

17       Sec. 8814.115. DISTRICT PLANS. (a) The district shall  
18 develop and implement comprehensive plans for the conservation,  
19 preservation, protection, recharge, and prevention of waste and  
20 pollution of groundwater and surface water in the district.

21       (b) The plans must include all works, facilities, and  
22 improvements necessary to implement the plans and the  
23 specifications for those works, facilities, and improvements.  
24 (Acts 70th Leg., R.S., Ch. 915, Sec. 34.)

25       Sec. 8814.116. PAYMENT OF JUDGMENTS. A court of this state  
26 that renders a money judgment against the district may require the  
27 board to pay the judgment from money in the district depository that

1 is not dedicated to the payment of any indebtedness of the district.  
2 (Acts 70th Leg., R.S., Ch. 915, Sec. 27(c).)

3 CHAPTER 8816. CULBERSON COUNTY GROUNDWATER CONSERVATION DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 8816.001. DEFINITIONS

6 Sec. 8816.002. NATURE OF DISTRICT

7 Sec. 8816.003. FINDINGS OF PUBLIC USE AND BENEFIT

8 Sec. 8816.004. DISTRICT TERRITORY

9 Sec. 8816.005. CONFLICTS OF LAW

10 [Sections 8816.006-8816.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8816.051. COMPOSITION OF BOARD; TERMS

13 Sec. 8816.052. ELECTION DATE

14 [Sections 8816.053-8816.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 8816.101. GROUNDWATER CONSERVATION DISTRICT

17 POWERS AND DUTIES

18 Sec. 8816.102. CONTRACT FOR AND SALE AND DISTRIBUTION

19 OF WATER

20 CHAPTER 8816. CULBERSON COUNTY GROUNDWATER CONSERVATION DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 8816.001. DEFINITIONS. In this chapter:

23 (1) "Board" means the district's board of directors.

24 (2) "Director" means a board member.

25 (3) "District" means the Culberson County Groundwater

26 Conservation District. (Acts 75th Leg., R.S., Ch. 1075, Sec. 2;

27 New.)

1           Sec. 8816.002. NATURE OF DISTRICT. The district is a  
2 groundwater conservation district in Culberson County created  
3 under and essential to accomplish the purposes of Section 59,  
4 Article XVI, Texas Constitution. (Acts 75th Leg., R.S., Ch. 1075,  
5 Secs. 1(a) (part), (b).)

6           Sec. 8816.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
7 district is created to serve a public use and benefit.

8           (b) All land and other property included in the district  
9 will benefit from the works and projects accomplished by the  
10 district under the powers conferred by Section 59, Article XVI,  
11 Texas Constitution. (Acts 75th Leg., R.S., Ch. 1075, Sec. 4.)

12           Sec. 8816.004. DISTRICT TERRITORY. The district is  
13 composed of the territory described by Section 3, Chapter 1075,  
14 Acts of the 75th Legislature, Regular Session, 1997, as that  
15 territory may have been modified under:

16                   (1) Subchapter J, Chapter 36, Water Code; or

17                   (2) other law. (New.)

18           Sec. 8816.005. CONFLICTS OF LAW. (a) Except as otherwise  
19 provided by this chapter, if there is a conflict between this  
20 chapter and Chapter 36 or 49, Water Code, this chapter controls.

21           (b) If there is a conflict between Chapters 36 and 49, Water  
22 Code, Chapter 36 controls. (Acts 75th Leg., R.S., Ch. 1075, Sec.  
23 11.)

24                   [Sections 8816.006-8816.050 reserved for expansion]

25                   SUBCHAPTER B. BOARD OF DIRECTORS

26           Sec. 8816.051. COMPOSITION OF BOARD; TERMS. (a) The  
27 district is governed by a board of five directors.



1 (b) Directors serve staggered four-year terms. (Acts 75th  
2 Leg., R.S., Ch. 1075, Secs. 6(a), (d).)

3 Sec. 8816.052. ELECTION DATE. Every two years on the  
4 uniform election date in May, the appropriate number of directors  
5 shall be elected to the board. (Acts 75th Leg., R.S., Ch. 1075,  
6 Sec. 9(b).)

7 [Sections 8816.053-8816.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8816.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
10 AND DUTIES. The district has the rights, powers, privileges,  
11 functions, and duties provided by the general law of this state,  
12 including Chapters 36 and 49, Water Code, applicable to groundwater  
13 conservation districts created under Section 59, Article XVI, Texas  
14 Constitution. (Acts 75th Leg., R.S., Ch. 1075, Sec. 5(a) (part).)

15 Sec. 8816.102. CONTRACT FOR AND SALE AND DISTRIBUTION OF  
16 WATER. The district may contract for, sell, and distribute water  
17 from a water import authority or other entity. (Acts 75th Leg.,  
18 R.S., Ch. 1075, Sec. 10.)

19 CHAPTER 8825. BLUEBONNET GROUNDWATER CONSERVATION DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 8825.001. DEFINITIONS

22 Sec. 8825.002. NATURE OF DISTRICT

23 Sec. 8825.003. FINDINGS OF PUBLIC USE AND BENEFIT

24 Sec. 8825.004. DISTRICT TERRITORY

25 [Sections 8825.005-8825.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 8825.051. COMPOSITION OF BOARD

- 1 Sec. 8825.052. TERMS
- 2 Sec. 8825.053. APPOINTMENT OF DIRECTORS
- 3 Sec. 8825.054. BOARD VACANCY
- 4 Sec. 8825.055. COMPENSATION; EXPENSES
- 5 Sec. 8825.056. VOTE REQUIRED FOR BOARD ACTION

6 [Sections 8825.057-8825.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

- 8 Sec. 8825.101. GROUNDWATER CONSERVATION DISTRICT
- 9 POWERS AND DUTIES
- 10 Sec. 8825.102. LIMITATIONS ON DISTRICT POWERS
- 11 Sec. 8825.103. REGISTRATION, EQUIPMENT, AND
- 12 MAINTENANCE OF EXEMPTED WELLS;
- 13 APPLICABILITY OF FEES
- 14 Sec. 8825.104. CERTAIN PERMIT DENIALS PROHIBITED
- 15 Sec. 8825.105. PERMIT FEES
- 16 Sec. 8825.106. ADDITIONAL FEE; SURCHARGE
- 17 Sec. 8825.107. ANNUAL ASSESSMENT AND USE OF FEES
- 18 Sec. 8825.108. MITIGATION ASSISTANCE
- 19 Sec. 8825.109. COORDINATION WITH OTHER ENTITIES

20 CHAPTER 8825. BLUEBONNET GROUNDWATER CONSERVATION DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 8825.001. DEFINITIONS. In this chapter:

- 23 (1) "Board" means the district's board of directors.
- 24 (2) "Director" means a board member.
- 25 (3) "District" means the Bluebonnet Groundwater
- 26 Conservation District. (Acts 77th Leg., R.S., Ch. 1361, Sec. 2;
- 27 New.)

1           Sec. 8825.002. NATURE OF DISTRICT. (a) The district is a  
2 groundwater conservation district created under and essential to  
3 accomplish the purposes of Section 59, Article XVI, Texas  
4 Constitution.

5           (b) The purpose of this chapter is to create a locally  
6 controlled district to:

7                   (1) protect and recharge groundwater;

8                   (2) prevent pollution or waste of groundwater;

9                   (3) control subsidence caused by withdrawal of water  
10 from the groundwater reservoirs in the area; and

11                   (4) regulate the transport of water out of the  
12 district. (Acts 77th Leg., R.S., Ch. 1361, Secs. 1(a) (part), (b),  
13 (c).)

14           Sec. 8825.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
15 district is created to serve a public use and benefit.

16           (b) All land and other property included in the district  
17 will benefit from the works and projects accomplished by the  
18 district under the powers conferred by Section 59, Article XVI,  
19 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1361, Sec. 4.)

20           Sec. 8825.004. DISTRICT TERRITORY.           The district's  
21 boundaries are coextensive with the boundaries of Austin, Grimes,  
22 Walker, and Waller Counties, unless the district's territory has  
23 been modified under:

24                   (1) Subchapter J, Chapter 36, Water Code; or

25                   (2) other law. (Acts 77th Leg., R.S., Ch. 1361, Secs.  
26 1(a) (part), 3; New.)

1 [Sections 8825.005-8825.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8825.051. COMPOSITION OF BOARD. The district is  
4 governed by a board of not fewer than 8 or more than 20 directors  
5 appointed as provided by Section 8825.053. (Acts 77th Leg., R.S.,  
6 Ch. 1361, Sec. 12(a).)

7 Sec. 8825.052. TERMS. (a) Directors serve staggered  
8 four-year terms.

9 (b) A director may serve consecutive terms. (Acts 77th  
10 Leg., R.S., Ch. 1361, Secs. 12(c), (f).)

11 Sec. 8825.053. APPOINTMENT OF DIRECTORS. (a) The  
12 commissioners courts of the counties in the district, if the  
13 district has two to five counties, shall each appoint four  
14 directors, of whom:

- 15 (1) one must represent municipal interests;  
16 (2) one must represent agricultural interests;  
17 (3) one must represent industrial interests; and  
18 (4) one must represent rural water suppliers'  
19 interests.

20 (b) If the district consists of one county, the  
21 commissioners court of that county shall appoint eight directors,  
22 of whom:

- 23 (1) two must represent municipal interests;  
24 (2) two must represent agricultural interests;  
25 (3) two must represent industrial interests; and  
26 (4) two must represent rural water suppliers'  
27 interests.

1 (c) Every two years after the date on which all initial  
2 directors qualified as required by Section 36.055, Water Code, the  
3 appropriate commissioners courts shall each appoint the  
4 appropriate number of directors. (Acts 77th Leg., R.S., Ch. 1361,  
5 Secs. 13(a), (b), (d) (part).)

6 Sec. 8825.054. BOARD VACANCY. (a) If there is a vacancy on  
7 the board, the commissioners court that appointed the director who  
8 vacated the office shall appoint a director to serve the remainder  
9 of the term.

10 (b) In making the appointment, the commissioners court  
11 shall appoint a director to represent the interest of the director  
12 who vacated the office. (Acts 77th Leg., R.S., Ch. 1361, Sec.  
13 12(g).)

14 Sec. 8825.055. COMPENSATION; EXPENSES. (a) A director is  
15 not entitled to receive compensation for serving as a director.

16 (b) A director may be reimbursed for actual reasonable  
17 expenses incurred in discharging official duties. (Acts 77th Leg.,  
18 R.S., Ch. 1361, Sec. 12(h).)

19 Sec. 8825.056. VOTE REQUIRED FOR BOARD ACTION. A majority  
20 vote of a quorum of the board is required for board action. If there  
21 is a tie vote, the proposed action fails. (Acts 77th Leg., R.S.,  
22 Ch. 1361, Sec. 12(i).)

23 [Sections 8825.057-8825.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 8825.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
26 AND DUTIES. Except as otherwise provided by this chapter, the  
27 district has the rights, powers, privileges, functions, and duties

1 provided by the general law of this state, including Chapter 36,  
2 Water Code, applicable to groundwater conservation districts  
3 created under Section 59, Article XVI, Texas Constitution. (Acts  
4 77th Leg., R.S., Ch. 1361, Sec. 5(a) (part).)

5 Sec. 8825.102. LIMITATIONS ON DISTRICT POWERS. The  
6 district does not have the authority granted by:

7 (1) Section 36.105, Water Code, relating to eminent  
8 domain; and

9 (2) Sections 36.020 and 36.201-36.204, Water Code,  
10 relating to taxes. (Acts 77th Leg., R.S., Ch. 1361, Sec. 5(b).)

11 Sec. 8825.103. REGISTRATION, EQUIPMENT, AND MAINTENANCE OF  
12 EXEMPTED WELLS; APPLICABILITY OF FEES. (a) A well exempted under  
13 Section 36.117(a) or (b), Water Code, may be:

14 (1) registered in accordance with rules adopted by the  
15 district; and

16 (2) equipped and maintained in accordance with Section  
17 36.117(h)(2), Water Code.

18 (b) The district may require the driller of a well exempted  
19 as provided by Subsection (a) to file the drilling log with the  
20 district.

21 (c) Groundwater withdrawn from an exempted well and  
22 subsequently transported outside the boundaries of the district is  
23 subject to all applicable production and export fees imposed under  
24 Sections 8825.105 and 8825.106. (Acts 77th Leg., R.S., Ch. 1361,  
25 Secs. 7(i) (part), (j), (l).)

26 Sec. 8825.104. CERTAIN PERMIT DENIALS PROHIBITED. The  
27 district may not deny the owner of a tract of land, or the owner's

1 lessee, who does not have a well equipped to produce more than  
2 25,000 gallons each day on the tract, either a permit to drill a  
3 well on the tract or the privilege to produce groundwater from the  
4 tract, subject to any rules of the district. (Acts 77th Leg., R.S.,  
5 Ch. 1361, Sec. 7(c).)

6       Sec. 8825.105. PERMIT FEES. (a) The board by rule may  
7 impose a reasonable fee on each well that is not exempt from  
8 regulation by the district and for which a permit is issued by the  
9 district.

10       (b) The fee may be based on:

11           (1) the size of column pipe used by the well; or

12           (2) the actual, authorized, or anticipated amount of  
13 water to be withdrawn from the well.

14       (c) The fee may not exceed:

15           (1) \$1 for each acre-foot payable annually for water  
16 used for agricultural use; or

17           (2) 17 cents for each thousand gallons for water used  
18 for any other purpose. (Acts 77th Leg., R.S., Ch. 1361, Secs. 6(a),  
19 (b).)

20       Sec. 8825.106. ADDITIONAL FEE; SURCHARGE. In addition to a  
21 fee imposed under Section 8825.105, the district may impose a  
22 reasonable fee or surcharge for an export fee using one of the  
23 following methods:

24           (1) a fee negotiated between the district and the  
25 transporter; or

26           (2) a combined production and export fee not to exceed  
27 17 cents for each thousand gallons for water used. (Acts 77th Leg.,

1 R.S., Ch. 1361, Sec. 6(c).)

2           Sec. 8825.107. ANNUAL ASSESSMENT AND USE OF FEES. A fee  
3 imposed under Section 8825.105 or 8825.106 may be:

4           (1) assessed annually; and

5           (2) used to fund the costs of district operations.

6 (Acts 77th Leg., R.S., Ch. 1361, Sec. 6(d).)

7           Sec. 8825.108. MITIGATION ASSISTANCE. In addition to the  
8 authority granted by Chapter 36, Water Code, the district may  
9 assist in the mediation between landowners regarding the mitigation  
10 of a loss of existing groundwater supply of exempt domestic and  
11 livestock users due to the groundwater pumping of others. (Acts  
12 77th Leg., R.S., Ch. 1361, Sec. 8.)

13           Sec. 8825.109. COORDINATION WITH OTHER ENTITIES. The  
14 district may:

15           (1) coordinate activities with the Central  
16 Carrizo-Wilcox Coordinating Council and appoint a nonvoting  
17 representative to the Central Carrizo-Wilcox Coordinating Council;  
18 and

19           (2) coordinate activities with the Harris-Galveston  
20 Coastal Subsidence District or other groundwater conservation  
21 districts to manage portions of the Gulf Coast Aquifer. (Acts 77th  
22 Leg., R.S., Ch. 1361, Sec. 11.)

23 CHAPTER 8826. BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT

24           SUBCHAPTER A. GENERAL PROVISIONS

25 Sec. 8826.001. DEFINITIONS

26 Sec. 8826.002. NATURE OF DISTRICT

27 Sec. 8826.003. FINDINGS OF PUBLIC USE AND BENEFIT



1 Sec. 8826.004. DISTRICT TERRITORY

2 [Sections 8826.005-8826.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 8826.051. COMPOSITION OF BOARD; TERMS

5 Sec. 8826.052. ELECTION OF DIRECTORS

6 Sec. 8826.053. ELECTION DATE

7 Sec. 8826.054. ELIGIBILITY

8 [Sections 8826.055-8826.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8826.101. GROUNDWATER CONSERVATION DISTRICT

11 POWERS AND DUTIES

12 Sec. 8826.102. LIMITATIONS ON DISTRICT POWERS

13 Sec. 8826.103. WELLS EXEMPT FROM REGULATION

14 [Sections 8826.104-8826.150 reserved for expansion]

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. 8826.151. FEES

17 CHAPTER 8826. BRAZORIA COUNTY GROUNDWATER CONSERVATION DISTRICT

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 8826.001. DEFINITIONS. In this chapter:

20 (1) "Board" means the district's board of directors.

21 (2) "Director" means a board member.

22 (3) "District" means the Brazoria County Groundwater  
23 Conservation District. (Acts 78th Leg., R.S., Ch. 772, Sec. 2;  
24 New.)

25 Sec. 8826.002. NATURE OF DISTRICT. The district is a  
26 groundwater conservation district in Brazoria County created under  
27 and essential to accomplish the purposes of Section 59, Article

1 XVI, Texas Constitution. (Acts 78th Leg., R.S., Ch. 772, Secs. 1(a)  
2 (part), (b).)

3 Sec. 8826.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
4 district is created to serve a public use and benefit.

5 (b) All land and other property included in the district  
6 will benefit from the works and projects accomplished by the  
7 district under the powers conferred by Section 59, Article XVI,  
8 Texas Constitution. (Acts 78th Leg., R.S., Ch. 772, Sec. 4.)

9 Sec. 8826.004. DISTRICT TERRITORY. The district's  
10 boundaries are coextensive with the boundaries of Brazoria County,  
11 Texas, unless the district's territory has been modified under:

- 12 (1) Subchapter J, Chapter 36, Water Code; or  
13 (2) other law. (Acts 78th Leg., R.S., Ch. 772, Sec. 3;  
14 New.)

15 [Sections 8826.005-8826.050 reserved for expansion]

16 SUBCHAPTER B. BOARD OF DIRECTORS

17 Sec. 8826.051. COMPOSITION OF BOARD; TERMS. (a) The  
18 district is governed by a board of five directors.

19 (b) Directors serve staggered four-year terms. (Acts 78th  
20 Leg., R.S., Ch. 772, Secs. 6(a), (d).)

21 Sec. 8826.052. ELECTION OF DIRECTORS. (a) Directors are  
22 elected according to the commissioners precinct method as provided  
23 by this section.

24 (b) One director is elected by the voters of the entire  
25 district. One director is elected from each county commissioners  
26 precinct by the voters of that precinct.

27 (c) A person shall indicate on the application for a place

1 on the ballot:

2 (1) the precinct that the person seeks to represent;

3 or

4 (2) that the person seeks to represent the district at  
5 large.

6 (d) When the boundaries of the county commissioners  
7 precincts are redrawn under Section 18, Article V, Texas  
8 Constitution, a director in office on the effective date of the  
9 change, or elected or appointed before the effective date of the  
10 change to a term of office beginning on or after the effective date  
11 of the change, shall serve the term or the remainder of the term in  
12 the precinct to which elected or appointed even though the change in  
13 boundaries places the director's residence outside the precinct for  
14 which the director was elected or appointed. (Acts 78th Leg., R.S.,  
15 Ch. 772, Secs. 8(a), (b), (d), (e).)

16 Sec. 8826.053. ELECTION DATE. On the first Tuesday after  
17 the first Monday in November of each even-numbered year, the  
18 appropriate number of directors shall be elected. (Acts 78th Leg.,  
19 R.S., Ch. 772, Sec. 10(b).)

20 Sec. 8826.054. ELIGIBILITY. (a) To be eligible to be a  
21 candidate for or to serve as director at large, a person must be a  
22 registered voter in the district.

23 (b) To be eligible to be a candidate for or to serve as  
24 director from a county commissioners precinct, a person must be a  
25 registered voter of that precinct, except as provided by Section  
26 8826.052(d). (Acts 78th Leg., R.S., Ch. 772, Sec. 8(c).)

1 [Sections 8826.055-8826.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8826.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. Except as provided by Section 8826.102, the district  
5 has the rights, powers, privileges, functions, and duties provided  
6 by the general law of this state, including Chapter 36, Water Code,  
7 applicable to groundwater conservation districts created under  
8 Section 59, Article XVI, Texas Constitution. (Acts 78th Leg.,  
9 R.S., Ch. 772, Sec. 5 (part).)

10 Sec. 8826.102. LIMITATIONS ON DISTRICT POWERS. The  
11 district may not:

- 12 (1) impose a tax of any type;  
13 (2) exercise the power of eminent domain;  
14 (3) acquire land;  
15 (4) issue or sell bonds; or  
16 (5) purchase, sell, transport, or distribute surface  
17 water or groundwater. (Acts 78th Leg., R.S., Ch. 772, Sec. 11(a).)

18 Sec. 8826.103. WELLS EXEMPT FROM REGULATION. (a) For a new  
19 or existing water well on private property that serves only a  
20 single-family dwelling used only for domestic purposes, the  
21 district may not:

- 22 (1) assess or collect a fee of any type; or  
23 (2) require that a meter be placed on the well.

24 (b) For a new or existing water well used only for  
25 agriculture, as that term is defined by Section 36.001, Water Code,  
26 the district may not:

- 27 (1) assess or collect a fee of any type; or

1           (2) require that a meter be placed on the well. (Acts  
2 78th Leg., R.S., Ch. 772, Secs. 11(b), (c).)

3           [Sections 8826.104-8826.150 reserved for expansion]

4           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5           Sec. 8826.151. FEES. Unless exempt under this chapter or  
6 Chapter 36, Water Code, the board may establish by schedule and  
7 impose:

8           (1) a production fee under Section 36.205, Water Code;

9           (2) an export fee for groundwater transferred out of  
10 the district in an amount not to exceed 150 percent of the maximum  
11 wholesale water rate charged by the City of Houston; and

12           (3) other fees as authorized by Chapter 36, Water  
13 Code. (Acts 78th Leg., R.S., Ch. 772, Sec. 12.)

14       CHAPTER 8827. BREWSTER COUNTY GROUNDWATER CONSERVATION DISTRICT

15           SUBCHAPTER A. GENERAL PROVISIONS

16       Sec. 8827.001. DEFINITIONS

17       Sec. 8827.002. NATURE OF DISTRICT

18       Sec. 8827.003. FINDINGS OF PUBLIC USE AND BENEFIT

19       Sec. 8827.004. DISTRICT TERRITORY

20       Sec. 8827.005. DISTRICT NAME CHANGE

21       [Sections 8827.006-8827.050 reserved for expansion]

22           SUBCHAPTER B. BOARD OF DIRECTORS

23       Sec. 8827.051. COMPOSITION OF BOARD; TERMS

24       Sec. 8827.052. APPOINTMENT OF DIRECTORS

25       Sec. 8827.053. BOARD VACANCY

26       Sec. 8827.054. COMPENSATION; EXPENSES

27       [Sections 8827.055-8827.100 reserved for expansion]

1                   SUBCHAPTER C. POWERS AND DUTIES

2   Sec. 8827.101.   GROUNDWATER CONSERVATION DISTRICT

3                   POWERS AND DUTIES

4   Sec. 8827.102.   LIMITATIONS ON DISTRICT POWERS RELATING

5                   TO REAL PROPERTY

6   Sec. 8827.103.   GROUNDWATER TRANSFER RESTRICTIONS AND

7                   FEES

8   CHAPTER 8827.   BREWSTER COUNTY GROUNDWATER CONSERVATION DISTRICT

9                   SUBCHAPTER A. GENERAL PROVISIONS

10       Sec. 8827.001.   DEFINITIONS. In this chapter:

11               (1)   "Board" means the district's board of directors.

12               (2)   "Commissioners court" means the Brewster County  
13 Commissioners Court.

14               (3)   "Director" means a board member.

15               (4)   "District" means the Brewster County Groundwater  
16 Conservation District. (Acts 77th Leg., R.S., Ch. 1291, Sec. 2;  
17 New.)

18       Sec. 8827.002.   NATURE OF DISTRICT. The district is a  
19 groundwater conservation district in Brewster County created under  
20 and essential to accomplish the purposes of Section 59, Article  
21 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1291, Secs.  
22 1(a) (part), (b).)

23       Sec. 8827.003.   FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
24 district is created to serve a public use and benefit.

25               (b) All land and other property included in the district  
26 will benefit from the works and projects accomplished by the  
27 district under the powers conferred by Section 59, Article XVI,

1 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1291, Sec. 4.)

2       Sec. 8827.004. DISTRICT TERRITORY.       The district's  
3 boundaries are coextensive with the boundaries of Brewster County  
4 unless the district's territory has been modified under:

- 5           (1) Subchapter J, Chapter 36, Water Code; or  
6           (2) other law. (Acts 77th Leg., R.S., Ch. 1291, Sec.  
7 3; New.)

8       Sec. 8827.005. DISTRICT NAME CHANGE.       The board by  
9 resolution may change the name of the district if the district  
10 annexes territory. (Acts 77th Leg., R.S., Ch. 1291, Sec. 10.)

11       [Sections 8827.006-8827.050 reserved for expansion]

12                   SUBCHAPTER B. BOARD OF DIRECTORS

13       Sec. 8827.051. COMPOSITION OF BOARD; TERMS.   (a) The  
14 district is governed by a board of seven directors appointed by the  
15 commissioners court.

16       (b) The board is composed of:

17           (1) three directors who represent the municipalities  
18 or population centers of Alpine, Lajitas, Marathon, Study Butte,  
19 and Terlingua;

20           (2) three directors who represent the rural part of  
21 Brewster County, exclusive of the municipalities or population  
22 centers of Alpine, Lajitas, Marathon, Study Butte, and Terlingua;  
23 and

24           (3) one director who represents Brewster County at  
25 large.

26       (c) A director described by Subsection (b)(1) must reside in  
27 or in the immediate area of a municipality or population center

1 listed in that subsection.

2 (d) At least one director must reside in each county  
3 commissioners precinct.

4 (e) Directors serve staggered three-year terms. (Acts 77th  
5 Leg., R.S., Ch. 1291, Secs. 7(a), (b), (c), (d), (f).)

6 Sec. 8827.052. APPOINTMENT OF DIRECTORS. The commissioners  
7 court shall appoint a director to succeed a director on or before  
8 the date the director's term expires. (Acts 77th Leg., R.S., Ch.  
9 1291, Sec. 7(i).)

10 Sec. 8827.053. BOARD VACANCY. If there is a vacancy on the  
11 board, the commissioners court shall appoint a director to serve  
12 the remainder of the term. (Acts 77th Leg., R.S., Ch. 1291, Sec.  
13 7(h).)

14 Sec. 8827.054. COMPENSATION; EXPENSES. A director may not  
15 receive a salary or other compensation for service as a director but  
16 may be reimbursed for actual expenses of attending meetings at the  
17 rate in effect for employees of Brewster County. (Acts 77th Leg.,  
18 R.S., Ch. 1291, Sec. 7(j).)

19 [Sections 8827.055-8827.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8827.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
22 AND DUTIES. The district has the rights, powers, privileges,  
23 functions, and duties provided by the general law of this state,  
24 including Chapter 36, Water Code, applicable to groundwater  
25 conservation districts created under Section 59, Article XVI, Texas  
26 Constitution. (Acts 77th Leg., R.S., Ch. 1291, Sec. 5(a) (part).)

27 Sec. 8827.102. LIMITATIONS ON DISTRICT POWERS RELATING TO



1 REAL PROPERTY. Notwithstanding other law:

2 (1) the district may not exercise the power of eminent  
3 domain; and

4 (2) an agent or employee of the district may not enter  
5 private property without the permission of the landowner or the  
6 landowner's agent except to inspect a permitted well and to ensure  
7 compliance with district rules. (Acts 77th Leg., R.S., Ch. 1291,  
8 Sec. 6.)

9 Sec. 8827.103. GROUNDWATER TRANSFER RESTRICTIONS AND FEES.

10 (a) The district may limit and impose fees on the transfer of  
11 groundwater out of the district if, after public notice and a  
12 hearing and in accordance with district rules, the district finds  
13 that restrictions or fees on transfer are in the district's best  
14 interests.

15 (b) In making the determination under Subsection (a), the  
16 district shall consider:

17 (1) the availability of water in the district and in  
18 the receiving area during the period for which the proposed water  
19 transfer is requested;

20 (2) the availability of feasible and practicable  
21 alternative supplies to the applicant proposing the transfer;

22 (3) the amount and proposed use of the transferred  
23 water in the receiving area;

24 (4) the projected effect of the proposed transfer on  
25 aquifer conditions, depletion, or subsidence or effects on existing  
26 permit holders or other groundwater users within the district;

27 (5) the projected environmental and economic effects

1 on the district; and

2 (6) the compatibility of the proposed transfer with  
3 the approved regional plan and certified district management plan.

4 (Acts 77th Leg., R.S., Ch. 1291, Sec. 5(c).)

5 CHAPTER 8828. CLEAR FORK GROUNDWATER CONSERVATION DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 8828.001. DEFINITIONS

8 Sec. 8828.002. NATURE OF DISTRICT

9 Sec. 8828.003. FINDINGS OF PUBLIC USE AND BENEFIT

10 Sec. 8828.004. DISTRICT TERRITORY

11 Sec. 8828.005. DISTRICT NAME CHANGE

12 Sec. 8828.006. CONFLICTS OF LAW

13 [Sections 8828.007-8828.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8828.051. COMPOSITION OF BOARD; TERMS

16 Sec. 8828.052. ELECTION OF DIRECTORS

17 Sec. 8828.053. ELECTION DATE

18 Sec. 8828.054. QUALIFICATIONS FOR OFFICE

19 Sec. 8828.055. BOARD VACANCY

20 [Sections 8828.056-8828.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 8828.101. GROUNDWATER CONSERVATION DISTRICT

23 POWERS AND DUTIES

24 Sec. 8828.102. NO EMINENT DOMAIN POWER

25 [Sections 8828.103-8828.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 8828.151. DISTRICT REVENUE

1 CHAPTER 8828. CLEAR FORK GROUNDWATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8828.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the district's board of directors.

5 (2) "Director" means a board member.

6 (3) "District" means the Clear Fork Groundwater  
7 Conservation District. (Acts 77th Leg., R.S., Ch. 1474, Sec. 2;  
8 New.)

9 Sec. 8828.002. NATURE OF DISTRICT. The district is a  
10 groundwater conservation district in Fisher County created under  
11 and essential to accomplish the purposes of Section 59, Article  
12 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1474, Secs.  
13 1(a) (part), (b).)

14 Sec. 8828.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
15 district is created to serve a public use and benefit.

16 (b) All land and other property included in the district  
17 will benefit from the works and projects accomplished by the  
18 district under the powers conferred by Section 59, Article XVI,  
19 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1474, Sec. 4.)

20 Sec. 8828.004. DISTRICT TERRITORY. The district's  
21 boundaries are coextensive with the boundaries of Fisher County,  
22 Texas, unless the district's territory has been modified under:

23 (1) Subchapter J, Chapter 36, Water Code; or

24 (2) other law. (Acts 77th Leg., R.S., Ch. 1474, Sec.  
25 3; New.)

26 Sec. 8828.005. DISTRICT NAME CHANGE. The board may change  
27 the district's name when the district annexes territory. (Acts

1 77th Leg., R.S., Ch. 1474, Sec. 13.)

2 Sec. 8828.006. CONFLICTS OF LAW. (a) Except as otherwise  
3 provided by this chapter, if there is a conflict between this  
4 chapter and Chapter 36 or 49, Water Code, this chapter controls.

5 (b) If there is a conflict between Chapters 36 and 49, Water  
6 Code, Chapter 36 controls. (Acts 77th Leg., R.S., Ch. 1474, Sec.  
7 12.)

8 [Sections 8828.007-8828.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 8828.051. COMPOSITION OF BOARD; TERMS. (a) The  
11 district is governed by a board of five directors.

12 (b) Directors serve staggered four-year terms. (Acts 77th  
13 Leg., R.S., Ch. 1474, Secs. 6(a), (d).)

14 Sec. 8828.052. ELECTION OF DIRECTORS. (a) Directors are  
15 elected according to the commissioners precinct method as provided  
16 by this section.

17 (b) One director is elected by the voters of the entire  
18 district. One director is elected from each county commissioners  
19 precinct by the voters of that precinct.

20 (c) A person shall indicate on the application for a place  
21 on the ballot:

22 (1) the precinct that the person seeks to represent;  
23 or

24 (2) that the person seeks to represent the district at  
25 large.

26 (d) At the first election of the district after the county  
27 commissioners precincts are redrawn under Section 18, Article V,

1 Texas Constitution, a new director is elected from each precinct.  
2 The directors shall draw lots to determine which two directors  
3 shall serve two-year terms and which two directors shall serve  
4 four-year terms. (Acts 77th Leg., R.S., Ch. 1474, Secs. 8(a), (b),  
5 (d), (e).)

6 Sec. 8828.053. ELECTION DATE. The district shall hold an  
7 election in the district to elect directors on the uniform election  
8 date in May of each even-numbered year. (Acts 77th Leg., R.S., Ch.  
9 1474, Sec. 10(b).)

10 Sec. 8828.054. QUALIFICATIONS FOR OFFICE. (a) To be  
11 qualified to be a candidate for or to serve as director at large, a  
12 person must be a registered voter in the district.

13 (b) To be a candidate for or to serve as director from a  
14 county commissioners precinct, a person must be a registered voter  
15 of that precinct. (Acts 77th Leg., R.S., Ch. 1474, Sec. 8(c).)

16 Sec. 8828.055. BOARD VACANCY. (a) The board shall appoint  
17 a replacement to fill a vacancy in the office of any director.

18 (b) The appointed replacement serves until the next  
19 directors' election.

20 (c) If the position is not scheduled to be filled at the next  
21 election, the person elected to fill the position serves only for  
22 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
23 1474, Sec. 6(g).)

24 [Sections 8828.056-8828.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 8828.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
27 AND DUTIES. Except as provided by this chapter, the district has

1 the rights, powers, privileges, functions, and duties provided by  
2 the general law of this state, including Chapter 36, Water Code,  
3 applicable to groundwater conservation districts created under  
4 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
5 R.S., Ch. 1474, Sec. 5(a) (part).)

6 Sec. 8828.102. NO EMINENT DOMAIN POWER. The district does  
7 not have the power of eminent domain. (Acts 77th Leg., R.S., Ch.  
8 1474, Sec. 5(b).)

9 [Sections 8828.103-8828.150 reserved for expansion]

10 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

11 Sec. 8828.151. DISTRICT REVENUE. To pay the district's  
12 maintenance and operating costs, the district may:

13 (1) impose an ad valorem tax at a rate not to exceed  
14 five cents for each \$100 of taxable value of property in the  
15 district;

16 (2) assess general production fees;

17 (3) solicit and accept grants from any public or  
18 private source; and

19 (4) assess a transfer fee on water exported from the  
20 district. (Acts 77th Leg., R.S., Ch. 1474, Sec. 11.)

21 CHAPTER 8829. COASTAL BEND GROUNDWATER CONSERVATION DISTRICT

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 8829.001. DEFINITIONS

24 Sec. 8829.002. NATURE OF DISTRICT

25 Sec. 8829.003. FINDINGS OF PUBLIC USE AND BENEFIT

26 Sec. 8829.004. DISTRICT TERRITORY

27 Sec. 8829.005. DISTRICT NAME CHANGE

1 Sec. 8829.006. CONFLICTS OF LAW

2 [Sections 8829.007-8829.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 8829.051. COMPOSITION OF BOARD; TERMS

5 Sec. 8829.052. ELECTION OF DIRECTORS

6 Sec. 8829.053. ELECTION DATE

7 Sec. 8829.054. QUALIFICATIONS FOR OFFICE

8 Sec. 8829.055. BOARD VACANCY

9 Sec. 8829.056. COMPOSITION OF BOARD AND ELECTION OF  
10 DIRECTORS FOLLOWING ANNEXATION

11 Sec. 8829.057. REVISION OF VOTING DISTRICTS

12 [Sections 8829.058-8829.100 reserved for expansion]

13 SUBCHAPTER C. POWERS AND DUTIES

14 Sec. 8829.101. GROUNDWATER CONSERVATION DISTRICT

15 POWERS AND DUTIES

16 Sec. 8829.102. REGIONAL COOPERATION

17 [Sections 8829.103-8829.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 8829.151. DISTRICT REVENUE

20 CHAPTER 8829. COASTAL BEND GROUNDWATER CONSERVATION DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 8829.001. DEFINITIONS. In this chapter:

23 (1) "Board" means the district's board of directors.

24 (2) "Director" means a board member.

25 (3) "District" means the Coastal Bend Groundwater

26 Conservation District. (Acts 77th Leg., R.S., Ch. 1294, Sec. 2;

27 New.)

1           Sec. 8829.002. NATURE OF DISTRICT. The district is a  
2 groundwater conservation district in Wharton County created under  
3 and essential to accomplish the purposes of Section 59, Article  
4 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1294, Secs.  
5 1(a) (part), (b).)

6           Sec. 8829.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
7 district is created to serve a public use and benefit.

8           (b) All land and other property included in the district  
9 will benefit from the works and projects accomplished by the  
10 district under the powers conferred by Section 59, Article XVI,  
11 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1294, Sec. 4.)

12           Sec. 8829.004. DISTRICT TERRITORY. The district's  
13 boundaries are coextensive with the boundaries of Wharton County,  
14 Texas, unless the district's territory has been modified under:

- 15                   (1) Subchapter J, Chapter 36, Water Code; or  
16                   (2) other law. (Acts 77th Leg., R.S., Ch. 1294, Sec.  
17 3; New.)

18           Sec. 8829.005. DISTRICT NAME CHANGE. The board may change  
19 the district's name when the district annexes territory. (Acts  
20 77th Leg., R.S., Ch. 1294, Sec. 14.)

21           Sec. 8829.006. CONFLICTS OF LAW. (a) Except as otherwise  
22 provided by this chapter, if there is a conflict between this  
23 chapter and Chapter 36 or 49, Water Code, this chapter controls.

24           (b) If there is a conflict between Chapters 36 and 49, Water  
25 Code, Chapter 36 controls. (Acts 77th Leg., R.S., Ch. 1294, Sec.  
26 13.)



1 [Sections 8829.007-8829.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8829.051. COMPOSITION OF BOARD; TERMS. (a) Except as  
4 provided by Section 8829.056(b), the district is governed by a  
5 board of five directors.

6 (b) Directors serve staggered four-year terms. (Acts 77th  
7 Leg., R.S., Ch. 1294, Secs. 7(a), (d).)

8 Sec. 8829.052. ELECTION OF DIRECTORS. (a) Except as  
9 provided by Section 8829.056, this section and Sections 8829.053  
10 and 8829.054 govern the election and qualifications of directors.

11 (b) Directors are elected according to the commissioners  
12 precinct method as provided by this section.

13 (c) One director is elected by the voters of the entire  
14 district. One director is elected from each county commissioners  
15 precinct by the voters of that precinct.

16 (d) A person shall indicate on the application for a place  
17 on the ballot:

18 (1) the precinct that the person seeks to represent;  
19 or

20 (2) that the person seeks to represent the district at  
21 large.

22 (e) At the first election after the county commissioners  
23 precincts are redrawn under Section 18, Article V, Texas  
24 Constitution, a new director is elected from each precinct. The  
25 directors shall draw lots to determine which two directors shall  
26 serve two-year terms and which two directors shall serve four-year  
27 terms. (Acts 77th Leg., R.S., Ch. 1294, Secs. 9(a), (b), (d), (e),

1 9A(a) (part).)

2           Sec. 8829.053. ELECTION DATE. (a) The district shall hold  
3 an election in the district to elect directors on the first Tuesday  
4 after the first Monday in November of each even-numbered year.

5           (b) The district shall hold elections for the directors for:

6                 (1) Precincts 1 and 3 every four years after 2004; and

7                 (2) Precincts 2 and 4 and the district at large every  
8 four years after 2002. (Acts 77th Leg., R.S., Ch. 1294, Sec. 11.)

9           Sec. 8829.054. QUALIFICATIONS FOR OFFICE. (a) To be  
10 qualified to be a candidate for or to serve as director at large, a  
11 person must be a registered voter in the district.

12           (b) To be a candidate for or to serve as director from a  
13 county commissioners precinct, a person must be a registered voter  
14 of that precinct. (Acts 77th Leg., R.S., Ch. 1294, Sec. 9(c).)

15           Sec. 8829.055. BOARD VACANCY. (a) The board shall appoint  
16 a replacement to fill a vacancy in the office of any director.

17           (b) The appointed replacement serves until the next  
18 directors' election.

19           (c) If the position is not scheduled to be filled at the next  
20 election, the person elected to fill the position serves only for  
21 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
22 1294, Sec. 7(g).)

23           Sec. 8829.056. COMPOSITION OF BOARD AND ELECTION OF  
24 DIRECTORS FOLLOWING ANNEXATION. (a) If the district annexes  
25 territory, the board of directors of the district by resolution  
26 shall adopt an appropriate and equitable method for:

27                 (1) electing directors for the district;

1           (2) drawing voting district boundaries if required by  
2 the method adopted; and

3           (3) maintaining staggered terms for the directors.

4           (b) If the district annexes territory, the board by  
5 resolution may add one or more directors as provided by Section  
6 36.051, Water Code.

7           (c) If the board votes to add a director to represent  
8 annexed territory under Subsection (b), at an election to ratify  
9 annexation under Section 36.328, Water Code, the board may include  
10 on the ballot the names of candidates for director to represent the  
11 annexed territory on the board. A director elected under this  
12 subsection serves until an election is held under Subsection (d).

13           (d) A method of electing directors adopted under Subsection  
14 (a):

15                 (1) supersedes the method of electing directors  
16 provided by Sections 8829.052-8829.054; and

17                 (2) applies beginning with the election held on the  
18 first date provided by Section 8829.053 that:

19                         (A) occurs after the date the annexation of the  
20 territory is final; and

21                         (B) allows sufficient time to comply with any  
22 requirements of law.

23           (e) The method of electing directors provided by Sections  
24 8829.052-8829.054 applies until an election is held under  
25 Subsection (d).

26           (f) To be eligible to be a candidate for or to serve as a  
27 director of the district under this section, a person must:

1 (1) be a registered voter of the district; and

2 (2) comply with each requirement stated in a  
3 resolution adopted under Subsection (a). (Acts 77th Leg., R.S.,  
4 Ch. 1294, Secs. 7A, 9A(a) (part), (b), (c), (d), (e).)

5 Sec. 8829.057. REVISION OF VOTING DISTRICTS. (a) The board  
6 may revise voting districts as necessary or appropriate.

7 (b) If the board adopts a method for electing directors  
8 based on voting districts, the board shall revise each district  
9 after each federal decennial census to reflect population changes.

10 (c) When the boundaries of the voting districts are redrawn,  
11 a director serving on the effective date of the change, or elected  
12 or appointed before the effective date of the change to a term of  
13 office beginning on or after the effective date of the change,  
14 serves the term or the remainder of the term in the district to  
15 which elected or appointed even though the change in district  
16 boundaries places the person's residence outside the district for  
17 which the person was elected or appointed. (Acts 77th Leg., R.S.,  
18 Ch. 1294, Sec. 9A(f).)

19 [Sections 8829.058-8829.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8829.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
22 AND DUTIES. Except as provided by this chapter, the district has  
23 the rights, powers, duties, privileges, and functions provided by  
24 the general law of this state, including Chapter 36, Water Code,  
25 applicable to groundwater conservation districts created under  
26 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
27 R.S., Ch. 1294, Sec. 5 (part).)

1           Sec. 8829.102. REGIONAL COOPERATION. (a) In recognition  
2 of the need for uniform regional monitoring and regulation of  
3 common, scientifically recognized groundwater sources, and within  
4 designated management areas, the district shall establish rules  
5 that:

6           (1) require the permitting of each water well that is:  
7                 (A) not exempt from permitting by Chapter 36,  
8 Water Code; and  
9                 (B) capable of producing more than 25,000 gallons  
10 each day;

11           (2) provide for the prevention of waste, as defined by  
12 Section 36.001, Water Code;

13           (3) provide for timely capping or plugging of  
14 abandoned wells; and

15           (4) require reports to be filed with the district on  
16 each new, nonexempt water well.

17           (b) A report required under Subsection (a)(4) must include:

18                 (1) the driller's log;

19                 (2) a description of the casing and pumping equipment  
20 installed;

21                 (3) the capacity of the well; and

22                 (4) the intended use of the water.

23           (c) To further regional continuity, the district shall:

24                 (1) seek to participate in at least one coordination  
25 meeting annually with each adjacent district that shares an aquifer  
26 with the district;

27                 (2) coordinate the collection of data with adjacent

1 districts in a manner designed to achieve uniformity of data  
2 quality;

3 (3) coordinate efforts to monitor water quality with  
4 adjacent districts, local governments, and state agencies;

5 (4) investigate any groundwater pollution with the  
6 intention of locating its source and report its findings to  
7 adjacent districts and appropriate state agencies;

8 (5) provide to adjacent districts annually an  
9 inventory of new water wells in the district and an estimate of  
10 groundwater production within the district; and

11 (6) include adjacent districts on the mailing lists  
12 for district newsletters, seminars, public education events, news  
13 articles, and field days. (Acts 77th Leg., R.S., Ch. 1294, Sec. 6.)

14 [Sections 8829.103-8829.150 reserved for expansion]

15 SUBCHAPTER D. FINANCIAL PROVISIONS

16 Sec. 8829.151. DISTRICT REVENUE. To pay the district's  
17 maintenance and operating costs, the district may:

18 (1) impose an ad valorem tax at a rate not to exceed  
19 five cents for each \$100 of taxable value of property in the  
20 district;

21 (2) assess general production fees;

22 (3) solicit and accept grants from any public or  
23 private source; and

24 (4) assess a transfer fee on water exported from the  
25 district. (Acts 77th Leg., R.S., Ch. 1294, Sec. 12.)

1 CHAPTER 8831. COASTAL PLAINS GROUNDWATER

2 CONSERVATION DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 8831.001. DEFINITIONS

5 Sec. 8831.002. NATURE OF DISTRICT

6 Sec. 8831.003. FINDINGS OF PUBLIC USE AND BENEFIT

7 Sec. 8831.004. DISTRICT TERRITORY

8 [Sections 8831.005-8831.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 8831.051. COMPOSITION OF BOARD; TERMS

11 Sec. 8831.052. ELECTION OF DIRECTORS

12 Sec. 8831.053. ELECTION DATE

13 Sec. 8831.054. ELIGIBILITY

14 Sec. 8831.055. BOARD VACANCY

15 [Sections 8831.056-8831.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8831.101. GROUNDWATER CONSERVATION DISTRICT

18 POWERS AND DUTIES

19 Sec. 8831.102. REGIONAL COOPERATION

20 [Sections 8831.103-8831.150 reserved for expansion]

21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

22 Sec. 8831.151. DISTRICT REVENUE

23 CHAPTER 8831. COASTAL PLAINS GROUNDWATER

24 CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8831.001. DEFINITIONS. In this chapter:

27 (1) "Board" means the district's board of directors.

1           (2) "Director" means a board member.

2           (3) "District" means the Coastal Plains Groundwater  
3 Conservation District. (Acts 77th Leg., R.S., Ch. 1358, Sec. 2;  
4 New.)

5           Sec. 8831.002. NATURE OF DISTRICT. The district is a  
6 groundwater conservation district in Matagorda County created  
7 under and essential to accomplish the purposes of Section 59,  
8 Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1358,  
9 Secs. 1(a) (part), (b).)

10          Sec. 8831.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
11 district is created to serve a public use and benefit.

12          (b) All land and other property included in the district  
13 will benefit from the works and projects accomplished by the  
14 district under the powers conferred by Section 59, Article XVI,  
15 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1358, Sec. 4.)

16          Sec. 8831.004. DISTRICT TERRITORY. The district's  
17 boundaries are coextensive with the boundaries of Matagorda County,  
18 Texas, unless the district's territory has been modified under:

19           (1) Subchapter J, Chapter 36, Water Code; or

20           (2) other law. (Acts 77th Leg., R.S., Ch. 1358, Sec.  
21 3; New.)

22           [Sections 8831.005-8831.050 reserved for expansion]

23                           SUBCHAPTER B. BOARD OF DIRECTORS

24          Sec. 8831.051. COMPOSITION OF BOARD; TERMS. (a) The  
25 district is governed by a board of seven directors.

26          (b) Directors serve staggered four-year terms. (Acts 77th  
27 Leg., R.S., Ch. 1358, Secs. 7(a), (d).)



1           Sec. 8831.052. ELECTION OF DIRECTORS. (a) Three directors  
2 are elected by the voters of the entire district. One director is  
3 elected from each county commissioners precinct by the voters of  
4 that precinct. The directors elected from precincts 1-4 occupy  
5 positions 1-4, respectively, on the board. The at-large directors  
6 occupy positions 5-7, respectively, on the board.

7           (b) A person shall indicate on the application for a place  
8 on the ballot the position on the board for which the person is a  
9 candidate.

10          (c) At the first election after the county commissioners  
11 precincts are redrawn under Section 18, Article V, Texas  
12 Constitution, each director in office on the effective date of the  
13 change, or elected to a term of office beginning on or after the  
14 effective date of the change, shall serve, unless otherwise removed  
15 as provided by law, in the position to which each was elected for  
16 the entire term to which elected, even though the change in  
17 boundaries places the director's residence outside the precinct  
18 from which the director was elected. (Acts 77th Leg., R.S., Ch.  
19 1358, Secs. 9(a), (c), (d).)

20          Sec. 8831.053. ELECTION DATE. Each even-numbered year, the  
21 board shall hold an election in the district on a uniform election  
22 date provided by Section 41.001(a), Election Code, to elect the  
23 appropriate number of directors. If the board changes the election  
24 date, the district shall adjust the terms of office to conform to  
25 the new election date. (Acts 77th Leg., R.S., Ch. 1358, Sec. 11.)

26          Sec. 8831.054. ELIGIBILITY. (a) To be eligible to be a  
27 candidate for or to serve as a director at large, a person must be a

1 registered voter of the district.

2 (b) To be eligible to be a candidate for or to serve as a  
3 director from a county commissioners precinct, a person must be a  
4 registered voter of that precinct, except as provided by Section  
5 8831.052(c). (Acts 77th Leg., R.S., Ch. 1358, Sec. 9(b).)

6 Sec. 8831.055. BOARD VACANCY. (a) The board shall appoint  
7 a replacement to fill a vacancy in the office of director.

8 (b) The appointed replacement serves until the next  
9 directors' election.

10 (c) At that election, a person is elected to fill the  
11 position. If the position is not scheduled to be filled at the  
12 election, the person elected to fill the position serves only for  
13 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
14 1358, Sec. 7(g).)

15 [Sections 8831.056-8831.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8831.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
18 AND DUTIES. Except as provided by this chapter, the district has  
19 the rights, powers, privileges, functions, and duties provided by  
20 the general law of this state, including Chapter 36, Water Code,  
21 applicable to groundwater conservation districts created under  
22 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
23 R.S., Ch. 1358, Sec. 5(a) (part).)

24 Sec. 8831.102. REGIONAL COOPERATION. To provide for  
25 uniformity across districts in addressing the need to achieve a  
26 common approach to managing the underlying aquifer and to ensure  
27 that administration of the district will be cost-effective, the

1 district shall:

2 (1) attempt to coordinate meetings with adjacent  
3 districts;

4 (2) encourage sharing of personnel and resources to  
5 achieve administrative cost savings;

6 (3) study a common approach for collecting and sharing  
7 appropriate data to be used in managing the aquifer;

8 (4) support cooperation in the investigation of  
9 aquifer contamination; and

10 (5) include adjacent districts on mailing lists for  
11 district meeting announcements, newsletters, public meetings, and  
12 other scheduled events. (Acts 77th Leg., R.S., Ch. 1358, Sec. 6.)

13 [Sections 8831.103-8831.150 reserved for expansion]

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 8831.151. DISTRICT REVENUE. To pay the district's  
16 maintenance and operating costs and to pay any bonds issued by the  
17 district, the district may:

18 (1) impose an ad valorem tax at a rate not to exceed  
19 2.5 cents for each \$100 of taxable value of property in the  
20 district, subject to voter approval;

21 (2) assess fees for services or for water withdrawn  
22 from wells; or

23 (3) solicit and accept grants from any public or  
24 private source. (Acts 77th Leg., R.S., Ch. 1358, Sec. 12.)

25 CHAPTER 8832. MESQUITE GROUNDWATER CONSERVATION DISTRICT

26 SUBCHAPTER A. GENERAL PROVISIONS

27 Sec. 8832.001. DEFINITIONS

- 1 Sec. 8832.002. NATURE OF DISTRICT
- 2 Sec. 8832.003. DISTRICT TERRITORY
- 3 Sec. 8832.004. DISTRICT NAME CHANGE
- 4 [Sections 8832.005-8832.050 reserved for expansion]
- 5 SUBCHAPTER B. BOARD OF DIRECTORS
- 6 Sec. 8832.051. COMPOSITION OF BOARD; TERMS
- 7 Sec. 8832.052. ELECTION OF DIRECTORS
- 8 Sec. 8832.053. ELECTION DATE
- 9 Sec. 8832.054. QUALIFICATIONS FOR ELECTION;
- 10 ELIGIBILITY TO SERVE
- 11 Sec. 8832.055. COMPOSITION OF BOARD AND ELECTION OF
- 12 DIRECTORS FOLLOWING ANNEXATION
- 13 [Sections 8832.056-8832.100 reserved for expansion]
- 14 SUBCHAPTER C. POWERS AND DUTIES
- 15 Sec. 8832.101. GENERAL POWERS AND DUTIES
- 16 Sec. 8832.102. ADMINISTRATIVE PROCEDURES
- 17 Sec. 8832.103. WELL PERMITS
- 18 Sec. 8832.104. WELL SPACING AND PRODUCTION
- 19 Sec. 8832.105. LOGS
- 20 Sec. 8832.106. SURVEYS
- 21 Sec. 8832.107. RESEARCH AND DETERMINATIONS REGARDING
- 22 GROUNDWATER WITHDRAWAL
- 23 Sec. 8832.108. COLLECTION AND PRESERVATION OF
- 24 INFORMATION
- 25 Sec. 8832.109. CONTRACT FOR SALE AND DISTRIBUTION OF
- 26 WATER
- 27 [Sections 8832.110-8832.150 reserved for expansion]

1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2   Sec. 8832.151. FINANCIAL RECORDS

3                   CHAPTER 8832. MESQUITE GROUNDWATER CONSERVATION DISTRICT

4                   SUBCHAPTER A. GENERAL PROVISIONS

5       Sec. 8832.001. DEFINITIONS. In this chapter:

6           (1) "Board" means the district's board of directors.

7           (2) "Director" means a board member.

8           (3) "District" means the Mesquite Groundwater  
9 Conservation District. (Acts 69th Leg., R.S., Ch. 376, Sec. 2;  
10 New.)

11       Sec. 8832.002. NATURE OF DISTRICT. The district is created  
12 under Section 59, Article XVI, Texas Constitution, to provide for  
13 the conservation, preservation, protection, recharge, and  
14 prevention of waste of the groundwater reservoirs located under  
15 district land, consistent with the objectives of Section 59,  
16 Article XVI, Texas Constitution, and Chapter 36, Water Code. (Acts  
17 69th Leg., R.S., Ch. 376, Secs. 1 (part), 4.)

18       Sec. 8832.003. DISTRICT TERRITORY. The district includes  
19 the territory in Collingsworth County and any territory annexed by  
20 the district under Section 8832.055 or other law. (Acts 69th Leg.,  
21 R.S., Ch. 376, Sec. 3; New.)

22       Sec. 8832.004. DISTRICT NAME CHANGE. The board by  
23 resolution may change the district's name. (Acts 69th Leg., R.S.,  
24 Ch. 376, Sec. 4A.)

25           [Sections 8832.005-8832.050 reserved for expansion]

26                   SUBCHAPTER B. BOARD OF DIRECTORS

27       Sec. 8832.051. COMPOSITION OF BOARD; TERMS. (a) Except as

1 provided by Section 8832.055, the district is governed by a board of  
2 five directors.

3 (b) Directors serve staggered four-year terms. (Acts 69th  
4 Leg., R.S., Ch. 376, Secs. 13(a), (d); New.)

5 Sec. 8832.052. ELECTION OF DIRECTORS. (a) The district is  
6 divided into five numbered single-member districts for electing  
7 directors.

8 (b) The board may revise the single-member districts as  
9 necessary or appropriate.

10 (c) One director is elected from each single-member  
11 district. A director elected from a single-member district  
12 represents the residents and property owners of that single-member  
13 district.

14 (d) Board elections are conducted according to Sections  
15 36.017(b)-(h), Water Code, and the Election Code. (Acts 69th Leg.,  
16 R.S., Ch. 376, Secs. 13(c) (part), (e) (part); Acts 77th Leg., R.S.,  
17 Ch. 1364, Sec. 5(d) (part).)

18 Sec. 8832.053. ELECTION DATE. A board election shall be  
19 held on a uniform election date in each even-numbered year. (Acts  
20 69th Leg., R.S., Ch. 376, Sec. 13(e) (part).)

21 Sec. 8832.054. QUALIFICATIONS FOR ELECTION; ELIGIBILITY TO  
22 SERVE. (a) To be qualified for election as a director, a person  
23 must be:

24 (1) a resident of the district; and

25 (2) at least 18 years of age.

26 (b) To represent a single-member district, a director must  
27 own property in that single-member district. (Acts 69th Leg.,

1 R.S., Ch. 376, Secs. 13(b), (c) (part).)

2 Sec. 8832.055. COMPOSITION OF BOARD AND ELECTION OF  
3 DIRECTORS FOLLOWING ANNEXATION. (a) Territory may be added to the  
4 district as provided by Chapter 36, Water Code.

5 (b) If the district annexes territory, the board may:

6 (1) add the annexed territory to one or more existing  
7 single-member districts for purposes of electing directors;

8 (2) redraw the five single-member districts to include  
9 the annexed territory; or

10 (3) add additional single-member districts for the  
11 election of additional directors.

12 (c) The district may not contain more than 11 single-member  
13 districts. (Acts 69th Leg., R.S., Ch. 376, Sec. 12.)

14 [Sections 8832.056-8832.100 reserved for expansion]

15 SUBCHAPTER C. POWERS AND DUTIES

16 Sec. 8832.101. GENERAL POWERS AND DUTIES. The district may  
17 exercise:

18 (1) the powers essential to accomplish the purposes of  
19 Section 59, Article XVI, Texas Constitution; and

20 (2) the rights, powers, duties, privileges, and  
21 functions provided by this chapter, Chapter 36, Water Code, and  
22 other laws of this state relating to groundwater conservation  
23 districts. (Acts 69th Leg., R.S., Ch. 376, Secs. 1 (part), 5  
24 (part).)

25 Sec. 8832.102. ADMINISTRATIVE PROCEDURES. Except as  
26 provided by this chapter, the administrative and procedural  
27 provisions of Chapter 36, Water Code, apply to the district. (Acts

1 69th Leg., R.S., Ch. 376, Sec. 6.)

2           Sec. 8832.103. WELL PERMITS. (a) As permitted by Chapter  
3 36, Water Code, the district may:

4           (1) require a permit for drilling, equipping, or  
5 completing a well in a groundwater reservoir in the district; and

6           (2) issue a permit that includes terms relating to  
7 drilling, equipping, or completing a well that are necessary to  
8 prevent waste or conserve, preserve, and protect groundwater.

9           (b) The district may not deny an owner of land, or the  
10 owner's heirs, assigns, and lessees, a permit to drill a well on  
11 that land or the right to produce groundwater from that well subject  
12 to rules adopted under this chapter. (Acts 69th Leg., R.S., Ch.  
13 376, Sec. 5 (part).)

14           Sec. 8832.104. WELL SPACING AND PRODUCTION. To minimize as  
15 far as practicable the drawdown of the water table or the reduction  
16 of the artesian pressure, the district as permitted by Chapter 36,  
17 Water Code, may provide for the spacing of wells producing from the  
18 groundwater reservoirs in the district and regulate the production  
19 from those wells. (Acts 69th Leg., R.S., Ch. 376, Sec. 5 (part).)

20           Sec. 8832.105. LOGS. As permitted by Chapter 36, Water  
21 Code, the district may require that:

22           (1) accurate driller's logs be kept of the drilling,  
23 equipping, and completion of a well into a groundwater reservoir in  
24 the district; and

25           (2) a copy of a driller's log and of any electric log  
26 that may be made of the well be filed with the district. (Acts 69th  
27 Leg., R.S., Ch. 376, Sec. 5 (part).)



1           Sec. 8832.106. SURVEYS. As permitted by Chapter 36, Water  
2 Code, the district may have a licensed engineer survey the  
3 groundwater of a groundwater reservoir in the district and the  
4 facilities for the development, production, and use of that  
5 groundwater and determine the quantity of the groundwater available  
6 for production and use and the improvements, developments, and  
7 recharges needed for the groundwater reservoir. (Acts 69th Leg.,  
8 R.S., Ch. 376, Sec. 5 (part).)

9           Sec. 8832.107. RESEARCH AND DETERMINATIONS REGARDING  
10 GROUNDWATER WITHDRAWAL. As permitted by Chapter 36, Water Code,  
11 the district may carry out research projects, develop information,  
12 and determine limitations, if any, that should be made on the  
13 withdrawal of groundwater from a groundwater reservoir in the  
14 district. (Acts 69th Leg., R.S., Ch. 376, Sec. 5 (part).)

15           Sec. 8832.108. COLLECTION AND PRESERVATION OF INFORMATION.  
16 As permitted by Chapter 36, Water Code, the district may collect and  
17 preserve information regarding the use of groundwater and the  
18 practicability of recharge of a groundwater reservoir in the  
19 district. (Acts 69th Leg., R.S., Ch. 376, Sec. 5 (part).)

20           Sec. 8832.109. CONTRACT FOR SALE AND DISTRIBUTION OF WATER.  
21 As permitted by Chapter 36, Water Code, the district may contract  
22 for, sell, and distribute water from a water import authority or  
23 other agency. (Acts 69th Leg., R.S., Ch. 376, Sec. 5 (part).)

24           [Sections 8832.110-8832.150 reserved for expansion]

25           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26           Sec. 8832.151. FINANCIAL RECORDS. (a) The district shall  
27 file with the county treasurer of each county in which the district

1 is located a copy of each audit, board order, or other document  
2 relating to district finances. The copy shall be filed not later  
3 than the 60th day after the date the audit is completed, the order  
4 is adopted, or the other document is finalized.

5 (b) The county treasurer shall maintain a copy of each  
6 audit, order, or other document at the county treasurer's main  
7 office and shall make the copies available for public inspection  
8 during regular office hours. (Acts 69th Leg., R.S., Ch. 376, Sec.  
9 7.)

10 CHAPTER 8834. FORT BEND SUBSIDENCE DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 8834.001. DEFINITIONS

13 Sec. 8834.002. NATURE OF DISTRICT

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- 9 Sec. 8834.213. TRANSFERRING PERMIT
- 10 Sec. 8834.214. ANNUAL REPORT
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- 12 Sec. 8834.216. OPEN OR UNCOVERED WELLS

13 [Sections 8834.217-8834.250 reserved for expansion]

14 SUBCHAPTER F. APPEAL AND ENFORCEMENT PROVISIONS

- 15 Sec. 8834.251. APPEAL OF DISTRICT ACTIONS
- 16 Sec. 8834.252. INJUNCTIVE RELIEF; CIVIL PENALTY

17 CHAPTER 8834. FORT BEND SUBSIDENCE DISTRICT

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 8834.001. DEFINITIONS. In this chapter:

20 (1) "Beneficial use" means any use that is useful or  
21 beneficial to the user, including:

22 (A) an agricultural, gardening, domestic, stock  
23 raising, municipal, mining, manufacturing, industrial, commercial,  
24 or recreational use, or a use for pleasure purposes; or

25 (B) exploring for, producing, handling, or  
26 treating oil, gas, sulfur, or other minerals.

27 (2) "Board" means the district's board of directors.

1           (3) "Commission" means the Texas Commission on  
2 Environmental Quality.

3           (4) "District" means the Fort Bend Subsidence  
4 District.

5           (5) "Groundwater" means water existing below the  
6 earth's surface in the district. The term does not include water  
7 produced with oil in the production of oil and gas.

8           (6) "Subsidence" means the lowering in elevation of  
9 the surface of land by groundwater withdrawal.

10          (7) "Waste" means:

11           (A) groundwater withdrawal from a groundwater  
12 reservoir at a rate and in an amount that causes or threatens to  
13 cause intrusion into the reservoir of water unsuitable for  
14 agricultural, gardening, domestic, or stock raising purposes;

15           (B) groundwater withdrawal from a groundwater  
16 reservoir through a well if the water withdrawn is not used for a  
17 beneficial use or if the amount used is more than is reasonably  
18 required for a beneficial use;

19           (C) escape of groundwater from a groundwater  
20 reservoir to any other reservoir or geologic strata that does not  
21 contain groundwater;

22           (D) pollution or harmful alteration of  
23 groundwater in a groundwater reservoir by saltwater or other  
24 harmful matter admitted from another stratum or from the surface of  
25 the ground;

26           (E) unless the discharge is authorized by a  
27 permit, rule, or order issued by the commission under Chapter 26,

1 Water Code, wilfully or negligently causing, suffering, or allowing  
2 groundwater to escape or flow:

3 (i) into a river, creek, natural  
4 watercourse, depression, lake, reservoir, drain, sewer, street,  
5 highway, road, or road ditch; or

6 (ii) onto land that does not belong to the  
7 owner of the well;

8 (F) unless the occupant of the land receiving the  
9 discharge granted permission for the discharge, the escape of  
10 groundwater pumped for irrigation as irrigation tailwater onto land  
11 that does not belong to the owner of the well; or

12 (G) wilfully causing or knowingly permitting the  
13 water withdrawn from an artesian well to run off the owner's land or  
14 to percolate through the stratum above which the water is found, as  
15 prescribed by Section 11.205, Water Code.

16 (8) "Well" means a facility, device, or method used to  
17 withdraw groundwater.

18 (9) "Withdrawal" means the act of extracting by  
19 pumping or another method. (Acts 71st Leg., R.S., Ch. 1045, Secs.  
20 2(2), (3), (4), (5), (6), (8), (9), (11), (15).)

21 Sec. 8834.002. NATURE OF DISTRICT. The district is:

22 (1) a conservation and reclamation district created  
23 under Section 59, Article XVI, Texas Constitution; and

24 (2) a political subdivision of the state. (Acts 71st  
25 Leg., R.S., Ch. 1045, Sec. 3(a) (part).)

26 Sec. 8834.003. PURPOSE; LEGISLATIVE INTENT. (a) The  
27 purpose of this chapter is to provide for the regulation of

1 groundwater withdrawal in the district to prevent subsidence, which  
2 contributes to or precipitates flooding or overflow in the  
3 district, including rising water resulting from a storm or  
4 hurricane.

5 (b) The legislature intends that the district administer  
6 and enforce this chapter and exercise the district's rights,  
7 powers, and duties in a manner that will effectively and  
8 expeditiously accomplish the purposes of this chapter. (Acts 71st  
9 Leg., R.S., Ch. 1045, Sec. 1.)

10 Sec. 8834.004. FINDINGS OF PUBLIC USE AND BENEFIT. The  
11 district is created to serve a public use and benefit. (Acts 71st  
12 Leg., R.S., Ch. 1045, Sec. 3(b).)

13 Sec. 8834.005. DISTRICT TERRITORY. The district includes  
14 the territory in Fort Bend County unless the district's territory  
15 has been modified under other law. (Acts 71st Leg., R.S., Ch. 1045,  
16 Sec. 4; New.)

17 Sec. 8834.006. CERTAIN OTHER STATUTES INAPPLICABLE. Other  
18 laws governing the administration or operation of a conservation  
19 and reclamation district created under Section 52, Article III, or  
20 Section 59, Article XVI, Texas Constitution, including Chapters 36  
21 and 49, Water Code, do not apply to the district. (Acts 71st Leg.,  
22 R.S., Ch. 1045, Sec. 4A(a).)

23 [Sections 8834.007-8834.050 reserved for expansion]

24 SUBCHAPTER B. DISTRICT ADMINISTRATION

25 Sec. 8834.051. DIRECTORS. (a) The district is governed by  
26 a board of 13 directors appointed as provided by this section.

27 (b) Directors serve two-year terms.



1 (c) A director must be a qualified voter of the district.

2 (d) The persons designated by Subsections (e), (f), and (g)  
3 shall appoint directors in January to fill vacancies caused by the  
4 expiration of directors' terms. The district shall mail notice  
5 regarding the necessity of an appointment to the persons designated  
6 by Subsections (e), (f), and (g) not later than the 20th day before  
7 the date of the board's January meeting.

8 (e) The mayor of each of the following municipalities shall  
9 appoint a director from the mayor's respective municipality:

- 10 (1) Houston;
- 11 (2) Missouri City;
- 12 (3) Stafford;
- 13 (4) Sugar Land;
- 14 (5) Rosenberg; and
- 15 (6) Richmond.

16 (f) The Commissioners Court of Fort Bend County shall  
17 appoint:

- 18 (1) two directors who represent agricultural  
19 interests and live in an unincorporated area;
- 20 (2) two directors who represent industrial interests;
- 21 and
- 22 (3) two directors who represent business interests.

23 (g) The mayors of Fort Bend County municipalities other than  
24 those listed in Subsection (e) shall appoint one director jointly.  
25 (Acts 71st Leg., R.S., Ch. 1045, Secs. 5(a), (b), (c), (d), (f), (h)  
26 (part), (j) (part).)

27 Sec. 8834.052. BOARD POWERS AND DUTIES. (a) The board has

1 all powers necessary or convenient to carry out its  
2 responsibilities and accomplish the purpose of this chapter,  
3 whether the powers are specifically authorized by this chapter or  
4 are implied by this chapter or other law.

5 (b) The board shall administer this chapter as provided by  
6 Section 8834.003. (Acts 71st Leg., R.S., Ch. 1045, Secs. 6(a),  
7 (d).)

8 Sec. 8834.053. OFFICIAL BOARD ACTIONS. The affirmative  
9 vote of a majority of the directors is required for any official  
10 board action. (Acts 71st Leg., R.S., Ch. 1045, Sec. 5(q) (part).)

11 Sec. 8834.054. DIRECTOR'S BOND. (a) A director shall  
12 execute a bond that is:

- 13 (1) for \$5,000;
- 14 (2) payable to the district; and
- 15 (3) conditioned on the faithful performance of the  
16 director's duties.

17 (b) The district shall pay for the bond. (Acts 71st Leg.,  
18 R.S., Ch. 1045, Sec. 5(p) (part).)

19 Sec. 8834.055. OFFICERS. (a) Each year, at the first  
20 meeting after the new directors take office, the directors shall  
21 select a president, a vice president, and a secretary.

22 (b) An officer selected under Subsection (a) serves at the  
23 will of the board and may be removed and replaced by a majority of  
24 the board at any time.

25 (c) The president shall preside over meetings of the board.  
26 If the president is not present, the vice president shall preside.  
27 (Acts 71st Leg., R.S., Ch. 1045, Secs. 5(1), (m).)

1           Sec. 8834.056. MEETINGS. (a) The board shall hold one  
2 regular meeting each month at a time set by the board.

3           (b) The board may hold a special meeting at the call of the  
4 president or on the written request of at least three directors.  
5 (Acts 71st Leg., R.S., Ch. 1045, Sec. 5(r) (part).)

6           Sec. 8834.057. APPLICABILITY OF OPEN MEETINGS LAW. (a) The  
7 board shall give notice of board meetings as provided by Chapter  
8 551, Government Code. Failure to provide notice of a regular  
9 meeting or an insubstantial defect in notice of any meeting does not  
10 affect the validity of any action taken at the meeting.

11           (b) A meeting of a committee of the board is not subject to  
12 Chapter 551, Government Code, if less than a quorum is present at  
13 the meeting. (Acts 71st Leg., R.S., Ch. 1045, Sec. 5(r) (part).)

14           Sec. 8834.058. COMPENSATION AND REIMBURSEMENT OF  
15 DIRECTORS. (a) A director is entitled to receive fees of office of  
16 not more than \$150 a day for each day the director is engaged in the  
17 exercise of the director's duties. The fees of office may not exceed  
18 \$9,000 a year.

19           (b) A director is entitled to receive reimbursement for  
20 actual expenses reasonably and necessarily incurred in the exercise  
21 of the director's duties under this chapter.

22           (c) To receive fees of office and reimbursement for  
23 expenses, a director must file with the district a verified  
24 statement that:

25                   (1) shows the number of days spent in the service of  
26 the district; and

27                   (2) provides a general description of the duties

1 performed for each day of service. (Acts 71st Leg., R.S., Ch. 1045,  
2 Sec. 5(n).)

3       Sec. 8834.059. VACANCIES. If a vacancy occurs on the board,  
4 the person or persons designated by Section 8834.051 to appoint a  
5 director for the position that is vacated shall appoint a director  
6 to serve the unexpired term. (Acts 71st Leg., R.S., Ch. 1045, Sec.  
7 5(o).)

8       Sec. 8834.060. DISTRICT POLICIES. The board shall adopt  
9 the following written policies:

10           (1) a code of ethics for district directors, officers,  
11 and employees and for persons engaged in handling investments for  
12 the district;

13           (2) a policy relating to travel expenditures;

14           (3) a policy relating to district investments;

15           (4) policies and procedures for the selection,  
16 monitoring, or review and evaluation of professional services; and

17           (5) policies that ensure a better use of management  
18 information, including the use of:

19                   (A) budgets to plan and control cost; and

20                   (B) uniform reporting requirements based on  
21 "Audits of State and Local Governmental Units," published by the  
22 American Institute of Certified Public Accountants, and  
23 "Governmental Accounting and Financial Reporting Standards,"  
24 published by the Governmental Accounting Standards Board. (Acts  
25 71st Leg., R.S., Ch. 1045, Sec. 6(g).)

26       Sec. 8834.061. GENERAL MANAGER. (a) The board may employ a  
27 general manager to serve as the chief administrative officer of the

1 district. The district may contract with any person to perform the  
2 general manager's duties.

3 (b) The board may delegate to the general manager the  
4 authority to manage and operate the affairs of the district subject  
5 only to orders of the board.

6 (c) The duties of the general manager include:

7 (1) administering board orders;

8 (2) coordinating with state, federal, and local  
9 agencies;

10 (3) supervising development of district plans and  
11 programs;

12 (4) preparing and submitting the annual budget to the  
13 board; and

14 (5) performing other duties assigned by the board.

15 (d) The general manager shall execute a bond that is:

16 (1) in an amount set by the board;

17 (2) payable to the district; and

18 (3) conditioned on the general manager's faithful  
19 performance of the general manager's duties.

20 (e) The district shall pay for the bond described under  
21 Subsection (d).

22 (f) The board shall determine the compensation and terms of  
23 office and employment for the general manager.

24 (g) The board by a vote of a majority of board members may  
25 discharge the general manager. (Acts 71st Leg., R.S., Ch. 1045,  
26 Sec. 7.)

27 Sec. 8834.062. PERSONNEL. (a) The general manager shall

1 employ personnel necessary to properly handle district business and  
2 operation. The general manager may employ attorneys, bookkeepers,  
3 engineers, and other expert and specialized personnel considered  
4 necessary.

5 (b) The general manager shall determine the compensation  
6 paid to district employees.

7 (c) The general manager may discharge a district employee.  
8 (Acts 71st Leg., R.S., Ch. 1045, Secs. 8(a), (b).)

9 Sec. 8834.063. BENEFITS. (a) The board may provide for and  
10 administer retirement, disability, and death compensation funds  
11 for the employees of the district.

12 (b) The board may:

13 (1) establish a public retirement system as provided  
14 by Chapter 810, Government Code; or

15 (2) provide for a deferred compensation plan as  
16 described by Section 457, Internal Revenue Code of 1986.

17 (c) The board may:

18 (1) include hospitalization and medical benefits for  
19 district employees as part of the compensation paid to the  
20 employees; and

21 (2) adopt or amend a plan or rule as necessary to  
22 provide the benefits described by Subdivision (1).

23 (d) The board may establish a sick leave pool for district  
24 employees in the manner provided for state employees by Subchapter  
25 A, Chapter 661, Government Code. (Acts 71st Leg., R.S., Ch. 1045,  
26 Secs. 8(d), (e), (f), (g).)

27 Sec. 8834.064. BOND FOR EMPLOYEE RESPONSIBLE FOR MONEY.

1 (a) The board shall require an employee who collects, pays, or  
2 handles district money to provide a good and sufficient bond that  
3 is:

4 (1) in an amount sufficient to safeguard the district;

5 (2) payable to the district; and

6 (3) conditioned on:

7 (A) the faithful performance of the employee's  
8 duties; and

9 (B) accounting for all district money and  
10 property under the employee's control.

11 (b) The district shall pay for the bond. (Acts 71st Leg.,  
12 R.S., Ch. 1045, Sec. 8(c).)

13 Sec. 8834.065. DISTRICT OFFICE. The board shall maintain  
14 its principal office in the district for conducting district  
15 business. The office must be in the district. (Acts 71st Leg.,  
16 R.S., Ch. 1045, Sec. 9.)

17 Sec. 8834.066. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

18 (a) The district shall:

19 (1) keep a complete account of board meetings and  
20 proceedings; and

21 (2) maintain in a safe place the board's minutes,  
22 contracts, records, notices, accounts, and receipts.

23 (b) The board's minutes, contracts, records, notices,  
24 accounts, and receipts are:

25 (1) the property of the district; and

26 (2) subject to public inspection. (Acts 71st Leg.,  
27 R.S., Ch. 1045, Sec. 10.)

1           Sec. 8834.067. SEAL. The board shall adopt a seal. (Acts  
2 71st Leg., R.S., Ch. 1045, Sec. 12.)

3           [Sections 8834.068-8834.100 reserved for expansion]

4                           SUBCHAPTER C. POWERS AND DUTIES

5           Sec. 8834.101. DISTRICT PLAN.     (a)     The board shall  
6 formulate a plan to control and mitigate subsidence in the  
7 district.

8           (b)     The plan must:

9                     (1)     regulate groundwater withdrawals to maintain  
10 sufficient artesian pressure to control and mitigate subsidence;  
11 and

12                    (2)     specify in as much detail as practicable the acts,  
13 procedures, performance, and avoidance that are necessary to carry  
14 out the purpose of this chapter.

15           (c)     When formulating the plan, the board shall compile and  
16 consider:

17                    (1)     a list of wells in the district subject to  
18 regulation under this chapter;

19                    (2)     a list of all available sources of water, other  
20 than groundwater, in the district;

21                    (3)     the purpose for which the water is used and for  
22 which it is proposed to be used;

23                    (4)     accurate estimates of:

24                             (A)     groundwater withdrawal from all wells or  
25 proposed wells in the district;

26                             (B)     the amount of groundwater that may be  
27 withdrawn from each area in the district without causing:



1 (i) long-term static water level decline;

2 and

3 (ii) reduction of artesian pressure that  
4 will lead to subsidence in the district; and

5 (C) current and future water needs in the  
6 district;

7 (5) information relating to formulating a permit  
8 system; and

9 (6) other information necessary to manage groundwater  
10 in the district and to effectively and expeditiously carry out the  
11 purpose of this chapter. (Acts 71st Leg., R.S., Ch. 1045, Secs.  
12 16(a), (b), (c).)

13 Sec. 8834.102. ADOPTION OF DISTRICT PLAN. (a) The board  
14 shall hold a hearing to consider a plan formulated under Section  
15 8834.101.

16 (b) After the hearing, the board shall:

17 (1) make any changes it considers necessary according  
18 to evidence and material presented at the hearing; and

19 (2) adopt the plan.

20 (c) The board may amend or repeal a plan adopted under this  
21 section and may adopt a new plan as provided by this section for the  
22 adoption of the original plan.

23 (d) An adopted plan remains in effect until a new plan is  
24 adopted. (Acts 71st Leg., R.S., Ch. 1045, Secs. 16(f), (g), (h).)

25 Sec. 8834.103. WATER CONSERVATION MEASURES. (a) The board  
26 may adopt rules requiring the use of water conservation measures to  
27 reduce groundwater withdrawals.

1 (b) The district may cooperate with the commission and a  
2 local government to establish water conservation goals,  
3 guidelines, and plans to be used in the district.

4 (c) The district may contract with a local government in the  
5 district to provide services needed to meet water conservation  
6 requirements that the commission establishes. (Acts 71st Leg.,  
7 R.S., Ch. 1045, Sec. 36.)

8 Sec. 8834.104. ANNUAL GROUNDWATER WITHDRAWAL  
9 DETERMINATION. (a) Before March 31 of each year, the board shall  
10 hold a hearing to determine the effects during the preceding  
11 calendar year of groundwater withdrawal on subsidence in the  
12 district.

13 (b) At the hearing, the board shall consider information  
14 provided under Sections 8834.107 and 8834.214 and information  
15 presented by persons appearing before the board.

16 (c) After the hearing, the board shall:

17 (1) consider all information presented to it;  
18 (2) determine groundwater withdrawal in the district  
19 during the preceding calendar year; and

20 (3) make findings on the effects during the preceding  
21 calendar year of groundwater withdrawal on subsidence in the  
22 district.

23 (d) The board's findings and determinations under  
24 Subsection (c) shall be included in a report adopted by the board.  
25 The report shall be made available for examination by any  
26 interested person.

27 (e) The board shall submit the report adopted under

1 Subsection (d) and a copy of the most recent district plan adopted  
2 under Section 8834.101 to the appropriate regional water planning  
3 group. (Acts 71st Leg., R.S., Ch. 1045, Sec. 24.)

4       Sec. 8834.105. MONITORING AND SUPERVISION BY DISTRICT. (a)  
5 The district may use subsidence compaction monitors, water-level  
6 observation wells, and other materials and equipment to determine  
7 the amount of groundwater that may be withdrawn while allowing  
8 groundwater to rebound and stabilize to a level that will halt  
9 subsidence.

10       (b) The district may use global positioning systems and  
11 other geodetic survey methods to monitor land surface elevations  
12 and measure subsidence.

13       (c) The district may coordinate monitoring and data  
14 collection activities with other entities, including private  
15 entities and federal, state, or local governmental entities. (Acts  
16 71st Leg., R.S., Ch. 1045, Sec. 28.)

17       Sec. 8834.106. DISTRICT RESEARCH. (a) The board may  
18 conduct studies and research that the board considers necessary to  
19 implement this chapter.

20       (b) The district may collect any information that the board  
21 determines is necessary to implement this chapter, including  
22 information regarding the use of groundwater, water conservation,  
23 and the practicability of recharging a groundwater reservoir.

24       (c) The board may use the services of geologists,  
25 hydrologists, licensed engineers, licensed geoscientists, or other  
26 expert personnel to accomplish the purposes of this section. (Acts  
27 71st Leg., R.S., Ch. 1045, Sec. 29.)

1           Sec. 8834.107. STUDIES BY BOARD STAFF. At least once each  
2 year and at any other time the board considers necessary, the board  
3 may have its staff make a complete study of the groundwater in the  
4 district and determine:

5                   (1) the water level;

6                   (2) the rates and amounts of groundwater withdrawal;  
7 and

8                   (3) other information relating to groundwater  
9 withdrawal that may affect subsidence in the district. (Acts 71st  
10 Leg., R.S., Ch. 1045, Sec. 23.)

11           Sec. 8834.108. SALE OR DISTRIBUTION OF WATER PROHIBITED.  
12 The district may not sell or distribute surface water or  
13 groundwater. (Acts 71st Leg., R.S., Ch. 1045, Sec. 38.)

14           Sec. 8834.109. ACCESS TO PROPERTY. (a) To carry out  
15 technical and other investigations necessary to implement this  
16 chapter, the board and its agents and employees are entitled to  
17 access to all property in the district.

18                   (b) Before entering property for the purposes of this  
19 section, the person seeking access shall:

20                           (1) give notice to the owner of the property as  
21 provided by district rules; and

22                           (2) present proper credentials.

23                   (c) The board and its agents and employees who enter private  
24 property shall observe the establishment's rules concerning  
25 safety, internal security, and fire protection. (Acts 71st Leg.,  
26 R.S., Ch. 1045, Sec. 27.)

27           Sec. 8834.110. GENERAL POWERS RELATED TO PROPERTY AND

1 CONTRACTS. (a) The board may:

2 (1) purchase, lease, own, convey, and dispose of  
3 property both inside and outside district territory necessary or  
4 convenient to exercise the board's powers, duties, and functions  
5 under this chapter;

6 (2) construct, purchase, lease, or acquire in some  
7 other manner any material or property, including supplies,  
8 equipment, vehicles, or machinery, necessary to carry out this  
9 chapter;

10 (3) accept a grant, gift, or devise of property; or

11 (4) accept a grant, gift, loan, or other distribution  
12 of money.

13 (b) The district may make or accept a grant, gratuity,  
14 advance, or loan in any form to or from any public source approved  
15 by the board, including a governmental entity.

16 (c) The district may enter into a contract, covenant, or  
17 agreement the board considers appropriate related to a grant,  
18 gratuity, advance, or loan.

19 (d) The board may enter into a contract with any person to  
20 carry out this chapter.

21 (e) The district may enter into contracts only in the  
22 district's name. (Acts 71st Leg., R.S., Ch. 1045, Secs. 6(f), 31,  
23 35.)

24 Sec. 8834.111. COOPERATION WITH GOVERNMENTAL ENTITIES. In  
25 implementing this chapter, the board may request the assistance of  
26 and cooperate with a local government or an agency of this state or  
27 of the United States, including the Texas Water Development Board,

1 the commission, and the United States Geological Survey. (Acts  
2 71st Leg., R.S., Ch. 1045, Sec. 30.)

3 Sec. 8834.112. RULES. (a) After notice and hearing, the  
4 board shall adopt rules designed to expeditiously and effectively  
5 implement this chapter and accomplish its purpose, including rules  
6 governing procedures before the board. The board shall enforce the  
7 rules.

8 (b) The board may adopt rules to prevent the waste of water  
9 or the degradation of water quality.

10 (c) The board shall compile its rules in a book and make the  
11 book available for use and inspection at the district's principal  
12 office. The district shall provide copies of its rules on payment  
13 of the reproduction cost. (Acts 71st Leg., R.S., Ch. 1045, Sec.  
14 13.)

15 Sec. 8834.113. CONSIDERATIONS FOR RULES AND ORDERS. When  
16 adopting a rule or issuing an order, the board shall consider:

17 (1) the availability of surface water or alternative  
18 water supplies;

19 (2) the economic effects on persons and the community;

20 (3) the degree and effect of subsidence on the surface  
21 of the land; and

22 (4) the differing topographical and geophysical  
23 characteristics of the land. (Acts 71st Leg., R.S., Ch. 1045, Sec.  
24 6(c).)

25 Sec. 8834.114. HEARINGS. (a) At a regular meeting of the  
26 board, the board shall set the date, time, and location for a  
27 hearing to be held under this chapter.

1 (b) The board may hold a hearing at any location in the  
2 district and recess a hearing from day to day.

3 (c) Any person may appear at a hearing and present  
4 testimony, evidence, exhibits, or other information in person or by  
5 counsel, or both.

6 (d) The board may use a hearing examiner to hear a subject  
7 set for the hearing.

8 (e) The board shall make the final decision on a subject  
9 heard by a hearing examiner. Procedures for use of hearing  
10 examiners shall be provided by rule. (Acts 71st Leg., R.S., Ch.  
11 1045, Secs. 14(a), (e), (f), (g), (h).)

12 Sec. 8834.115. NOTICE OF HEARINGS. (a) Not later than the  
13 10th day before the date set for a hearing other than a permit  
14 application hearing, the district shall deliver or mail notice of  
15 the hearing to:

16 (1) each county and municipal government in the  
17 district; and

18 (2) each person that the board considers to have an  
19 interest in the subject matter of the hearing.

20 (b) Not later than the 10th day before the date set for a  
21 hearing, the district shall:

22 (1) publish notice of the hearing once in a newspaper  
23 of general circulation in each county in the district; and

24 (2) post notice of the hearing at the county  
25 courthouse of each county in the district in the place where notices  
26 are usually posted. (Acts 71st Leg., R.S., Ch. 1045, Secs. 14(b),  
27 (c), (d).)

1           Sec. 8834.116. BOARD BYLAWS AND POLICIES. The board may  
2 adopt bylaws and policies as necessary to accomplish its purposes.  
3 (Acts 71st Leg., R.S., Ch. 1045, Sec. 6(e).)

4           Sec. 8834.117. AUTHORITY TO ISSUE SUBPOENAS AND ADMINISTER  
5 OATHS. (a) The board may issue a subpoena to compel the testimony  
6 of a person or the production of a document if the testimony or  
7 document is necessary to carry out the board's powers, duties, and  
8 functions under this chapter.

9           (b) On application by the board, a district court shall  
10 enforce a subpoena issued under Subsection (a) in the same manner as  
11 a subpoena issued by the court.

12           (c) The board may administer an oath to a person who  
13 testifies before the board. (Acts 71st Leg., R.S., Ch. 1045, Sec.  
14 15.)

15           Sec. 8834.118. SUITS. (a) The district may sue and be sued  
16 in the courts of this state in the name of the district by and  
17 through the board.

18           (b) If requested by the district, the attorney general shall  
19 represent the district in the district courts and appellate courts  
20 of this state and in the courts of the United States.

21           (c) The board, in the board's sole discretion, may employ  
22 attorneys to represent the district in the district courts and  
23 appellate courts of this state and the courts of the United States.

24           (d) The general manager is the agent of the district on whom  
25 process, notice, or demand required or permitted by law to be served  
26 on the district may be served.

27           (e) The district is not required to give a bond for appeal,



1 injunction, or costs in any suit to which the district is a party.

2 (f) If the district prevails in any suit other than a suit in  
3 which it voluntarily intervenes, the district may seek and the  
4 court shall grant, in the same action, recovery for attorney's  
5 fees, costs for expert witnesses, and other costs incurred by the  
6 district before the court. The court shall set the amount of the  
7 attorney's fees. (Acts 71st Leg., R.S., Ch. 1045, Sec. 11.)

8 [Sections 8834.119-8834.150 reserved for expansion]

9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

10 Sec. 8834.151. DISBURSEMENT OF MONEY. The district may  
11 disburse its money by:

12 (1) a check, draft, order, or other instrument signed  
13 by a person authorized under a board bylaw or board resolution; or

14 (2) electronic funds transfer. (Acts 71st Leg., R.S.,  
15 Ch. 1045, Sec. 40.)

16 Sec. 8834.152. DISTRICT ACCOUNTS. The district shall keep  
17 a complete system of the district's accounts. (Acts 71st Leg.,  
18 R.S., Ch. 1045, Sec. 41(a) (part).)

19 Sec. 8834.153. FISCAL YEAR. The district's fiscal year is  
20 the calendar year. (Acts 71st Leg., R.S., Ch. 1045, Sec. 41(c).)

21 Sec. 8834.154. BUDGET. (a) The board shall adopt an annual  
22 budget containing a complete financial statement.

23 (b) The board may amend the annual budget. (Acts 71st Leg.,  
24 R.S., Ch. 1045, Sec. 41(d).)

25 Sec. 8834.155. AUDIT. The district shall have its affairs  
26 audited each year by an independent certified public accountant or  
27 a firm of independent certified public accountants of recognized

1 integrity and ability. The district shall pay for the audit. (Acts  
2 71st Leg., R.S., Ch. 1045, Sec. 41(a) (part).)

3       Sec. 8834.156. COPY OF AUDIT. The board shall keep one copy  
4 of the audit prepared under Section 8834.155 at the district office  
5 open to inspection by any interested person during normal office  
6 hours. (Acts 71st Leg., R.S., Ch. 1045, Sec. 41(b).)

7       Sec. 8834.157. DEPOSITORY AND INVESTMENTS. (a) Except as  
8 provided by Subsection (g), the board shall designate one or more  
9 banks in the district to serve as a depository for district money.  
10 All district money shall be deposited in a depository bank. This  
11 subsection does not limit the power of the board to place a portion  
12 of the district's money on time deposit or to purchase certificates  
13 of deposit or other authorized investments.

14       (b) The board shall prescribe the term of service for  
15 depositories.

16       (c) To the extent that money in a depository bank or a  
17 trustee bank is not invested or insured by the Federal Deposit  
18 Insurance Corporation, the money must be secured in the manner  
19 provided by Chapter 2257, Government Code.

20       (d) Before designating a depository bank, the board shall  
21 issue a notice stating the time and location the board will meet for  
22 that purpose and shall invite banks in the district to submit  
23 applications to be designated depositories.

24       (e) The board shall consider the management and condition of  
25 each bank that applies under Subsection (d) and designate as a  
26 depository the bank or banks that:

27           (1) offer the most favorable terms and conditions for

1 handling district money;

2 (2) the board finds have proper management; and

3 (3) are in a condition to warrant handling of district  
4 money.

5 (f) Membership on the district's board of an officer or  
6 director of a bank does not disqualify the bank from being  
7 designated as a depository bank.

8 (g) If the board does not receive any applications before  
9 the meeting under Subsection (d), the board shall designate as a  
10 depository a bank or banks inside or outside the district under  
11 terms the board finds advantageous to the district.

12 (h) District money may be invested and reinvested as  
13 provided by Chapter 2256, Government Code.

14 (i) The board by resolution may provide that an authorized  
15 district representative may invest and reinvest district money and  
16 provide for money to be withdrawn from the appropriate district  
17 accounts for investments on terms that the board considers  
18 advisable. (Acts 71st Leg., R.S., Ch. 1045, Sec. 42.)

19 [Sections 8834.158-8834.200 reserved for expansion]

20 SUBCHAPTER E. REGULATORY PROVISIONS

21 Sec. 8834.201. GROUNDWATER WITHDRAWALS SUBJECT TO BOARD  
22 RULE. Groundwater withdrawals governed by this chapter, including  
23 withdrawals of injected water, are subject to reasonable board  
24 rules and orders. (Acts 71st Leg., R.S., Ch. 1045, Sec. 6(b).)

25 Sec. 8834.202. CERTAIN WELLS EXEMPT. This chapter does not  
26 apply to:

27 (1) a well regulated under Chapter 27, Water Code;

1 (2) a well that:

2 (A) has a casing with an inside diameter of not  
3 more than five inches; and

4 (B) serves only a single-family dwelling; or

5 (3) a shallow well that:

6 (A) is not used to provide water for:

7 (i) human consumption;

8 (ii) agriculture;

9 (iii) manufacturing or industry; or

10 (iv) water injection; and

11 (B) withdraws water solely:

12 (i) to prevent hazardous sand boils,  
13 dewater surface construction sites, or relieve hydrostatic uplift  
14 on permanent structures;

15 (ii) for groundwater quality analysis and  
16 for monitoring migration of subsurface contaminants or pollution;  
17 or

18 (iii) for recovery of contamination or  
19 pollution. (Acts 71st Leg., R.S., Ch. 1045, Sec. 39.)

20 Sec. 8834.203. REGULATION OF SPACING AND GROUNDWATER  
21 WITHDRAWAL. (a) To minimize as far as practicable the drawdown of  
22 the water table and the reduction of artesian pressure and to  
23 control and prevent subsidence, the board may provide for the  
24 spacing of wells in the district and may regulate groundwater  
25 withdrawal from wells, taking into consideration:

26 (1) the economic impact on well owners;

27 (2) the resulting effect on subsidence; and

1 (3) other relevant factors.

2 (b) Before adopting a rule or issuing an order under this  
3 section, the board shall set a hearing on the proposed rule or  
4 order.

5 (c) The district may adopt different rules for:

6 (1) each aquifer, subdivision of an aquifer, or  
7 geologic stratum located wholly or partly in the district's  
8 territory; or

9 (2) each geographic area overlying an aquifer or  
10 subdivision of an aquifer located wholly or partly in the  
11 district's territory. (Acts 71st Leg., R.S., Ch. 1045, Secs.  
12 25(a), (b), (c).)

13 Sec. 8834.204. WATER-METERING DEVICES. The board may:

14 (1) require water-metering devices to be placed on  
15 wells in the district; and

16 (2) adopt standards for the accuracy, testing, and  
17 calibration of the devices. (Acts 71st Leg., R.S., Ch. 1045, Sec.  
18 26.)

19 Sec. 8834.205. WELL REGISTRATION. The board by rule may  
20 require the registration of any well in the district. (Acts 71st  
21 Leg., R.S., Ch. 1045, Sec. 17.)

22 Sec. 8834.206. PERMIT REQUIRED. (a) The owner of a well  
23 located in the district must obtain a permit from the board before:

24 (1) drilling, equipping, or completing the well;

25 (2) substantially altering the size of the well or a  
26 well pump; or

27 (3) operating the well.

1 (b) An operational well must have a permit.

2 (c) An owner or operator commits a violation if the owner or  
3 operator does not obtain a permit as required by Subsection (a). A  
4 violation occurs on the first day the drilling, equipping,  
5 completing, altering, or operation begins. Each day that a  
6 violation continues is a separate violation. (Acts 71st Leg.,  
7 R.S., Ch. 1045, Secs. 2(7), 18(a), (b).)

8 Sec. 8834.207. APPLICATION FOR PERMIT. (a) A person must  
9 submit an application and an application fee to the board to obtain  
10 a permit under this chapter.

11 (b) The application must state:

12 (1) the person's name and address;

13 (2) the location and wellhead elevation of the well or  
14 proposed well;

15 (3) the amount of water being withdrawn or proposed to  
16 be withdrawn; and

17 (4) any other information required by the board as  
18 necessary for the board to control and prevent subsidence in the  
19 district.

20 (c) The board shall use the application fee to process  
21 applications. (Acts 71st Leg., R.S., Ch. 1045, Secs. 18(f), (g).)

22 Sec. 8834.208. NOTICE AND HEARING ON PERMIT APPLICATION.

23 (a) The board shall hold a hearing on each permit application.

24 (b) Not later than the 10th day before the date set for the  
25 hearing, the board shall notify the applicant by regular mail or by  
26 certified mail, return receipt requested, of the date, time, and  
27 location of the hearing.

1 (c) The board may consider at a hearing as many permit  
2 applications as the board considers necessary. (Acts 71st Leg.,  
3 R.S., Ch. 1045, Sec. 19.)

4 Sec. 8834.209. ISSUANCE OF PERMIT. (a) Not later than the  
5 60th day after the date of the hearing on a permit application, the  
6 board shall:

- 7 (1) decide whether to issue the permit; and  
8 (2) prescribe the terms of the permit, if it decides to  
9 issue the permit.

10 (b) In deciding whether to issue a permit and in prescribing  
11 the terms of the permit, the board shall consider:

- 12 (1) the purpose of this chapter;  
13 (2) the district plan;  
14 (3) the quality, quantity, and availability of surface  
15 water or alternative water supplies at prices that are competitive  
16 with prices charged by suppliers of surface water in the district;  
17 (4) the economic effect on the applicant of a decision  
18 to issue or deny the permit, or of the permit terms, in relation to  
19 the effect on subsidence that would result;  
20 (5) the applicant's compliance with this chapter or  
21 any district rule, permit, or order; and  
22 (6) all other relevant factors.

23 (c) The board shall issue a permit to an applicant if the  
24 board finds on sufficient evidence that:

- 25 (1) there is no other adequate and available  
26 substitute or supplemental source of surface water at prices  
27 competitive with the prices charged by suppliers of surface water

1 in the district; and

2 (2) compliance with any provision of this chapter or  
3 any district rule will result in an arbitrary taking of property or  
4 in the practical closing and elimination of any lawful business,  
5 occupation, or activity without sufficient corresponding benefit  
6 or advantage to the public.

7 (d) The permit must state the terms prescribed by the board.  
8 The permit must include:

- 9 (1) the name and address of the permit holder;  
10 (2) the location of the well;  
11 (3) the date the permit begins and the date the permit  
12 expires;  
13 (4) conditions and restrictions placed on groundwater  
14 withdrawal; and  
15 (5) other terms necessary to control and prevent  
16 subsidence.

17 (e) The board may condition the issuance of a permit under  
18 this section on the resolution of a previous or continuing  
19 violation of this chapter or of any district rule, permit, or order.  
20 The board may require an applicant to pay a civil penalty or  
21 settlement amount, or take other necessary action, to resolve a  
22 previous or continuing violation. (Acts 71st Leg., R.S., Ch. 1045,  
23 Sec. 20.)

24 Sec. 8834.210. TERM OF PERMIT. (a) A permit issued under  
25 this chapter expires on the first anniversary of the date of  
26 issuance, unless the board specifies a different period.

27 (b) To aid the district in the effective and expeditious



1 performance of its duties, the board may issue a permit for a term  
2 not to exceed five years if the issuance does not impair the  
3 district's ability to control and prevent subsidence in the  
4 district.

5 (c) A permit is not a vested right of the permit holder. The  
6 board may revoke, suspend, or amend a permit after notice and  
7 hearing when reasonably necessary to accomplish the purpose of this  
8 chapter. (Acts 71st Leg., R.S., Ch. 1045, Secs. 18(c), (d).)

9 Sec. 8834.211. RENEWAL OF PERMIT. The board may renew a  
10 permit in the manner provided for issuing an original permit. (Acts  
11 71st Leg., R.S., Ch. 1045, Sec. 18(e).)

12 Sec. 8834.212. PERMIT FEES. (a) When the board issues or  
13 renews a permit, the board shall collect a permit fee from the  
14 applicant. The fee shall be determined by a schedule based on:

15 (1) the term of the permit; and

16 (2) the maximum annual amount of groundwater the board  
17 authorizes to be withdrawn from the well.

18 (b) The board may establish a disincentive permit fee to  
19 serve as a regulatory tool by creating a disincentive to continued  
20 overreliance on groundwater.

21 (c) The board shall determine the fee schedule after a  
22 hearing.

23 (d) The board shall use permit fees collected under this  
24 section to pay the cost of issuing permits and performing other  
25 regulatory functions under this chapter, including making grants,  
26 loans, or contractual payments to achieve, facilitate, or expedite  
27 reductions in groundwater pumping or the development or

1 distribution of alternative water supplies. (Acts 71st Leg., R.S.,  
2 Ch. 1045, Sec. 34.)

3       Sec. 8834.213. TRANSFERRING PERMIT. (a) A permit is  
4 transferable only if the permit holder and the new owner of the well  
5 notify the district by certified mail, return receipt requested,  
6 of:

7             (1) the transfer of ownership of the well; and

8             (2) the name and address of the new owner.

9       (b) On receipt of the information required under Subsection  
10 (a), the district shall issue an amended permit with the new owner  
11 of the well listed as the permit holder. The remaining terms of the  
12 permit remain unchanged. (Acts 71st Leg., R.S., Ch. 1045, Sec. 21.)

13       Sec. 8834.214. ANNUAL REPORT. Before January 31 each year,  
14 a well owner who holds a permit under this chapter shall submit to  
15 the board a report stating:

16             (1) the well owner's name;

17             (2) the location of the well;

18             (3) the total amount of groundwater withdrawn from the  
19 well during the preceding 12-month period;

20             (4) the total amount of groundwater withdrawn from the  
21 well during each month of the preceding 12-month period;

22             (5) the purpose for which the groundwater was used;

23 and

24             (6) any other information required by the board that  
25 the board considers necessary for the board to control and prevent  
26 subsidence in the district. (Acts 71st Leg., R.S., Ch. 1045, Sec.  
27 22.)

1           Sec. 8834.215. REDUCTION OF GROUNDWATER USE. (a) The board  
2 by order may require a person to completely or partially  
3 discontinue the use of groundwater by:

4           (1) acquiring an alternative water supply needed to  
5 replace the water supply covered by the order; or

6           (2) participating in a groundwater reduction plan or  
7 other agreement the board approves as complying with the district's  
8 regulatory requirements.

9           (b) The board by order or rule may require a person to reduce  
10 groundwater use by eliminating waste or implementing water  
11 conservation measures. (Acts 71st Leg., R.S., Ch. 1045, Secs.  
12 25(d), (e).)

13          Sec. 8834.216. OPEN OR UNCOVERED WELLS. (a) The district  
14 may require the owner or lessee of land on which an open or  
15 uncovered well is located to keep the well closed or capped with a  
16 covering capable of supporting not less than 400 pounds when the  
17 well is not in actual use.

18          (b) If the owner or lessee fails or refuses to close or cap a  
19 well as required, a person employed by the district may enter the  
20 land and close or cap the well safely and securely. (Acts 71st  
21 Leg., R.S., Ch. 1045, Sec. 37.)

22           [Sections 8834.217-8834.250 reserved for expansion]

23           SUBCHAPTER F. APPEAL AND ENFORCEMENT PROVISIONS

24          Sec. 8834.251. APPEAL OF DISTRICT ACTIONS. (a) A person  
25 who is adversely affected by a rule, order, or other official action  
26 of the board, including a person residing in or owning real property  
27 in the district whose residence or real property is subsiding, may

1 appeal the action to a district court in any county in the district  
2 after any administrative appeal is finally resolved.

3 (b) An appeal under this section must be filed not later  
4 than the 45th day after the date any administrative appeal is  
5 finally resolved.

6 (c) On written request from a person who is adversely  
7 affected, the board shall make written findings and conclusions  
8 regarding a rule, order, or other official action of the district.  
9 The board shall provide a certified copy of the findings and  
10 conclusions to the person not later than the 35th day after the date  
11 the request was made.

12 (d) An appeal under this section of the legal propriety of a  
13 rule, order, or other action of the board is governed by the  
14 substantial evidence rule as provided by Subchapter G, Chapter  
15 2001, Government Code. The burden of proof is on the petitioner,  
16 and the challenged rule, order, or other official action of the  
17 district is considered prima facie valid.

18 (e) The district court shall set for trial as expeditiously  
19 as possible an appeal brought under this section and may not  
20 postpone or continue the suit unless the reasons for postponement  
21 or continuance are imperative. (Acts 71st Leg., R.S., Ch. 1045,  
22 Sec. 32.)

23 Sec. 8834.252. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) If a  
24 person has violated, is violating, or is threatening to violate  
25 this chapter or a district rule, permit, or order, the district may  
26 institute an action in a district court in the district for:

27 (1) an injunction to restrain the person from

1 continuing the violation or the threat of violation;

2 (2) a civil penalty of not less than \$50 and not more  
3 than \$5,000 for each violation and for each day of violation; or

4 (3) both injunctive relief and a civil penalty.

5 (b) The attorney general shall institute an action under  
6 this section at the request of the board, or at the request of the  
7 general manager if authorized by the board. The district in its  
8 sole discretion may employ attorneys of its choice to institute the  
9 action.

10 (c) The district is not required to post bond or other  
11 security with the court.

12 (d) The district court shall grant the injunctive relief  
13 requested under Subsection (a) as the facts warrant if the court  
14 finds that a person is violating or threatening to violate this  
15 chapter or a district rule, permit, or order.

16 (e) The district court shall assess a civil penalty  
17 requested under Subsection (a) in the amount provided by that  
18 subsection if the court finds that a person has violated or is  
19 violating this chapter or a district rule, permit, or order. (Acts  
20 71st Leg., R.S., Ch. 1045, Sec. 43.)

21 CHAPTER 8836. FAYETTE COUNTY GROUNDWATER CONSERVATION DISTRICT

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 8836.001. DEFINITIONS

24 Sec. 8836.002. NATURE OF DISTRICT

25 Sec. 8836.003. FINDINGS OF PUBLIC USE AND BENEFIT

26 Sec. 8836.004. DISTRICT TERRITORY

27 Sec. 8836.005. DISTRICT NAME CHANGE

1 [Sections 8836.006-8836.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8836.051. COMPOSITION OF BOARD; TERMS

4 Sec. 8836.052. ELECTION OF DIRECTORS

5 Sec. 8836.053. ELECTION DATE

6 Sec. 8836.054. QUALIFICATIONS FOR OFFICE

7 [Sections 8836.055-8836.100 reserved for expansion]

8 SUBCHAPTER C. POWERS AND DUTIES

9 Sec. 8836.101. GROUNDWATER CONSERVATION DISTRICT

10 POWERS AND DUTIES

11 Sec. 8836.102. REGIONAL COOPERATION

12 [Sections 8836.103-8836.150 reserved for expansion]

13 SUBCHAPTER D. FINANCIAL PROVISIONS

14 Sec. 8836.151. DISTRICT REVENUE

15 Sec. 8836.152. ELECTION TO APPROVE BONDS OR NOTES

16 CHAPTER 8836. FAYETTE COUNTY GROUNDWATER CONSERVATION DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 8836.001. DEFINITIONS. In this chapter:

19 (1) "Board" means the district's board of directors.

20 (2) "Director" means a board member.

21 (3) "District" means the Fayette County Groundwater  
22 Conservation District. (Acts 77th Leg., R.S., Ch. 302, Sec. 2;  
23 New.)

24 Sec. 8836.002. NATURE OF DISTRICT. The district is a  
25 groundwater conservation district in Fayette County created under  
26 and essential to accomplish the purposes of Section 59, Article  
27 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 302, Secs. 1(a)

1 (part), (b).)

2 Sec. 8836.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
3 district is created to serve a public use and benefit.

4 (b) All land and other property included in the district  
5 will benefit from the works and projects accomplished by the  
6 district under the powers conferred by Section 59, Article XVI,  
7 Texas Constitution. (Acts 77th Leg., R.S., Ch. 302, Sec. 4.)

8 Sec. 8836.004. DISTRICT TERRITORY. The district's  
9 boundaries are coextensive with the boundaries of Fayette County,  
10 Texas, unless the district's territory has been modified under:

- 11 (1) Subchapter J, Chapter 36, Water Code; or  
12 (2) other law. (Acts 77th Leg., R.S., Ch. 302, Sec. 3;  
13 New.)

14 Sec. 8836.005. DISTRICT NAME CHANGE. The board by  
15 resolution may change the district's name. (Acts 77th Leg., R.S.,  
16 Ch. 302, Sec. 14.)

17 [Sections 8836.006-8836.050 reserved for expansion]

18 SUBCHAPTER B. BOARD OF DIRECTORS

19 Sec. 8836.051. COMPOSITION OF BOARD; TERMS. (a) The  
20 district is governed by a board of five directors.

21 (b) Directors serve staggered four-year terms. (Acts 77th  
22 Leg., R.S., Ch. 302, Secs. 7(a), (d).)

23 Sec. 8836.052. ELECTION OF DIRECTORS. (a) Directors are  
24 elected according to the commissioners precinct method as provided  
25 by this section.

26 (b) One director is elected by the voters of the entire  
27 district. One director is elected from each county commissioners

1 precinct by the voters of that precinct.

2 (c) A person shall indicate on the application for a place  
3 on the ballot:

4 (1) the precinct that the person seeks to represent;  
5 or

6 (2) that the person seeks to represent the district at  
7 large.

8 (d) At the first election after the county commissioners  
9 precincts are redrawn under Section 18, Article V, Texas  
10 Constitution, four new directors shall be elected to represent the  
11 precincts. The directors from Precincts 1 and 3 are elected for  
12 two-year terms. The directors from Precincts 2 and 4 are elected for  
13 four-year terms. (Acts 77th Leg., R.S., Ch. 302, Secs. 9(a), (b),  
14 (d), (e).)

15 Sec. 8836.053. ELECTION DATE. On the first Tuesday after  
16 the first Monday in November of each even-numbered year, the  
17 appropriate number of directors shall be elected for terms  
18 beginning January 1 of the following year. (Acts 77th Leg., R.S.,  
19 Ch. 302, Sec. 11(b).)

20 Sec. 8836.054. QUALIFICATIONS FOR OFFICE. (a) To be  
21 qualified to be a candidate for or to serve as director at large, a  
22 person must be a registered voter in the district.

23 (b) To be qualified to be a candidate for or to serve as  
24 director from a county commissioners precinct, a person must be a  
25 registered voter of that precinct. (Acts 77th Leg., R.S., Ch. 302,  
26 Sec. 9(c).)



1 [Sections 8836.055-8836.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8836.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. Except as provided by this chapter, the district has  
5 the rights, powers, privileges, functions, and duties provided by  
6 the general law of this state, including Chapter 36, Water Code,  
7 applicable to groundwater conservation districts created under  
8 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
9 R.S., Ch. 302, Sec. 5(a) (part).)

10 Sec. 8836.102. REGIONAL COOPERATION. To provide for  
11 regional continuity, the district shall:

12 (1) participate in coordination meetings with  
13 adjacent districts on an as-needed basis;

14 (2) coordinate the collection of data with adjacent  
15 districts in such a way as to achieve relative uniformity of data  
16 type and quality;

17 (3) coordinate efforts to monitor water quality with  
18 adjacent districts, local governments, and state agencies;

19 (4) provide groundwater level data to adjacent  
20 districts;

21 (5) investigate any groundwater and aquifer pollution  
22 with the intention of locating its source;

23 (6) notify adjacent districts and all appropriate  
24 agencies of any detected groundwater pollution;

25 (7) annually provide to adjacent districts an  
26 inventory of water wells and an estimate of groundwater production  
27 within the district; and

1           (8) include adjacent districts on the mailing lists  
2 for district newsletters, seminars, public education events, news  
3 articles, and field days. (Acts 77th Leg., R.S., Ch. 302, Sec. 6.)

4           [Sections 8836.103-8836.150 reserved for expansion]

5                           SUBCHAPTER D. FINANCIAL PROVISIONS

6           Sec. 8836.151. DISTRICT REVENUE. To pay the district's  
7 maintenance and operating costs and to pay any bonds or notes issued  
8 by the district, the district may:

9                   (1) impose an ad valorem tax at a rate not to exceed  
10 two cents on each \$100 valuation of taxable property in the  
11 district, subject to voter approval;

12                   (2) assess fees for services or for water withdrawn  
13 from non-exempt wells; or

14                   (3) solicit and accept grants from any private or  
15 public source. (Acts 77th Leg., R.S., Ch. 302, Sec. 12.)

16           Sec. 8836.152. ELECTION TO APPROVE BONDS OR NOTES. The  
17 district may not issue or sell bonds or notes payable from any  
18 source unless the action is approved by a majority of the voters of  
19 the district voting at an election held for that purpose. (Acts 77th  
20 Leg., R.S., Ch. 302, Sec. 13.)

21                           CHAPTER 8840. GLASSCOCK GROUNDWATER CONSERVATION DISTRICT

22   SUBCHAPTER A. GENERAL PROVISIONS

23           Sec. 8840.001. DEFINITIONS

24           Sec. 8840.002. NATURE OF DISTRICT

25           Sec. 8840.003. FINDINGS OF PUBLIC USE AND BENEFIT

26           Sec. 8840.004. DISTRICT TERRITORY

27           [Sections 8840.005-8840.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 8840.051. COMPOSITION OF BOARD; TERMS

3 Sec. 8840.052. ELECTION OF DIRECTORS

4 Sec. 8840.053. ELECTION DATE

5 Sec. 8840.054. QUALIFICATIONS FOR ELECTION

6 Sec. 8840.055. ELECTION OF DIRECTORS FOLLOWING

7 ANNEXATION

8 [Sections 8840.056-8840.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8840.101. GENERAL POWERS AND DUTIES

11 Sec. 8840.102. ADMINISTRATIVE PROCEDURES

12 Sec. 8840.103. WELL PERMITS

13 Sec. 8840.104. WELL SPACING AND PRODUCTION

14 Sec. 8840.105. LOGS

15 Sec. 8840.106. SURVEYS

16 Sec. 8840.107. RESEARCH AND DETERMINATIONS REGARDING

17 GROUNDWATER WITHDRAWAL

18 Sec. 8840.108. COLLECTION AND PRESERVATION OF

19 INFORMATION

20 Sec. 8840.109. CONTRACT FOR SALE AND DISTRIBUTION OF

21 WATER

22 CHAPTER 8840. GLASSCOCK GROUNDWATER CONSERVATION DISTRICT

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 8840.001. DEFINITIONS. In this chapter:

25 (1) "Board" means the district's board of directors.

26 (2) "Director" means a board member.

27 (3) "District" means the Glasscock Groundwater

1 Conservation District. (Acts 67th Leg., R.S., Ch. 489, Sec. 1  
2 (part); New.)

3 Sec. 8840.002. NATURE OF DISTRICT. The district is created  
4 under Section 59, Article XVI, Texas Constitution, to provide for  
5 the conservation, preservation, protection, recharge, and  
6 prevention of waste of the groundwater reservoirs located under  
7 district land, consistent with the objectives of Section 59,  
8 Article XVI, Texas Constitution, and Chapter 36, Water Code. (Acts  
9 67th Leg., R.S., Ch. 489, Secs. 1 (part), 3.)

10 Sec. 8840.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
11 district is created to serve a public use and benefit.

12 (b) All land included in the district will benefit from the  
13 district. (Acts 67th Leg., R.S., Ch. 489, Sec. 7(a).)

14 Sec. 8840.004. DISTRICT TERRITORY. The district's  
15 boundaries are coextensive with the boundaries of Glasscock County,  
16 Texas, unless the district's territory has been modified under:

- 17 (1) Subchapter J, Chapter 36, Water Code; or  
18 (2) other law. (Acts 67th Leg., R.S., Ch. 489, Sec. 2;  
19 New.)

20 [Sections 8840.005-8840.050 reserved for expansion]

21 SUBCHAPTER B. BOARD OF DIRECTORS

22 Sec. 8840.051. COMPOSITION OF BOARD; TERMS. (a) The  
23 district is governed by a board of directors as provided by Chapter  
24 36, Water Code.

25 (b) Directors serve staggered four-year terms. (Acts 67th  
26 Leg., R.S., Ch. 489, Secs. 11(a), (f) (part).)

27 Sec. 8840.052. ELECTION OF DIRECTORS. (a) The district is

1 divided into numbered precincts for electing directors.

2 (b) The board may revise the district precincts as necessary  
3 or appropriate.

4 (c) One director is elected from each district precinct and  
5 one director is elected at large. (Acts 67th Leg., R.S., Ch. 489,  
6 Secs. 11(c), (d).)

7 Sec. 8840.053. ELECTION DATE. The board shall hold an  
8 election to elect the appropriate number of directors on the  
9 uniform election date in May of each even-numbered year. (Acts 67th  
10 Leg., R.S., Ch. 489, Sec. 11(f) (part).)

11 Sec. 8840.054. QUALIFICATIONS FOR ELECTION. (a) To be  
12 qualified for election as a director, a person must:

13 (1) be a resident of the district or proposed  
14 district;

15 (2) own land subject to taxation in the district or  
16 proposed district; and

17 (3) be at least 21 years of age.

18 (b) To be qualified for election as a director from a  
19 district precinct, a person must own land subject to taxation in the  
20 district precinct from which the person is elected. (Acts 67th  
21 Leg., R.S., Ch. 489, Secs. 11(b), (e).)

22 Sec. 8840.055. ELECTION OF DIRECTORS FOLLOWING ANNEXATION.

23 (a) Territory may be added to the district under Chapter 36, Water  
24 Code.

25 (b) If the district annexes territory, the directors shall  
26 determine the precincts to which annexed territory is added for the  
27 purpose of electing directors. (Acts 67th Leg., R.S., Ch. 489, Sec.

1 10.)

2 [Sections 8840.056-8840.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 8840.101. GENERAL POWERS AND DUTIES. The district may  
5 exercise:

6 (1) the powers essential to accomplish the purposes of  
7 Section 59, Article XVI, Texas Constitution; and

8 (2) the rights, powers, duties, privileges, and  
9 functions provided by this chapter, Chapter 36, Water Code, and  
10 other laws of this state relating to groundwater conservation  
11 districts. (Acts 67th Leg., R.S., Ch. 489, Secs. 1 (part), 4  
12 (part).)

13 Sec. 8840.102. ADMINISTRATIVE PROCEDURES. Except as  
14 provided by this chapter, the administrative and procedural  
15 provisions of Chapter 36, Water Code, apply to the district. (Acts  
16 67th Leg., R.S., Ch. 489, Sec. 5.)

17 Sec. 8840.103. WELL PERMITS. (a) As permitted by Chapter  
18 36, Water Code, the district may:

19 (1) require a permit for drilling, equipping, or  
20 completing a well in a groundwater reservoir; and

21 (2) issue a permit subject to terms relating to  
22 drilling, equipping, or completing a well that are necessary to  
23 prevent waste or conserve, preserve, and protect groundwater.

24 (b) The district may not deny an owner of land, or the  
25 owner's heirs, assigns, and lessees, a permit to drill a well on  
26 that land or the right to produce groundwater from that well subject  
27 to rules adopted under this chapter. (Acts 67th Leg., R.S., Ch.

1 489, Sec. 4 (part).)

2           Sec. 8840.104. WELL SPACING AND PRODUCTION. To minimize as  
3 far as practicable the drawdown of the water table or the reduction  
4 of the artesian pressure, the district, as permitted by Chapter 36,  
5 Water Code, may provide for the spacing of wells producing from the  
6 groundwater reservoirs and regulate the production from those  
7 wells. (Acts 67th Leg., R.S., Ch. 489, Sec. 4 (part).)

8           Sec. 8840.105. LOGS. As permitted by Chapter 36, Water  
9 Code, the district may require that:

10                   (1) accurate driller's logs be kept of the drilling,  
11 equipping, or completion of a well into a groundwater reservoir;  
12 and

13                   (2) a copy of a driller's log and of any electric log  
14 that may be made of the well be filed with the district. (Acts 67th  
15 Leg., R.S., Ch. 489, Sec. 4 (part).)

16           Sec. 8840.106. SURVEYS. As permitted by Chapter 36, Water  
17 Code, the district may have a licensed engineer survey the  
18 groundwater of a groundwater reservoir and the facilities for the  
19 development, production, and use of that groundwater and determine  
20 the quantity of the groundwater available for production and use  
21 and the improvements, developments, and recharges needed for the  
22 groundwater reservoir. (Acts 67th Leg., R.S., Ch. 489, Sec. 4  
23 (part).)

24           Sec. 8840.107. RESEARCH AND DETERMINATIONS REGARDING  
25 GROUNDWATER WITHDRAWAL. As permitted by Chapter 36, Water Code,  
26 the district may carry out research projects, develop information,  
27 and determine limitations, if any, that should be made on the

1 withdrawal of groundwater from a groundwater reservoir. (Acts 67th  
2 Leg., R.S., Ch. 489, Sec. 4 (part).)

3 Sec. 8840.108. COLLECTION AND PRESERVATION OF INFORMATION.  
4 As permitted by Chapter 36, Water Code, the district may collect and  
5 preserve information regarding the use of groundwater and the  
6 practicability of recharge of a groundwater reservoir. (Acts 67th  
7 Leg., R.S., Ch. 489, Sec. 4 (part).)

8 Sec. 8840.109. CONTRACT FOR SALE AND DISTRIBUTION OF WATER.  
9 As permitted by Chapter 36, Water Code, the district may contract  
10 for, sell, and distribute water from a water import authority or  
11 other agency. (Acts 67th Leg., R.S., Ch. 489, Sec. 4 (part).)

12 CHAPTER 8842. HEADWATERS GROUNDWATER CONSERVATION DISTRICT

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 8842.001. DEFINITIONS

15 Sec. 8842.002. NATURE OF DISTRICT

16 Sec. 8842.003. FINDINGS OF PUBLIC USE AND BENEFIT

17 Sec. 8842.004. DISTRICT TERRITORY

18 [Sections 8842.005-8842.050 reserved for expansion]

19 SUBCHAPTER B. BOARD OF DIRECTORS

20 Sec. 8842.051. COMPOSITION OF BOARD; TERMS

21 Sec. 8842.052. ELECTION OF DIRECTORS

22 Sec. 8842.053. ELECTION DATE

23 Sec. 8842.054. ELIGIBILITY

24 Sec. 8842.055. COMPENSATION; EXPENSES

25 [Sections 8842.056-8842.100 reserved for expansion]



1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 8842.101. GROUNDWATER CONSERVATION DISTRICT

3 POWERS AND DUTIES

4 Sec. 8842.102. AUTHORITY OF DISTRICT TO CONTRACT WITH

5 GOVERNMENTAL BODIES

6 Sec. 8842.103. GRANTING OF GROUNDWATER RIGHTS

7 PROHIBITED

8 CHAPTER 8842. HEADWATERS GROUNDWATER CONSERVATION DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8842.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the district's board of directors.

12 (2) "Director" means a board member.

13 (3) "District" means the Headwaters Groundwater  
14 Conservation District. (Acts 72nd Leg., R.S., Ch. 693, Sec. 2;  
15 New.)

16 Sec. 8842.002. NATURE OF DISTRICT. The district is a  
17 groundwater conservation district in Kerr County created under and  
18 essential to accomplish the purposes of Section 59, Article XVI,  
19 Texas Constitution. (Acts 72nd Leg., R.S., Ch. 693, Secs. 1(a)  
20 (part), (b).)

21 Sec. 8842.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
22 district is created to serve a public use and benefit.

23 (b) All land and other property included in the district  
24 will benefit from the works and projects accomplished by the  
25 district under the powers conferred by Section 59, Article XVI,  
26 Texas Constitution. (Acts 72nd Leg., R.S., Ch. 693, Sec. 4.)

27 Sec. 8842.004. DISTRICT TERRITORY. The district's

1 boundaries are coextensive with the boundaries of Kerr County,  
2 unless the district's territory has been modified under:

- 3           (1) Subchapter J, Chapter 36, Water Code; or  
4           (2) other law. (Acts 72nd Leg., R.S., Ch. 693, Sec. 3;  
5 New.)

6           [Sections 8842.005-8842.050 reserved for expansion]

7                               SUBCHAPTER B. BOARD OF DIRECTORS

8           Sec. 8842.051. COMPOSITION OF BOARD; TERMS.   (a) The  
9 district is governed by a board of five directors.

10           (b) Directors serve staggered four-year terms. (Acts 72nd  
11 Leg., R.S., Ch. 693, Secs. 6(a), (d).)

12           Sec. 8842.052. ELECTION OF DIRECTORS.   (a) Directors are  
13 elected according to the commissioners precinct method as provided  
14 by this section.

15           (b) One director is elected by the voters of the entire  
16 district. One director is elected from each county commissioners  
17 precinct by the voters of that precinct.

18           (c) A person shall indicate on the application for a place  
19 on the ballot:

20                   (1) the precinct that the person seeks to represent;  
21 or

22                   (2) that the person seeks to represent the district at  
23 large.

24           (d) At the first election after the county commissioners  
25 precincts are redrawn under Section 18, Article V, Texas  
26 Constitution, a new director is elected from each precinct. The  
27 directors shall draw lots to determine which two directors shall

1 serve two-year terms and which two directors shall serve four-year  
2 terms. (Acts 72nd Leg., R.S., Ch. 693, Secs. 9(a), (c), (e), (f).)

3       Sec. 8842.053. ELECTION DATE. (a) Except as provided by  
4 Subsection (b), directors' elections shall occur on the date of the  
5 general election for state and county officers.

6       (b) If directors' elections may not lawfully be held on the  
7 date described by Subsection (a), directors' elections shall occur  
8 on the uniform election date in May of odd-numbered years. (Acts  
9 72nd Leg., R.S., Ch. 693, Sec. 9(b).)

10       Sec. 8842.054. ELIGIBILITY. (a) To be eligible to serve on  
11 the board, a person must have been a resident of the district for at  
12 least one year before the date the person takes office as a  
13 director.

14       (b) To be qualified to be a candidate for or to serve as  
15 director at large, a person must be a registered voter in the  
16 district.

17       (c) To be a candidate for or to serve as director from a  
18 county commissioners precinct, a person must be a registered voter  
19 of that precinct. (Acts 72nd Leg., R.S., Ch. 693, Secs. 6(h),  
20 9(d).)

21       Sec. 8842.055. COMPENSATION; EXPENSES. A director serves  
22 without compensation but is entitled to reimbursement for actual  
23 expenses incurred in performing activities related to district  
24 business, including education, travel, and seminars. (Acts 72nd  
25 Leg., R.S., Ch. 693, Sec. 6(g).)

1 [Sections 8842.056-8842.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8842.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. The district has the rights, powers, privileges,  
5 functions, and duties provided by the general law of this state,  
6 including Chapter 36, Water Code, applicable to groundwater  
7 conservation districts created under Section 59, Article XVI, Texas  
8 Constitution. (Acts 72nd Leg., R.S., Ch. 693, Sec. 5(a) (part).)

9 Sec. 8842.102. AUTHORITY OF DISTRICT TO CONTRACT WITH  
10 GOVERNMENTAL BODIES. (a) The district may contract with Kerr  
11 County or a river authority whose boundaries are coextensive with  
12 the district's boundaries for services available from the county or  
13 river authority that directly relate to the district's activities.  
14 Any party to a contract under this subsection may petition the Texas  
15 Commission on Environmental Quality to resolve any dispute arising  
16 out of the contract.

17 (b) The district may contract with a state agency or another  
18 governmental body to carry out any function of the district. (Acts  
19 72nd Leg., R.S., Ch. 693, Sec. 10.)

20 Sec. 8842.103. GRANTING OF GROUNDWATER RIGHTS PROHIBITED.  
21 The district may not sell, donate, lease, or otherwise grant rights  
22 in or to groundwater located in the district. (Acts 72nd Leg.,  
23 R.S., Ch. 693, Sec. 11.)

24 CHAPTER 8844. HILL COUNTRY UNDERGROUND WATER CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8844.001. DEFINITIONS

27 Sec. 8844.002. NATURE OF DISTRICT

- 1 Sec. 8844.003. LEGISLATIVE FINDINGS
- 2 Sec. 8844.004. DISTRICT TERRITORY
- 3 [Sections 8844.005-8844.050 reserved for expansion]
- 4 SUBCHAPTER B. ANNEXATION OF TERRITORY
- 5 Sec. 8844.051. ANNEXATION OF TERRITORY AUTHORIZED
- 6 Sec. 8844.052. PETITION FOR ANNEXATION ELECTION
- 7 Sec. 8844.053. HEARING; ELECTION ORDER
- 8 Sec. 8844.054. BALLOTS
- 9 Sec. 8844.055. DECLARATION OF ELECTION RESULTS
- 10 [Sections 8844.056-8844.100 reserved for expansion]
- 11 SUBCHAPTER C. BOARD OF DIRECTORS
- 12 Sec. 8844.101. COMPOSITION OF BOARD
- 13 Sec. 8844.102. TERMS
- 14 Sec. 8844.103. QUALIFICATIONS FOR ELECTION;
- 15 ELIGIBILITY TO SERVE
- 16 Sec. 8844.104. ELECTION DATE
- 17 [Sections 8844.105-8844.150 reserved for expansion]
- 18 SUBCHAPTER D. POWERS AND DUTIES
- 19 Sec. 8844.151. GROUNDWATER CONSERVATION DISTRICT
- 20 POWERS AND DUTIES
- 21 Sec. 8844.152. RECLAMATION
- 22 Sec. 8844.153. SOIL CONSERVATION AND IMPROVEMENT
- 23 Sec. 8844.154. INPUT WELLS
- 24 Sec. 8844.155. ACQUISITION OF PROPERTY
- 25 Sec. 8844.156. SALE AND DISPOSAL OF PROPERTY
- 26 Sec. 8844.157. APPEARANCE BEFORE RAILROAD COMMISSION
- 27 Sec. 8844.158. PROHIBITION: SUPPLY OF GROUNDWATER

1 CHAPTER 8844. HILL COUNTRY UNDERGROUND WATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8844.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the district's board of directors.

5 (2) "Director" means a board member.

6 (3) "District" means the Hill Country Underground  
7 Water Conservation District. (Acts 70th Leg., R.S., Ch. 865, Sec.  
8 2; New.)

9 Sec. 8844.002. NATURE OF DISTRICT. The district is created  
10 under Section 59, Article XVI, Texas Constitution. (Acts 70th  
11 Leg., R.S., Ch. 865, Sec. 1 (part).)

12 Sec. 8844.003. LEGISLATIVE FINDINGS. The legislature finds  
13 that:

14 (1) the organization of the district is feasible and  
15 practicable;

16 (2) the land to be included in the district and the  
17 residents of the district will benefit from the creation of the  
18 district;

19 (3) there is a public necessity for the district; and

20 (4) the creation of the district will further the  
21 public welfare. (Acts 70th Leg., R.S., Ch. 865, Sec. 3.)

22 Sec. 8844.004. DISTRICT TERRITORY. The district is  
23 composed of the territory located in Gillespie County, unless the  
24 district's territory has been modified under:

25 (1) this subchapter; or

26 (2) other law. (Acts 70th Leg., R.S., Ch. 865, Sec. 4;  
27 New.)

1 [Sections 8844.005-8844.050 reserved for expansion]

2 SUBCHAPTER B. ANNEXATION OF TERRITORY

3 Sec. 8844.051. ANNEXATION OF TERRITORY AUTHORIZED. The  
4 board may annex territory to the district as provided by this  
5 subchapter. (Acts 70th Leg., R.S., Ch. 865, Sec. 20(a).)

6 Sec. 8844.052. PETITION FOR ANNEXATION ELECTION. (a) To  
7 initiate a proceeding to annex territory to the district, a written  
8 petition requesting that the board call an annexation election must  
9 be presented to the board.

10 (b) The petition must:

11 (1) define the territory to be annexed; and

12 (2) be signed by at least 50 percent of the persons who  
13 reside in the territory to be annexed according to the most recent  
14 federal census. (Acts 70th Leg., R.S., Ch. 865, Sec. 20(b).)

15 Sec. 8844.053. HEARING; ELECTION ORDER. (a) On receipt of a  
16 petition under Section 8844.052, the board shall set a date for a  
17 hearing on the petition. The hearing must be set for a date that is  
18 not later than the 20th day after the date the board receives the  
19 petition.

20 (b) The board shall publish notice of the place, time, date,  
21 and purpose of the hearing in one or more newspapers with general  
22 circulation in the district and in the territory to be annexed.

23 (c) At the hearing, any person may present testimony for or  
24 against annexation of the territory to the district.

25 (d) At the conclusion of the hearing, the board shall  
26 determine whether an election should be held to determine whether  
27 the territory should be annexed.

1           (e) If the board determines that an election should be held,  
2 the board shall issue an order calling separate elections to be held  
3 in the district and in the territory to be annexed to determine  
4 whether the territory should be annexed to the district. The board  
5 shall hold the elections on the same day at the next uniform  
6 election date following the date of the order.

7           (f) If the board determines that an election should not be  
8 held, the board shall issue an order denying the petition. (Acts  
9 70th Leg., R.S., Ch. 865, Secs. 20(c), (d), (e), (f), (g), (h).)

10           Sec. 8844.054. BALLOTS. Ballots for an election called  
11 under Section 8844.053 must be printed to provide for voting for or  
12 against the proposition: "The inclusion of \_\_\_\_\_  
13 (briefly describe the territory to be annexed) in the Hill Country  
14 Underground Water Conservation District, and assumption by the  
15 described territory of a proportional share of the outstanding  
16 indebtedness of the district." (Acts 70th Leg., R.S., Ch. 865, Sec.  
17 20(i).)

18           Sec. 8844.055. DECLARATION OF ELECTION RESULTS. (a) If a  
19 majority of the voters in the district and a majority of the voters  
20 in the territory to be annexed voting on the proposition vote in  
21 favor of the proposition, the territory is annexed to the district,  
22 and the board shall issue a declaration to that effect.

23           (b) If a majority of the voters in the district or in the  
24 territory to be annexed voting on the proposition vote against  
25 annexing the territory to the district, the territory is not  
26 annexed to the district, and the board shall issue a declaration to  
27 that effect.



1 (c) The board shall file a copy of the election results and  
2 declaration with the Texas Commission on Environmental Quality.  
3 (Acts 70th Leg., R.S., Ch. 865, Sec. 20(j).)

4 [Sections 8844.056-8844.100 reserved for expansion]

5 SUBCHAPTER C. BOARD OF DIRECTORS

6 Sec. 8844.101. COMPOSITION OF BOARD. (a) The board is  
7 composed of five directors, unless the board is expanded under  
8 Subsection (b).

9 (b) If territory is annexed to the district, the territory  
10 annexed is entitled to be represented by one director, and the board  
11 shall add one director to the board for that purpose. The board  
12 shall appoint an initial director to represent the newly annexed  
13 territory. The initial director serves until the first regular  
14 meeting of the board following the first regular election of  
15 directors subsequent to the annexation of the territory. (Acts  
16 70th Leg., R.S., Ch. 865, Secs. 8, 20(k).)

17 Sec. 8844.102. TERMS. Directors serve four-year terms.  
18 (Acts 70th Leg., R.S., Ch. 865, Sec. 11.)

19 Sec. 8844.103. QUALIFICATIONS FOR ELECTION; ELIGIBILITY TO  
20 SERVE. (a) To be qualified for election as a director, a person  
21 must be:

22 (1) a resident of the district; and

23 (2) at least 18 years of age.

24 (b) In addition to the requirements of Subsection (a):

25 (1) to be a director from a county commissioners  
26 precinct, a person must be a resident of that precinct; and

27 (2) to be a director from a specific territory annexed

1 to the district, a person must be a resident of that territory.  
2 (Acts 70th Leg., R.S., Ch. 865, Sec. 9.)

3 Sec. 8844.104. ELECTION DATE. Each odd-numbered year, the  
4 board shall hold an election in the district on the uniform election  
5 date in May to elect the appropriate number of directors. (Acts  
6 70th Leg., R.S., Ch. 865, Sec. 10.)

7 [Sections 8844.105-8844.150 reserved for expansion]

8 SUBCHAPTER D. POWERS AND DUTIES

9 Sec. 8844.151. GROUNDWATER CONSERVATION DISTRICT POWERS  
10 AND DUTIES. Except to the extent of a conflict with this chapter or  
11 as limited by this chapter, the district is governed by, is subject  
12 to, may exercise the powers granted by, and shall exercise the  
13 duties provided by Chapter 36, Water Code. (Acts 70th Leg., R.S.,  
14 Ch. 865, Sec. 12.)

15 Sec. 8844.152. RECLAMATION. The district may:

- 16 (1) reclaim land in the district; and  
17 (2) construct works, facilities, and improvements  
18 necessary to accomplish that purpose. (Acts 70th Leg., R.S., Ch.  
19 865, Sec. 13.)

20 Sec. 8844.153. SOIL CONSERVATION AND IMPROVEMENT. The  
21 district may construct and maintain terraces or other structures on  
22 land in the district and may engage in or promote land treatment  
23 measures for soil conservation and improvement. (Acts 70th Leg.,  
24 R.S., Ch. 865, Sec. 14.)

25 Sec. 8844.154. INPUT WELLS. The district may drill, equip,  
26 operate, and maintain input wells, pumps, and other facilities to  
27 carry out its purpose and powers under this chapter. (Acts 70th

1 Leg., R.S., Ch. 865, Sec. 15.)

2       Sec. 8844.155. ACQUISITION OF PROPERTY. The district may  
3 acquire any land or property necessary to carry out this chapter by:

4           (1) gift;

5           (2) grant;

6           (3) devise;

7           (4) lease;

8           (5) purchase; or

9           (6) the power of eminent domain. (Acts 70th Leg.,  
10 R.S., Ch. 865, Sec. 16.)

11       Sec. 8844.156. SALE AND DISPOSAL OF PROPERTY. Subject to  
12 this chapter and Chapter 36, Water Code, the district may sell or  
13 otherwise dispose of land and other property of the district that is  
14 not necessary to carry out the purpose or powers of the district as  
15 determined by the board. (Acts 70th Leg., R.S., Ch. 865, Sec. 17.)

16       Sec. 8844.157. APPEARANCE BEFORE RAILROAD COMMISSION. The  
17 district, through the directors or the district's general manager,  
18 may appear before the Railroad Commission of Texas and present  
19 evidence and information related to a pending permit application  
20 for an injection well to be located in the district. (Acts 70th  
21 Leg., R.S., Ch. 865, Sec. 18.)

22       Sec. 8844.158. PROHIBITION: SUPPLY OF GROUNDWATER. The  
23 district may not contract to or take an action to supply groundwater  
24 inside or outside the district. (Acts 70th Leg., R.S., Ch. 865,  
25 Sec. 19.)

1 CHAPTER 8846. KINNEY COUNTY GROUNDWATER CONSERVATION DISTRICT  
2 SUBCHAPTER A. GENERAL PROVISIONS  
3 Sec. 8846.001. DEFINITIONS  
4 Sec. 8846.002. NATURE OF DISTRICT  
5 Sec. 8846.003. FINDINGS OF PUBLIC USE AND BENEFIT  
6 Sec. 8846.004. DISTRICT TERRITORY  
7 Sec. 8846.005. DISTRICT NAME CHANGE  
8 Sec. 8846.006. CONTRACTS FOR ELECTION SERVICES  
9 [Sections 8846.007-8846.050 reserved for expansion]  
10 SUBCHAPTER B. BOARD OF DIRECTORS  
11 Sec. 8846.051. COMPOSITION OF BOARD; TERMS  
12 Sec. 8846.052. ELECTION OF DIRECTORS  
13 Sec. 8846.053. ELECTION DATE  
14 Sec. 8846.054. ELIGIBILITY  
15 Sec. 8846.055. BOARD VACANCY  
16 Sec. 8846.056. COMPENSATION; EXPENSES  
17 [Sections 8846.057-8846.100 reserved for expansion]  
18 SUBCHAPTER C. POWERS AND DUTIES  
19 Sec. 8846.101. GROUNDWATER CONSERVATION DISTRICT  
20 POWERS AND DUTIES  
21 [Sections 8846.102-8846.150 reserved for expansion]  
22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
23 Sec. 8846.151. TAXES  
24 Sec. 8846.152. FEES  
25 CHAPTER 8846. KINNEY COUNTY GROUNDWATER CONSERVATION DISTRICT  
26 SUBCHAPTER A. GENERAL PROVISIONS  
27 Sec. 8846.001. DEFINITIONS. In this chapter:

1 (1) "Board" means the district's board of directors.

2 (2) "Commissioners court" means the Kinney County  
3 Commissioners Court.

4 (3) "Director" means a board member.

5 (4) "District" means the Kinney County Groundwater  
6 Conservation District. (Acts 77th Leg., R.S., Ch. 1344, Sec. 2;  
7 New.)

8 Sec. 8846.002. NATURE OF DISTRICT. The district is a  
9 groundwater conservation district in Kinney County created under  
10 and essential to accomplish the purposes of Section 59, Article  
11 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1344, Secs.  
12 1(a) (part), (b).)

13 Sec. 8846.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
14 district is created to serve a public use and benefit.

15 (b) All land and other property included in the district  
16 will benefit from the works and projects accomplished by the  
17 district under the powers conferred by Section 59, Article XVI,  
18 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1344, Sec. 4.)

19 Sec. 8846.004. DISTRICT TERRITORY. The district's  
20 boundaries are coextensive with the boundaries of Kinney County,  
21 Texas, unless the district's territory has been modified under:

22 (1) Subchapter J, Chapter 36, Water Code; or

23 (2) other law. (Acts 77th Leg., R.S., Ch. 1344, Sec.  
24 3; New.)

25 Sec. 8846.005. DISTRICT NAME CHANGE. The board may change  
26 the district's name when the district annexes territory. (Acts  
27 77th Leg., R.S., Ch. 1344, Sec. 12.)

1           Sec. 8846.006. CONTRACTS FOR ELECTION SERVICES. The  
2 district shall contract with the county clerk of Kinney County to  
3 conduct the district's elections. (Acts 77th Leg., R.S., Ch. 1344,  
4 Sec. 9(b) (part).)

5           [Sections 8846.007-8846.050 reserved for expansion]

6                           SUBCHAPTER B. BOARD OF DIRECTORS

7           Sec. 8846.051. COMPOSITION OF BOARD; TERMS. (a) The  
8 district is governed by a board of seven directors.

9           (b) Directors serve staggered four-year terms.

10          (c) A director may serve consecutive terms. (Acts 77th  
11 Leg., R.S., Ch. 1344, Secs. 6(a), (d), (g).)

12          Sec. 8846.052. ELECTION OF DIRECTORS. (a) Directors are  
13 elected according to the method provided by this section.

14          (b) Three at-large directors are elected by the voters of  
15 the entire district. One director is elected from each county  
16 commissioners precinct by the voters of that precinct.

17          (c) A person shall indicate on the application for a place  
18 on the ballot the position on the board for which the person is a  
19 candidate.

20          (d) At the first election after the county commissioners  
21 precincts are redrawn under Section 18, Article V, Texas  
22 Constitution, each director in office on the effective date of the  
23 change, or elected to a term of office beginning on or after the  
24 effective date of the change, shall serve, unless otherwise removed  
25 as provided by law, in the position to which each was elected for  
26 the entire term to which elected, even though the change in  
27 boundaries places the director's residence outside the precinct

1 from which the director was elected. (Acts 77th Leg., R.S., Ch.  
2 1344, Secs. 8(a), (b), (e), (f).)

3 Sec. 8846.053. ELECTION DATE. On the first Tuesday after  
4 the first Monday in November of each even-numbered year, the  
5 appropriate number of directors shall be elected. (Acts 77th Leg.,  
6 R.S., Ch. 1344, Sec. 10(b).)

7 Sec. 8846.054. ELIGIBILITY. (a) To be eligible to be a  
8 candidate for or to serve as a director at large, a person must be a  
9 registered voter in the district and:

10 (1) for position one, reside in the district;

11 (2) for position two, reside in the city of  
12 Brackettville; and

13 (3) for position three, reside in the Fort Clark  
14 Springs Municipal Utility District.

15 (b) To be eligible to be a candidate for or to serve as a  
16 director from a county commissioners precinct, a person must:

17 (1) be a registered voter of that precinct; and

18 (2) reside in a rural area of that precinct. (Acts  
19 77th Leg., R.S., Ch. 1344, Secs. 8(c), (d).)

20 Sec. 8846.055. BOARD VACANCY. (a) The commissioners court  
21 shall appoint a replacement to fill a vacancy in the office of  
22 director.

23 (b) The appointed replacement serves until the next  
24 directors' election.

25 (c) At that election, a person is elected to fill the  
26 position. If the position is not scheduled to be filled at the  
27 election, the person elected to fill the position serves only for

1 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
2 1344, Sec. 6(i).)

3 Sec. 8846.056. COMPENSATION; EXPENSES. (a) A director may  
4 not receive compensation for performing duties as a director.

5 (b) A director shall be reimbursed for actual reasonable  
6 expenses incurred in performing duties as a director. (Acts 77th  
7 Leg., R.S., Ch. 1344, Sec. 6(h).)

8 [Sections 8846.057-8846.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8846.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
11 AND DUTIES. The district has the rights, powers, privileges,  
12 functions, and duties provided by the general law of this state,  
13 including Chapter 36, Water Code, applicable to groundwater  
14 conservation districts created under Section 59, Article XVI, Texas  
15 Constitution. (Acts 77th Leg., R.S., Ch. 1344, Sec. 5(a) (part).)

16 [Sections 8846.102-8846.150 reserved for expansion]

17 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

18 Sec. 8846.151. TAXES. To pay the district's maintenance  
19 and operating expenses, each year the district may impose an ad  
20 valorem tax at a rate not to exceed 10 cents for each \$100 of  
21 assessed valuation if a majority of the voters:

22 (1) approved the authority to impose the tax at the  
23 confirmation election; or

24 (2) approve that authority at a separate election  
25 called for that purpose by the board. (Acts 77th Leg., R.S., Ch.  
26 1344, Sec. 11(a).)

27 Sec. 8846.152. FEES. The district may:



1           (1) impose a fee on water exported from the district;  
2 and

3           (2) assess other fees as authorized by Chapter 36,  
4 Water Code. (Acts 77th Leg., R.S., Ch. 1344, Secs. 11(b), (c).)

5           CHAPTER 8848. LONE WOLF GROUNDWATER CONSERVATION DISTRICT

6                       SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 8848.001. DEFINITIONS

8 Sec. 8848.002. NATURE OF DISTRICT

9 Sec. 8848.003. FINDINGS OF PUBLIC USE AND BENEFIT

10 Sec. 8848.004. DISTRICT TERRITORY

11           [Sections 8848.005-8848.050 reserved for expansion]

12                       SUBCHAPTER B. BOARD OF DIRECTORS

13 Sec. 8848.051. COMPOSITION OF BOARD; TERMS

14 Sec. 8848.052. ELECTION OF DIRECTORS

15 Sec. 8848.053. ELECTION DATE

16 Sec. 8848.054. ELIGIBILITY

17 Sec. 8848.055. COMPENSATION

18           [Sections 8848.056-8848.100 reserved for expansion]

19                       SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 8848.101. GROUNDWATER CONSERVATION DISTRICT

21                       POWERS AND DUTIES

22           [Sections 8848.102-8848.150 reserved for expansion]

23                       SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24 Sec. 8848.151. LIMITATION ON TAX RATE FOR DEBT

25           CHAPTER 8848. LONE WOLF GROUNDWATER CONSERVATION DISTRICT

26                       SUBCHAPTER A. GENERAL PROVISIONS

27           Sec. 8848.001. DEFINITIONS. In this chapter:

1 (1) "Board" means the district's board of directors.

2 (2) "Director" means a board member.

3 (3) "District" means the Lone Wolf Groundwater  
4 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;  
5 Acts 77th Leg., R.S., Ch. 966, Sec. 3.0402; Acts 77th Leg., R.S.,  
6 Ch. 1328, Sec. 2; New.)

7 Sec. 8848.002. NATURE OF DISTRICT. The district is a  
8 groundwater conservation district created under and essential to  
9 accomplish the purposes of Section 59, Article XVI, Texas  
10 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
11 (c).)

12 Sec. 8848.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
13 district is created to serve a public use and benefit.

14 (b) All land and other property included in the district  
15 will benefit from the works and projects accomplished by the  
16 district under the powers conferred by Section 59, Article XVI,  
17 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

18 Sec. 8848.004. DISTRICT TERRITORY. The district's  
19 boundaries are coextensive with the boundaries of Mitchell County  
20 unless the district's territory has been modified under:

21 (1) Subchapter J, Chapter 36, Water Code; or

22 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
23 2(a) (part); New.)

24 [Sections 8848.005-8848.050 reserved for expansion]

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Sec. 8848.051. COMPOSITION OF BOARD; TERMS. (a) The  
27 district is governed by a board of five directors.

1 (b) Directors serve staggered four-year terms. (Acts 77th  
2 Leg., R.S., Ch. 966, Secs. 3.0404(a), (d); Acts 77th Leg., R.S., Ch.  
3 1328, Secs. 4(a), (d).)

4 Sec. 8848.052. ELECTION OF DIRECTORS. (a) Directors are  
5 elected according to the commissioners precinct method as provided  
6 by this section.

7 (b) One director is elected by the voters of the entire  
8 district. One director is elected from each county commissioners  
9 precinct by the voters of that precinct.

10 (c) A person shall indicate on the application for a place  
11 on the ballot:

12 (1) the precinct that the person seeks to represent;  
13 or

14 (2) that the person seeks to represent the district at  
15 large.

16 (d) When the boundaries of the county commissioners  
17 precincts are changed, each director in office on the effective  
18 date of the change or elected to a term of office beginning on or  
19 after the effective date of the change serves in the precinct to  
20 which the director was elected for the entire term to which the  
21 director was elected, even though the change in boundaries places  
22 the person's residence outside the precinct for which the person  
23 was elected. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0406(a), (b),  
24 (d), (e); Acts 77th Leg., R.S., Ch. 1328, Secs. 6(a), (b), (d).)

25 Sec. 8848.053. ELECTION DATE. On the uniform election date  
26 in May of each even-numbered year, the appropriate number of  
27 directors shall be elected. (Acts 77th Leg., R.S., Ch. 966, Sec.

1 3.0408(b); Acts 77th Leg., R.S., Ch. 1328, Sec. 8(b).)

2 Sec. 8848.054. ELIGIBILITY. (a) To be eligible to be a  
3 candidate for or to serve as director at large, a person must be a  
4 registered voter in the district.

5 (b) To be eligible to be a candidate for or to serve as  
6 director from a county commissioners precinct, a person must be a  
7 registered voter of that precinct, except as provided by Section  
8 8848.052(d). (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0406(c); Acts  
9 77th Leg., R.S., Ch. 1328, Sec. 6(c); New.)

10 Sec. 8848.055. COMPENSATION. A director is not entitled to  
11 fees of office. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0405 (part);  
12 Acts 77th Leg., R.S., Ch. 1328, Sec. 5 (part).)

13 [Sections 8848.056-8848.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 8848.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
16 AND DUTIES. The district has the rights, powers, privileges,  
17 functions, and duties provided by the general law of this state,  
18 including Chapter 36, Water Code, applicable to groundwater  
19 conservation districts created under Section 59, Article XVI, Texas  
20 Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0403 (part);  
21 Acts 77th Leg., R.S., Ch. 1328, Sec. 3(a) (part).)

22 [Sections 8848.102-8848.150 reserved for expansion]

23 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

24 Sec. 8848.151. LIMITATION ON TAX RATE FOR DEBT. The  
25 district may impose an ad valorem tax at a rate not to exceed 20  
26 cents for each \$100 of assessed valuation to pay any part of the  
27 bonds or notes issued by the district if a majority of the voters

1 approve:

2 (1) the authority to impose the tax at the  
3 confirmation election; or

4 (2) that authority at a separate election called for  
5 that purpose by the board. (Acts 77th Leg., R.S., Ch. 966, Sec.  
6 3.0409; Acts 77th Leg., R.S., Ch. 1328, Sec. 9.)

7 CHAPTER 8849. LOST PINES GROUNDWATER CONSERVATION DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 8849.001. DEFINITIONS

10 Sec. 8849.002. NATURE OF DISTRICT

11 Sec. 8849.003. FINDINGS OF PUBLIC USE AND BENEFIT

12 Sec. 8849.004. DISTRICT TERRITORY

13 [Sections 8849.005-8849.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 8849.051. COMPOSITION OF BOARD; TERMS

16 Sec. 8849.052. APPOINTMENT OF DIRECTORS

17 Sec. 8849.053. BOARD VACANCY

18 Sec. 8849.054. EXPENSES

19 [Sections 8849.055-8849.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8849.101. GROUNDWATER CONSERVATION DISTRICT

22 POWERS AND DUTIES

23 Sec. 8849.102. AUTHORITY TO EXEMPT CERTAIN WELLS FROM

24 REGULATION

25 Sec. 8849.103. GROUNDWATER WELLS UNDER JURISDICTION OF

26 RAILROAD COMMISSION

1 Sec. 8849.104. MEMBERSHIP ON CENTRAL CARRIZO-WILCOX

2 COORDINATING COUNCIL

3 Sec. 8849.105. MANAGEMENT PLAN

4 Sec. 8849.106. REGIONAL COOPERATION

5 [Sections 8849.107-8849.150 reserved for expansion]

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Sec. 8849.151. PUMPING FEES

8 Sec. 8849.152. TAXES PROHIBITED

9 CHAPTER 8849. LOST PINES GROUNDWATER CONSERVATION DISTRICT

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8849.001. DEFINITIONS. In this chapter:

12 (1) "Board" means the district's board of directors.

13 (2) "Director" means a board member.

14 (3) "District" means the Lost Pines Groundwater  
15 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;  
16 Acts 77th Leg., R.S., Ch. 966, Sec. 3.0502(1); Acts 77th Leg., R.S.,  
17 Ch. 1323, Sec. 2(1); New.)

18 Sec. 8849.002. NATURE OF DISTRICT. The district is a  
19 groundwater conservation district created under and essential to  
20 accomplish the purposes of Section 59, Article XVI, Texas  
21 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
22 (c).)

23 Sec. 8849.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
24 district is created to serve a public use and benefit.

25 (b) All land and other property included in the district  
26 will benefit from the works and projects accomplished by the  
27 district under the powers conferred by Section 59, Article XVI,

1 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

2 Sec. 8849.004. DISTRICT TERRITORY. The district's  
3 boundaries are coextensive with the boundaries of Bastrop and Lee  
4 Counties unless the district's territory has been modified under:

- 5 (1) Subchapter J, Chapter 36, Water Code; or  
6 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
7 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.0503; Acts 77th  
8 Leg., R.S., Ch. 1323, Sec. 3; New.)

9 [Sections 8849.005-8849.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 8849.051. COMPOSITION OF BOARD; TERMS. (a) The  
12 district is governed by a board of 10 directors.

13 (b) Directors serve staggered four-year terms. (Acts 77th  
14 Leg., R.S., Ch. 966, Secs. 3.0506(a), (f); Acts 77th Leg., R.S., Ch.  
15 1323, Secs. 7(a), (f).)

16 Sec. 8849.052. APPOINTMENT OF DIRECTORS. (a) Five  
17 directors are appointed from Bastrop County by the county judge of  
18 Bastrop County and five directors are appointed from Lee County by  
19 the county judge of Lee County.

20 (b) Every two years after the initial appointment of  
21 directors, the appropriate number of directors shall be appointed.  
22 (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0506(b), (e); Acts 77th  
23 Leg., R.S., Ch. 1323, Secs. 7(b), (e).)

24 Sec. 8849.053. BOARD VACANCY. If a vacancy occurs on the  
25 board, the board may appoint a director to serve the remainder of  
26 the term. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0506(j); Acts 77th  
27 Leg., R.S., Ch. 1323, Sec. 7(j).)

1           Sec. 8849.054. EXPENSES.     A director is entitled to  
2 reimbursement for actual reasonable expenses incurred in  
3 performing duties as a director. (Acts 77th Leg., R.S., Ch. 966,  
4 Sec. 3.0506(k) (part); Acts 77th Leg., R.S., Ch. 1323, Sec. 7(k)  
5 (part).)

6           [Sections 8849.055-8849.100 reserved for expansion]

7                           SUBCHAPTER C. POWERS AND DUTIES

8           Sec. 8849.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
9 AND DUTIES. The district has the rights, powers, privileges,  
10 functions, and duties provided by the general law of this state,  
11 including Chapter 36, Water Code, applicable to groundwater  
12 conservation districts created under Section 59, Article XVI, Texas  
13 Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0504(a)  
14 (part); Acts 77th Leg., R.S., Ch. 1323, Sec. 4(a) (part).)

15          Sec. 8849.102. AUTHORITY TO EXEMPT CERTAIN WELLS FROM  
16 REGULATION. The district may adopt a rule exempting a well that is  
17 not capable of producing more than 50,000 gallons of groundwater a  
18 day from a permit requirement, a fee, or a restriction on  
19 production. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0504(c); Acts  
20 77th Leg., R.S., Ch. 1323, Sec. 4(e).)

21          Sec. 8849.103. GROUNDWATER WELLS UNDER JURISDICTION OF  
22 RAILROAD COMMISSION. (a) In this section:

23                   (1) "Public utility" means any person, corporation,  
24 public utility, water supply or sewer service corporation,  
25 municipality, political subdivision, or agency operating,  
26 maintaining, or controlling facilities in this state for providing  
27 potable water service for compensation.



1           (2) "Railroad commission" means the Railroad  
2 Commission of Texas.

3           (b) A groundwater well drilled or operated in the district  
4 under a permit issued by the railroad commission is under the  
5 exclusive jurisdiction of the railroad commission and is exempt  
6 from regulation by the district.

7           (c) Groundwater produced in an amount authorized by a  
8 railroad commission permit may be used in or exported from the  
9 district without a permit from the district.

10          (d) To the extent groundwater production exceeds railroad  
11 commission authorization, the holder of the railroad commission  
12 permit:

13           (1) shall apply to the district for the appropriate  
14 permit for the excess production; and

15           (2) is subject to the applicable regulatory fees.

16          (e) Groundwater produced from a well under the jurisdiction  
17 of the railroad commission is generally exempt from water district  
18 fees. However, the district may impose a pumping fee or an export  
19 fee on groundwater produced from an otherwise exempt mine well that  
20 is used for municipal purposes or by a public utility. A fee  
21 imposed by the district under this subsection may not exceed the fee  
22 imposed on other groundwater producers in the district. (Acts 77th  
23 Leg., R.S., Ch. 966, Secs. 3.0502(2), 3.0505; Acts 77th Leg., R.S.,  
24 Ch. 1323, Secs. 2(2), 5; New.)

25          Sec. 8849.104. MEMBERSHIP ON CENTRAL CARRIZO-WILCOX  
26 COORDINATING COUNCIL. The district is a member of the Central  
27 Carrizo-Wilcox Coordinating Council. (Acts 77th Leg., R.S., Ch.

1 1323, Sec. 10.)

2           Sec. 8849.105. MANAGEMENT PLAN. The district shall develop  
3 or contract to develop a district management plan under Section  
4 36.1071, Water Code, and submit the plan to the Central  
5 Carrizo-Wilcox Coordinating Council to be included in the  
6 management plan developed by the council. (Acts 77th Leg., R.S.,  
7 Ch. 1323, Sec. 11.)

8           Sec. 8849.106. REGIONAL COOPERATION. The district shall:

9           (1) adopt a management plan detailing proposed efforts  
10 of the district to cooperate with other groundwater conservation  
11 districts;

12           (2) participate as needed in coordination meetings  
13 with adjacent groundwater conservation districts that share one or  
14 more aquifers with the district;

15           (3) coordinate the collection of data with adjacent  
16 groundwater conservation districts in such a way as to achieve  
17 relative uniformity of data type and quality;

18           (4) provide groundwater level information to adjacent  
19 groundwater conservation districts;

20           (5) investigate any groundwater pollution to identify  
21 the pollution's source;

22           (6) notify adjacent groundwater conservation  
23 districts and all appropriate agencies of any groundwater pollution  
24 detected and the source of the pollution identified;

25           (7) provide to adjacent groundwater conservation  
26 districts annually an inventory of water wells in the district and  
27 an estimate of groundwater production in the district; and

1           (8) include adjacent groundwater conservation  
2 districts on mailing lists for district newsletters and information  
3 regarding seminars, public education events, news articles, and  
4 field days. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0508.)

5           [Sections 8849.107-8849.150 reserved for expansion]

6           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7           Sec. 8849.151. PUMPING FEES. (a) The district may assess  
8 regulatory pumping fees for water produced in or exported from the  
9 district.

10          (b) The regulatory pumping fees the district assesses for  
11 water for crop or livestock production or other agricultural uses  
12 may not exceed 20 percent of the rate applied to water for municipal  
13 uses.

14          (c) Regulatory pumping fees based on the amount of water  
15 withdrawn from a well may not exceed:

16           (1) \$1 for each acre-foot for water used to irrigate  
17 agricultural crops; or

18           (2) 17 cents for each thousand gallons for water used  
19 for any other purpose.

20          (d) Combined regulatory pumping fees for production and  
21 export of water may not exceed 17 cents for each thousand gallons  
22 for water used. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0504(b)  
23 (part); Acts 77th Leg., R.S., Ch. 1323, Secs. 4(c) (part), (d).)

24          Sec. 8849.152. TAXES PROHIBITED. The district may not  
25 impose a tax. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0504(b)  
26 (part); Acts 77th Leg., R.S., Ch. 1323, Sec. 4(c) (part).)

ARTICLE 2. CONFORMING AMENDMENTS

SECTION 2.01. Section 1, Chapter 310, Acts of the 59th Legislature, Regular Session, 1965, is amended to read as follows:

Sec. 1. The [~~Pursuant to authority granted by the provisions of Section 9 of Article IX of the Constitution of the State of Texas, Cuero Hospital District of~~] DeWitt Medical District [~~County, Texas, is hereby authorized to be created in DeWitt County, Texas, and as created~~] shall have the following boundaries:

BEGINNING at the most southerly corner of DeWitt County, Texas, on the north bank of the Fifteen Mile Colletto Creek;

THENCE, in a generally northwesterly direction up said north bank of said creek and its meanders to another corner of DeWitt County on the south line of the P. C. Ragsdale Survey, A-414;

THENCE, in an easterly direction in a straight line to the west corner of the James Kelly Survey, A-285, same being the south corner of the David Oaks Survey, A-374;

THENCE, in a northwesterly direction with the southwest line of said Oaks Survey to its southwest corner, same also being an interior corner of the John T. Tinsley League, A-455;

THENCE, in a northeasterly direction along the southeast line of said Tinsley League to its intersection with the centerline of the Twelve Mile Colletto Creek;

THENCE, in a generally northwesterly direction up the centerline of said creek with its meanders to its intersection with the northeast line of the G. H. Woods Survey, A-482;

THENCE, in a southeasterly direction along said northeast line of said Woods Survey to its northeast corner, same being on the

1 south line of the W. H. Stubblefield Survey, A-425;

2 THENCE, continuing in a southeasterly direction along said  
3 south line of said Stubblefield Survey to its southeast corner;

4 THENCE, in a northerly direction along the east line of said  
5 Stubblefield Survey and continuing in the same direction along an  
6 east boundary line of the James Foster Survey, A-176, to an interior  
7 corner of said Foster Survey;

8 THENCE, in an easterly direction along a south line of said  
9 Foster Survey, same being a north line of the Otto Von Roeder  
10 Survey, to an east corner of said Foster Survey and an interior  
11 corner of said Von Roeder Survey;

12 THENCE, in a northerly direction along an east line of said  
13 Foster Survey to an interior corner of said Foster Survey;

14 THENCE, in an easterly direction along a south line of said  
15 Foster Survey to an interior corner of the James Kelly Survey,  
16 A-282;

17 THENCE, in a northerly direction along an east line of said  
18 Foster Survey, same being a west line of said Kelly Survey, to the  
19 most northerly west corner of said Kelly Survey on the south line of  
20 the Campbell Taylor Survey, A-459;

21 THENCE, in a westerly direction along said south line of said  
22 Taylor Survey to its southwest corner;

23 THENCE, in a northerly direction along the west line of said  
24 Taylor Survey to the most northerly east corner of said Foster  
25 Survey;

26 THENCE, in a northwesterly direction along the most northerly  
27 north line of said Foster Survey to its most northerly corner;

1           THENCE, in a northerly direction along the east line of the  
2 Indianola Railroad Company Survey Section No. 5, A-248, to its  
3 northeast corner;

4           THENCE, in a westerly direction along the most northerly  
5 north line of said Indianola Railroad Survey Section No. 5 to its  
6 most northerly northwest corner on the east line of the James C.  
7 Davis Survey, A-148;

8           THENCE, in a northerly direction along said east line of said  
9 Davis Survey to its northeast corner;

10          THENCE, in a westerly direction along the north line of said  
11 Davis Survey to the southeast corner of the Wiley W. Hunter Survey,  
12 A-216;

13          THENCE, in a northerly direction along the east line of said  
14 Hunter Survey to its northeast corner on the south line of the John  
15 S. Stump Survey, A-430;

16          THENCE, in a westerly direction along said south line of said  
17 Stump Survey to its southwest corner, same being the most southerly  
18 east corner of the W. S. Lyell Survey, A-311;

19          THENCE, in a westerly direction along the most southerly  
20 south line of said Lyell Survey to its most southerly southwest  
21 corner;

22          THENCE, in a northerly direction along the most westerly west  
23 line of said Lyell Survey to the most southerly east corner of the  
24 W. W. Hunter Survey;

25          THENCE, in a westerly direction along the most southerly  
26 south line of said W. W. Hunter Survey to its most westerly  
27 southwest corner, same being on the southeast line of the William

1 Eastland Survey, A-174;

2       THENCE, in a northeasterly direction along said southeast  
3 line of said Eastland Survey to its northeast corner;

4       THENCE, in a northwesterly direction along said northeast  
5 line of said Eastland Survey and the northeast line of the N.  
6 Whitehead Survey, A-489, to the north corner of said Whitehead  
7 Survey;

8       THENCE, in a southwesterly direction along the northwest line  
9 of said Whitehead Survey to the south corner of the J. D. Morris  
10 Survey, same being a northeast corner of the John E. Ross Survey,  
11 A-403;

12       THENCE, in a northwesterly direction along the southwest  
13 lines of said Morris Survey, the Daniel E. Benton Survey, A-67, and  
14 the William Robertson Survey, A-401, and the northeast lines of  
15 said Ross Survey and the Isaac Baker Survey, A-89, to an  
16 intersection with the DeWitt-Gonzales County Line;

17       THENCE, in a northeasterly direction along said  
18 DeWitt-Gonzales County Line to its intersection with the east line  
19 of the Daniel Davis Survey, A-12 and the west line of the Simeon  
20 Bateman Survey, A-4;

21       THENCE, in a southeasterly direction along the east line of  
22 the said Davis Survey to its intersection with the centerline of the  
23 Guadalupe River;

24       THENCE, in a generally southerly direction downstream with  
25 said centerline of said Guadalupe River and its meanders to its  
26 intersection with the westerly projection of the northeast line of  
27 the John McCoy League, A-30;

1           THENCE, in an easterly direction with said projection of said  
2 northeast line of the McCoy League to the northwest corner of the  
3 said McCoy League;

4           THENCE, in an easterly direction along the north line of said  
5 McCoy League to its northeast corner, same being an interior corner  
6 of the J. D. Clements League, A-10;

7           THENCE, southerly along the east line of the said McCoy  
8 League and along a west line of the said Clements League to the  
9 northwest corner of the Mrs. O. S. Brown 150 acres tract;

10          THENCE, in an easterly direction parallel to the south line  
11 of the said Clements League and along the northerly line of the Mrs.  
12 O. S. Brown, Walter Voegel and G. S. Baylor tracts to the east line  
13 of the said Clements League and the west line of the James Swindle  
14 Survey, A-416;

15          THENCE, southerly along said west line of the Swindle Survey  
16 to its southwest corner;

17          THENCE, in an easterly direction along the south line of the  
18 said Swindle Survey to the northeast corner of the W. W. McCormick  
19 185 acres tract;

20          THENCE, southerly along the east line of the said McCormick  
21 tract; to the southeast corner of said McCormick tract;

22          THENCE, westerly along the south line of the said McCormick  
23 tract to the northeast corner of a 100 acres tract (C. G. Huatt 100  
24 acres tract) formerly owned by Dick Frels;

25          THENCE, southerly along the east line of said 100 acres tract  
26 to its southeast corner on the north line of the Joseph Edgar  
27 Survey, A-168;



1           THENCE, westerly along said north line of the Edgar Survey to  
2 the northeast corner of the J. B. Milligan 160 acres tract;

3           THENCE, in a southerly direction along the most easterly east  
4 line of said Milligan tract to the most northerly southeast corner  
5 of said tract;

6           THENCE, in a southwesterly direction along an east or  
7 southeast line of said Milligan tract to the most southerly  
8 southeast corner of said tract;

9           THENCE, in a westerly direction along the south line of said  
10 Milligan tract to its southwest corner on the west line of said  
11 Edgar Survey;

12           THENCE, southerly along said west line of the Edgar Survey to  
13 its southwest corner on the east line of the K. W. Barton Survey,  
14 A-3, and at the most northerly northwest corner of the Isham G.  
15 Belcher Survey, A-68;

16           THENCE, easterly along the north line of said Belcher Survey  
17 to its east or northeast corner in the south line of the S. R.  
18 Roberts Survey, A-400;

19           THENCE, southerly along the east line of said Belcher Survey  
20 to its southeast corner at a corner of the W. S. Townsend Survey,  
21 A-453;

22           THENCE, westerly along the south line of said Belcher Survey  
23 to the northeast corner of the Nicholas McNutt Survey, A-327;

24           THENCE, southerly along the east line of the said McNutt  
25 Survey and along the west line of the Benjamin Payne Survey, A-378,  
26 to the southwest corner of said Payne Survey at an interior corner  
27 of the S. A. and M. G. Railroad Survey No. 11, A-449;

1           THENCE, easterly along the south line of said Payne Survey  
2 and the north line of said S. A. and M. G. Railroad Survey to the  
3 most easterly northeast corner of said S. A. and M. G. Railroad  
4 Survey at an interior corner of the C. D. Mixon Survey, A-354;

5           THENCE, southerly or southwesterly along a west line of said  
6 Mixon Survey and along an east line of the said S. A. and M. G.  
7 Railroad Survey to the west corner of the said Mixon Survey and the  
8 north corner of the William Norvall Survey, A-371;

9           THENCE, easterly or southeasterly along the north line of  
10 said Norvall Survey, the south line of the said Mixon Survey, and  
11 the south line of the S. A. Rogers Survey, A-412 to the south corner  
12 of said Rogers Survey at an interior corner of the William S.  
13 Townsend Survey, A-457;

14           THENCE, northerly or northeasterly along the southeast line  
15 of said Rogers Survey to the north corner of said Townsend Survey;

16           THENCE, southeasterly along an east line of said Townsend  
17 Survey to the south corner of the Abednego Biddy Survey, A-63;

18           THENCE, easterly or northeasterly along the south line of  
19 said Biddy Survey to the west corner of the John Graham Survey,  
20 A-193;

21           THENCE, southeasterly along the west line of said Graham  
22 Survey to its south corner and an interior corner of said Townsend  
23 Survey;

24           THENCE, easterly or northeasterly along the southeast line of  
25 said Graham Survey to its east corner and the most easterly  
26 northeast corner of said Townsend Survey;

27           THENCE, southeasterly along the most easterly east line of

1 said Townsend Survey to its most easterly corner and the south or  
2 southwest corner of the J. G. Swisher Survey, A-421;

3       THENCE, southwesterly along a south line of said Townsend  
4 Survey to the west corner of the Berry Doolittle Survey, A-154;

5       THENCE, southeasterly along the west line of said Doolittle  
6 Survey to its southwest corner on the north line of the T. & N. O.  
7 Railroad Survey No. 1, A-550;

8       THENCE, northeasterly along said north line of the T. & N. O.  
9 Railroad Survey No. 1 to the most northerly corner of said Survey  
10 No. 1;

11       THENCE, southeasterly along an east line of said Survey No. 1  
12 and the west line of the M. H. Granberry Survey, A-208, to south  
13 corner of said Granberry Survey;

14       THENCE, northeasterly along the south line of said Granberry  
15 Survey to the west or northwest corner of the T. C. Fort Survey,  
16 A-185;

17       THENCE, southeasterly along the west line of said Fort Survey  
18 to its south or southwest corner on the north line of the J. W.  
19 Boothe Survey;

20       THENCE, southwesterly along the north line of said Boothe  
21 Survey to its west corner;

22       THENCE, southeasterly along the west line of said Boothe  
23 Survey and along the west line of the Jesse E. Nash Survey, A-368,  
24 to its south or southwest corner;

25       THENCE, easterly or northeasterly along the south line of  
26 said Nash Survey to the west or northwest corner of the Manuel  
27 Manchaca Survey, A-334;

1           THENCE, southeasterly along the west line of said Manchaca  
2 Survey and along the east line of the E. Escamea Survey, A-690, to  
3 the southeast corner of said Escamea Survey;

4           THENCE, easterly along the northeast line of the W. H. Crain  
5 Survey, A-637 (T. & N. O. R. R. Survey #10) to the most northerly  
6 east corner of said Crain Survey on the north line of the T. J.  
7 Thigpen Survey, A-614;

8           THENCE, southwesterly along said north line of the Thigpen  
9 Survey to its west or northwest corner;

10          THENCE, southeasterly along the west line of said Thigpen  
11 Survey to an intermediate east corner of said W. H. Crain Survey;

12          THENCE, southerly along the east line of said Crain Survey to  
13 its southeast corner;

14          THENCE, westerly along the south line of said Crain Survey to  
15 the northeast corner of the T. & N. O. Railroad Survey No. 11;

16          THENCE, southerly along the east line of said T. & N. O.  
17 Survey No. 11 to its intersection with the DeWitt-Victoria County  
18 line;

19          THENCE, in a westerly or southwesterly direction along the  
20 said DeWitt-Victoria County line to the most southerly corner of  
21 DeWitt County on the north bank of the Fifteen Mile Colletto Creek,  
22 the PLACE OF BEGINNING.

23           ~~[The Legislature hereby finds that the foregoing boundaries~~  
24 ~~and field notes of said District form a closure, and, if any mistake~~  
25 ~~is made in copying the field notes in the legislative process, such~~  
26 ~~mistake shall not affect the organization, existence or validity of~~  
27 ~~the District or its right to issue bonds or refunding bonds, and the~~

1 ~~right to assess, levy and collect taxes, or in any other manner~~  
2 ~~affect the legality or operation of the District.]~~

3 SECTION 2.02. Section 2a, Chapter 477, Acts of the 59th  
4 Legislature, Regular Session, 1965, is amended to read as follows:

5 Sec. 2a. The boundaries of the Muenster Hospital District  
6 ~~are [may be changed so as to include the territory located in Cooke~~  
7 ~~County, Texas, described below, and if such change in boundaries is~~  
8 ~~effected, the District as enlarged shall assume and be obligated to~~  
9 ~~pay all indebtedness of the District as the same exists prior to~~  
10 ~~such expansion of boundaries within the taxing limit approved at~~  
11 ~~the election for which provision is hereafter made, and the~~  
12 ~~District shall continue to have the same duties and~~  
13 ~~responsibilities, over its extended boundaries, as now imposed,~~  
14 ~~except as modified by this Act. The territory which may be added to~~  
15 ~~the District is described as follows:~~

16 [~~FIELD NOTES TO THE ADDITION TO MUENSTER HOSPITAL DISTRICT~~

17 [~~Being an irregular shaped district or area of land that is~~  
18 ~~situated in the Southwest part of Cooke County, Texas, with the West~~  
19 ~~and South boundary lines of said district being common with the West~~  
20 ~~and South lines of said Cooke County and being more particularly~~  
21 ~~described by bounds as follows:~~

22 [~~"Beginning at the Southwest corner of Cooke County, Texas,~~

23 [~~Thence East, with the South line of said Cooke County to the~~  
24 ~~intersection of said county line with the West line of the C. De~~  
25 ~~Morse Survey, Abstract No. 305,~~

26 [~~Thence North, with the West line of said C. De Morse Survey~~  
27 ~~to the intersection of said Survey line with the South boundary line~~

1 ~~of the H. Lindsley 51 acre tract of land;~~

2 ~~[Thence East, with the South boundary line of said H.~~  
3 ~~Lindsley 51 acre tract, passing the Southeast corner of said tract~~  
4 ~~and continuing East to a point due South of the South or Southeast~~  
5 ~~corner of the W. E. Fortenberry 67.5 acre tract of land;~~

6 ~~[Thence North, along a line, passing the South or Southeast~~  
7 ~~corner of said Fortenberry 67.5 acre tract and continuing North,~~  
8 ~~now with the East line of said 67.5 acre tract to its Northeast~~  
9 ~~corner on the North line of said C. De Morse Survey, common with the~~  
10 ~~South line of the W. M. Phelps Survey, Abstract No. 821;~~

11 ~~[Thence East, with the South line of said W. M. Phelps Survey~~  
12 ~~to its Southeast corner being common with the Southwest corner of~~  
13 ~~the J. Harrison Survey, Abstract No. 125;~~

14 ~~[Thence North, with the West line of said J. Harrison Survey,~~  
15 ~~Abstract No. 125, passing the Northwest corner of said Harrison~~  
16 ~~Survey and continuing North to a point in the South line of the P. P.~~  
17 ~~Cady Survey, Abstract No. 1239;~~

18 ~~[Thence East, with the South line of said P. P. Cady Survey,~~  
19 ~~passing the Southeast corner of said Survey and continuing East to~~  
20 ~~the center of the Sam Seagraves Road;~~

21 ~~[Thence North, with the center of said Sam Seagraves Road to a~~  
22 ~~point in the South line of the J. W. Dihill Survey, Abstract No.~~  
23 ~~1049;~~

24 ~~[Thence West, with the South line of said Dihill Survey being~~  
25 ~~common with the North lines of the D. M. Cray Survey, Abstract No.~~  
26 ~~415 and the M. Sowder Survey, Abstract No. 1579, to the Northwest~~  
27 ~~corner of said Sowder Survey;~~

1           ~~[Thence South, with the West line of said M. Sowder Survey, to~~  
2 ~~the Northeast corner of the P. P. Cady Survey, Abstract No. 1239;~~

3           ~~[Thence West, with the North lines of said P. P. Cady Survey~~  
4 ~~and W. M. Phelps Survey, Abstract No. 821, to the most~~  
5 ~~Northerly-Northwest corner of said Phelps Survey on the East line~~  
6 ~~of the W. F. Evans Survey, Abstract No. 347;~~

7           ~~[Thence North, with the East line of said W. F. Evans Survey,~~  
8 ~~to the Southerly-Northeast corner of said Survey, being common with~~  
9 ~~an inner corner to the P. O. Pittman Survey, Abstract No. 1211;~~

10          ~~[Thence West, continuing with the East line of said W. F.~~  
11 ~~Evans Survey, in a jog to the West, to the inner corner to said Evans~~  
12 ~~Survey, being common with the Westerly-Southwest corner of said P.~~  
13 ~~O. Pittman Survey, Abstract No. 1211;~~

14          ~~[Thence North, continuing with the East line of said W. F.~~  
15 ~~Evans Survey, to its Northerly-Northeast corner;~~

16          ~~[Thence West, with the North line of said W. F. Evans Survey,~~  
17 ~~to its Northwest corner;~~

18          ~~[Thence South, with the West line of said W. F. Evans Survey,~~  
19 ~~to the most Northerly-Northeast corner of the S. A. & M. C. R. R. Co.~~  
20 ~~Survey, Abstract No. 1218;~~

21          ~~[Thence West, with the North line of said S. A. & M. C. R. R.~~  
22 ~~Co. Survey, to the Northwest corner of said Survey being common with~~  
23 ~~the Southwest corner of the I & C. N. R. R. Co. Survey, Abstract No.~~  
24 ~~1265;~~

25          ~~[Thence North, with the West lines of the I & C. N. R. R. Co.~~  
26 ~~Survey, Abstract No. 1265, the I. W. Emory Survey, Abstract No. 1700~~  
27 ~~and the J. W. Francis Survey, Abstract No. 375, to the Northwest~~

1 ~~corner of said J. W. Francis Survey, common with the Northeast~~  
2 ~~corner of the S. P. R. R. Co. Survey, Abstract No. 983 on the South~~  
3 ~~line of the L. Finley Survey, Abstract No. 378,~~

4 ~~[Thence East, with the division line between said L. Finley~~  
5 ~~and J. W. Francis Surveys, to the Southeast corner of said L. Finley~~  
6 ~~Survey,~~

7 ~~[Thence North, with the East line of said L. Finley Survey to~~  
8 ~~its Northeast corner on the South line of the L. A. English Survey,~~  
9 ~~Abstract No. 1568,~~

10 ~~[Thence West, with the South line of said L. A. English~~  
11 ~~Survey, common with the South boundary line of the F. W. Fishcer~~  
12 ~~tract of land, to the Southwest corner of said Fishcer tract,~~

13 ~~[Thence North, with the West boundary line of said F. W.~~  
14 ~~Fishcer tract of land, to a point in the center of Farm to Market~~  
15 ~~Highway No. 922,~~

16 ~~[Thence East, with the center of said Farm to Market Highway~~  
17 ~~No. 922, to the Northeast corner of the J. Hagerty Survey, Abstract~~  
18 ~~No. 508,~~

19 ~~[Thence South, with the East line of said J. Hagerty Survey,~~  
20 ~~to its Southeast corner on the North line of the E. Southward~~  
21 ~~Survey, Abstract No. 927,~~

22 ~~[Thence West, with the division line between said J. Hagerty~~  
23 ~~and E. Southward Surveys, to the Northwest corner of said E.~~  
24 ~~Southward Survey,~~

25 ~~[Thence South, with the West line of said E. Southward Survey~~  
26 ~~to its Southwest corner,~~

27 ~~[Thence East, with the South line of said E. Southward~~



1 ~~Survey, to a point in the center of the Sam Seagraves Road,~~

2 ~~[Thence North, with the center of said Sam Seagraves Road, to~~  
3 ~~the intersection of said Road with the center of Farm to Market~~  
4 ~~Highway No. 922,~~

5 ~~[Thence East, with the center of said Farm to Market Highway~~  
6 ~~No. 922, to the intersection of said Highway with the center of the~~  
7 ~~Arthur Reese Road,~~

8 ~~[Thence North, with the center of said Arthur Reese Road, to~~  
9 ~~the intersection of said Road with the center of Farm to Market~~  
10 ~~Highway No. 1630,~~

11 ~~[Thence in a Northeasterly direction, with the center of said~~  
12 ~~Farm to Market Highway No. 1630 to the intersection of said Highway~~  
13 ~~with the center of the J. T. Biffle Road,~~

14 ~~[Thence North, with the meandering of said J. T. Biffle Road~~  
15 ~~to the Southwest corner of the H. Felderhoff 160 acre tract that is~~  
16 ~~situated in the W. Thomas Survey, Abstract No. 1025 and continuing~~  
17 ~~North, now with the West boundary line of said H. Felderhoff 160~~  
18 ~~acre tract to the Northwest corner of said 160 acre tract on the~~  
19 ~~North line of said W. Thomas Survey,~~

20 ~~[Thence East, with the North line of said W. Thomas Survey to~~  
21 ~~its Northeast corner on the West line of the R. E. Shannon Survey,~~  
22 ~~Abstract No. 963,~~

23 ~~[Thence North, with the West line of said R. E. Shannon Survey~~  
24 ~~to its Northwest corner,~~

25 ~~[Thence East, with the North line of said R. E. Shannon Survey~~  
26 ~~to its Northeast corner, being common with the Southwest corner of~~  
27 ~~the A. H. Van Slyke Survey, Abstract No. 1076,~~

1           ~~[Thence North, with the West line of said A. H. Van Slyke~~  
2 ~~Survey to the center of the abandoned M. K. & T. R. R. Co.~~  
3 ~~Right-of-way;~~

4           ~~[Thence in a Westerly direction with the center of the~~  
5 ~~abandoned M. K. & T. R. R. Co. Right-of-way to the West line of the~~  
6 ~~A. J. Miller Survey, Abstract No. 635;~~

7           ~~[Thence North, with the West line of said A. J. Miller Survey~~  
8 ~~to its Northwest corner on the South line of the M. University~~  
9 ~~Survey, Abstract No. 619;~~

10          ~~[Thence West, with the South line of said M. University~~  
11 ~~Survey to its Southwest corner on the East line of the John Barnett~~  
12 ~~Survey, Abstract No. 42;~~

13          ~~[Thence North, with the East line of said John Barnett Survey~~  
14 ~~to its Northeast corner;~~

15          ~~[Thence West with the North line of said Barnett Survey, 4043~~  
16 ~~varas to the Northwest corner of Sub. No. 5 made by Cunter and~~  
17 ~~Welleslet as shown by plat in the County Clerk's Office of Cooke~~  
18 ~~County, Texas;~~

19          ~~[Thence South along the West boundary lines of Sub's Nos. 5,~~  
20 ~~13, and 21 made by said Cunter and Welleslet, 3315 varas to the~~  
21 ~~Southwest corner of said Sub. No. 21 on the South line of said John~~  
22 ~~Barnett Survey;~~

23          ~~[Thence West on the South line of said Barnett Survey, 404~~  
24 ~~varas to the Northwest corner of 153 acre tract out of the Wm.~~  
25 ~~Slingland Survey, Abstract No. 897 conveyed to John Knauff by deed~~  
26 ~~recorded in Book 76 page 328 of the Cooke County Deed Records, (now~~  
27 ~~owned by Wm. Henschied);~~

1           ~~[Thence South 1200 varas to the Southwest corner of said~~  
2 ~~Knauff (or Henschied) 153 acre tract, to the corner on the East line~~  
3 ~~of the Reuben R. Brown Survey, and West line of the Wm. Slingland~~  
4 ~~Survey,~~

5           ~~[Thence West through and across said Reuben R. Brown Survey,~~  
6 ~~1900 varas to the West line of said Survey and the East line of the~~  
7 ~~D. H. Campbell Survey, Abstract No. 196,~~

8           ~~[Thence South with the West line of the Reuben R. Brown~~  
9 ~~Survey, 370 varas to the Northwest corner of the Cyrus Underwood~~  
10 ~~Survey, Abstract No. 1072,~~

11           ~~[Thence South with its West line, passing its Southwest~~  
12 ~~corner and continue South to the Southeast corner of the Cooke~~  
13 ~~County School Land Survey, Abstract No. 1188, which is also an inner~~  
14 ~~corner of the J. L. Townsley Survey, Abstract No. 1551,~~

15           ~~[Thence West to the Northwest corner of said Townsley Survey,~~  
16 ~~on the South line of said Cooke County School Land Survey, Abstract~~  
17 ~~No. 1188,~~

18           ~~[Thence South to the Southwest corner of said Townsley~~  
19 ~~Survey, on the North line of the BBB & CRR Co. Survey, Abstract No.~~  
20 ~~146,~~

21           ~~[Thence East with the Northbound line of said BBB & CRR Co.~~  
22 ~~Survey, to a point 950 varas East of the Northwest corner of same,~~

23           ~~[Thence South 1900 varas to the South line of said BBB & CRR~~  
24 ~~Co. Survey to the center of the Gainesville and Forestburg Road same~~  
25 ~~being Farm to Market Highway No. 1630,~~

26           ~~[Thence Westerly with said road to the Northeast corner of~~  
27 ~~the R. L. Hickox 100 acre tract out of the Northwest corner of the~~

1 ~~Thomas Toby Survey, Abstract No. 1062,~~

2 ~~[Thence South with the East line of said Hickox 100 acre~~  
3 ~~tract, continuing South with the East line of the B. J. Mitchell 208~~  
4 ~~acre tract out of said Toby Survey to the South line of said Toby~~  
5 ~~Survey,~~

6 ~~[Thence West with the South line of said Toby Survey to the~~  
7 ~~Northeast corner of the BBB & CRR Co. Survey, Abstract No. 147,~~

8 ~~[Thence South with the East line of said BBB & CRR Co. Survey~~  
9 ~~to the Southeast corner of the B. J. Mitchell 206 acre tract out of~~  
10 ~~said BBB & CRR Co. Survey,~~

11 ~~[Thence West with the South boundary line of said Mitchell~~  
12 ~~206 acre tract to the West line of said BBB & CRR Co. Survey,~~  
13 ~~Abstract No. 147,~~

14 ~~[Thence South with the West line of said BBB & CRR Co. Survey~~  
15 ~~to the Southeast corner of the John Stump Survey, Abstract No. 1497,~~

16 ~~[Thence West with the South line of said Stump Survey,~~  
17 ~~continuing West with the South line of the A. Stutzman Survey,~~  
18 ~~Abstract No. 1444 to the Southwest corner of the said Stutzman~~  
19 ~~Survey, same being the Southeast corner of the BBB & CRR Co. Survey,~~  
20 ~~Abstract No. 150,~~

21 ~~[Thence West with the South line of said BBB & CRR Co. Survey,~~  
22 ~~Abstract No. 150 to the Northwest corner of the J. M. Williamson~~  
23 ~~Survey, Abstract No. 1107, said corner being a corner of the Felty~~  
24 ~~282 acre tract,~~

25 ~~[Thence in a Southwesterly direction following the West line~~  
26 ~~of the said 282 acre tract conveyed by J. A. Felty to R. M. Felty by~~  
27 ~~deed recorded in Book 118, page 343 of Cooke County Deed Records to~~

1 ~~Williams Creek,~~

2 ~~[Thence down Williams Creek to the South line of Charles~~  
3 ~~Lockhart Survey, Abstract No. 606,~~

4 ~~[Thence West with the South line of said Lockhart Survey to~~  
5 ~~its Southwest corner,~~

6 ~~[Thence North with the West line of said Lockhart Survey to~~  
7 ~~its Northwest corner on the South line of the J. J. Arocha Survey,~~  
8 ~~Abstract No. 22,~~

9 ~~[Thence West on the South line of said Arocha Survey to its~~  
10 ~~Southwest corner,~~

11 ~~[Thence North with the West line of said Arocha Survey to its~~  
12 ~~Northwest corner on the South line of the BBB & CRR Co. Survey,~~  
13 ~~Abstract No. 150,~~

14 ~~[Thence West with the South line of said BBB & CRR Co. Survey,~~  
15 ~~passing its Southwest corner and continuing West with the South~~  
16 ~~line of the J. M. Culp Survey, Abstract No. 1350 to the Southwest~~  
17 ~~corner of said Culp Survey,~~

18 ~~[Thence North with the West line of said Culp Survey to a~~  
19 ~~point due East of the Southeast corner of the J. A. Moore Survey,~~  
20 ~~Abstract No. 759,~~

21 ~~[Thence West passing the Southeast corner of said Moore~~  
22 ~~Survey, continuing West with the South line of said Moore Survey to~~  
23 ~~the Northwest corner of I. & G. N. R. R. Co. Survey, Abstract No.~~  
24 ~~1264,~~

25 ~~[Thence South to its Southwest corner, which is common with~~  
26 ~~the Southeast corner of the D. W. Donnel Survey, Abstract No. 1477,~~

27 ~~[Thence West with the South line of said Donnel Survey to its~~

1 ~~Southwest corner on the East line of the S. P. R. R. Co. Survey,~~  
2 ~~Abstract No. 984,~~

3 ~~[Thence Southeasterly with the Northeast line of said S. P.~~  
4 ~~R. R. Co. Survey, Abstract No. 984 to the Southeast corner of said~~  
5 ~~Survey,~~

6 ~~[Thence in a Southwesterly direction with the South line of~~  
7 ~~said SPRR Co. Survey to the extreme Southeast corner of the T. B.~~  
8 ~~Settles tract out of said SPRR Co. Survey,~~

9 ~~[Thence in a Northwesterly direction with the East line of~~  
10 ~~the Settles tract to the Southern Northeast corner of said tract,~~

11 ~~[Thence in a Southwesterly direction with Settles line to his~~  
12 ~~ell corner, passing this corner and continuing Southwesterly to the~~  
13 ~~Southwest line of said SPRR Co. Survey, which is also the Northeast~~  
14 ~~line of the Jacob Wilcox Survey, Abstract No. 1162,~~

15 ~~[Thence in a Northwesterly direction with said SPRR Co.~~  
16 ~~Survey Southwestern line to the Southeast corner of the L. A.~~  
17 ~~Wineblood 80 acre tract out of the Jacob Wilcox Survey, Abstract No.~~  
18 ~~1162,~~

19 ~~[Thence Southwesterly with the South boundary line of said~~  
20 ~~Wineblood 80 acres to its Southwest corner, said corner being the~~  
21 ~~Southeast corner of the T. B. Settles 80 acre tract out of the said~~  
22 ~~Jacob Wilcox Survey,~~

23 ~~[Thence Northwesterly with the East boundary line of said~~  
24 ~~Settles 80 acre tract to the South boundary line of the E. M.~~  
25 ~~Roberson 150 acre tract out of the said Jacob Wilcox Survey,~~

26 ~~[Thence Southwesterly with the South boundary line of said~~  
27 ~~Roberson 150 acres to its Southwest corner on the Southwestern line~~

1 ~~of said Wilcox Survey;~~

2 ~~[Thence Northwesterly with said Southwestern line to the~~  
3 ~~Northwest corner of the said Wilcox Survey, an ell corner of the~~  
4 ~~John Deck Survey, Abstract No. 298, said corner being on the~~  
5 ~~Southeast boundary line of the Huchton 271 acres out of said Deck~~  
6 ~~Survey;~~

7 ~~[Thence Southwesterly with said Southeastern boundary line~~  
8 ~~of said Huchton tract to the county line between Cooke and Montague~~  
9 ~~Counties;~~

10 ~~[Thence South, with the county line between Cooke and~~  
11 ~~Montague Counties to the Southwest corner of said Cooke County, to~~  
12 ~~the Place of Beginning."~~

13 ~~[In the event the change in boundaries of said District is~~  
14 ~~approved at an election as hereinafter provided, the boundaries of~~  
15 ~~the Muenster Hospital District shall be] as follows:~~

16 FIELD NOTES TO THE MUENSTER HOSPITAL DISTRICT (EXPANDED)

17 Being an irregular shaped district or area of land that is  
18 situated in the West part of Cooke County, Texas, with the South,  
19 West and North boundaries being common with the South, West and  
20 North lines of said Cooke County and being more particularly  
21 described by bounds as follows:

22 Beginning at the Southwest corner of Cooke County, Texas;

23 Thence North, with the county line between Cooke and Montague  
24 Counties to the Northwest corner of said Cooke County on the South  
25 cut bank of Red River, common with the boundary line between Texas  
26 and Oklahoma;

27 Thence East and Northeast with the meanderings of Red River

1 to a point due North of the Northeast corner of the W. H. Nordman  
2 Survey, Abstract No. 1306;

3 Thence South to said corner of the Nordman Survey;

4 Thence South with the East line of said Nordman Survey to the  
5 Northwest corner of the BBB & CRR Co. Survey, Abstract No. 139;

6 Thence East with the North line of said BBB & CRR Co. Survey  
7 to its Northeast corner;

8 Thence South with the East line of said BBB & CRR Co. Survey  
9 and West boundary line of a 260 acre tract out of the H. T. & BRR Co.  
10 Survey, Abstract No. 498 conveyed to T. A. Galbrath by J. A.  
11 Cunningham by deed dated August 18, 1910 and recorded in Volume 105,  
12 page 534, Cooke County Deed Records, to the most Southerly  
13 Southwest corner of said Galbrath 260 acre tract;

14 Thence East with the South line of said Galbrath 260 acre  
15 tract to its Southeast corner on the West boundary line of the J. D.  
16 Burch Survey, Abstract No. 1723;

17 Thence South with the West line of said Burch Survey to the  
18 Southwest corner thereof;

19 Thence East with the South line of said Burch Survey to the  
20 Northwest corner of the Lewis Knight Survey, Abstract No. 548;

21 Thence South with the West line of said Knight Survey to its  
22 Southwest corner;

23 Thence East with the South line of said Knight Survey to the  
24 Northwest corner of the J. D. Sharum Survey, Abstract No. 960;

25 Thence South with the West line of said Sharum Survey to its  
26 Southwest corner;

27 Thence East to the Northeast corner of the Jacob Long Survey,



1 Abstract No. 583;

2 Thence South with the East line of said Jacob Long Survey,  
3 Abstract No. 583, and the West line of the Jacob Long Survey,  
4 Abstract No. 582 to the Southwest corner of said Jacob Long Survey,  
5 Abstract No. 582;

6 Thence East and South with the boundary line to the Southeast  
7 corner of said Jacob Long Survey, Abstract No. 582, this being on  
8 the West line of D. Martin Survey, Abstract No. 653;

9 Thence South and East with this boundary line of the said  
10 Martin Survey to the Northwest corner of the I. N. Brookfield  
11 Survey, Abstract No. 1714;

12 Thence East with the North line of said Brookfield Survey to  
13 the North Northeast corner of said Brookfield Survey on the West  
14 line of the Wm. Martin Survey, Abstract No. 686;

15 Thence South to the Southwest corner of said Wm. Martin  
16 Survey;

17 Thence East with the South line of said Martin Survey to its  
18 Southeast corner on the North line of the J. E. Gilliam Survey,  
19 Abstract No. 1486, same being an ell corner of said Gilliam Survey;

20 Thence North to the North Northwest corner of said Gilliam  
21 Survey;

22 Thence East to the Northeast corner of said Gilliam Survey,  
23 which is also the Northwest corner of the A. C. Miller Survey,  
24 Abstract No. 1717, continuing East with the North line of said  
25 Miller Survey to its Northeast corner on the West line of the Hiram  
26 Sadler Survey, Abstract No. 901;

27 Thence North with the West line of said Sadler Survey to its

1 Northwest corner;

2 Thence East with the North line of said Sadler Survey to the  
3 Northeast corner of the C. E. Marshall 100 acre tract out of the  
4 Northwest corner of said Sadler Survey;

5 Thence South with the East line of said 100 acre tract to the  
6 Northeast corner of the C. E. Marshall 435 acre tract out of said  
7 Sadler Survey;

8 Thence continuing South with the East line of said 435 acre  
9 tract to an inner corner thereof;

10 Thence East to the Southern Northeast corner of said 435 acre  
11 tract;

12 Thence South with the East line of the 435 acre tract to its  
13 Southeast corner;

14 Thence West with the South line of said 435 acres to the  
15 Northeast corner of Lot No. 32 out of said Sadler Survey, which is  
16 also the Northwest corner of Lot No. 33 out of said Survey;

17 Thence South with the West line of said Lot No. 33 to its  
18 Southwest corner on the North line of Lot No. 29 out of said Survey;

19 Thence East with the North line of Lot No. 29 to its Northeast  
20 Corner, which is also the Northwest corner of Lot No. 28;

21 Thence South with the West lines of Lots Nos. 28, 13 and 8 to  
22 the Southwest corner of Lot No. 8 on the South line of said Sadler  
23 Survey;

24 Thence East with the South line of Lot No. 8, passing its  
25 Southeast corner, which is also the Southwest corner of Lot No. 7  
26 out of said Sadler Survey, continuing East with the South line of  
27 said Lot No. 7, to the Northeast corner of the SA & MGRR Co. Survey,

1 Abstract No. 974, on the South line of said Sadler Survey;

2 Thence South with the East line of said SA & MGRR Co. Survey  
3 to its extreme Southeast corner on the East line of the B. C. Bagby  
4 Survey, Abstract No. 82;

5 Thence South 10 degrees East with the East line of said Bagby  
6 Survey to its Southeast corner, which corner is also the North  
7 Northeast corner of the R. F. Millard Survey, Abstract No. 643 and  
8 being common with the Northeast corner of the W. L. Parker 155 acre  
9 tract;

10 Thence South to the ell corner of said Millard Survey, on the  
11 East boundary line of said Parker 155 acre tract;

12 Thence continuing South with the East line of said 155 acre  
13 tract to its Southeast corner;

14 Thence in a Southwesterly direction with the South line of  
15 said 155 acre tract to the Northeast corner of the M. Charo Survey,  
16 Abstract No. 214;

17 Thence in a Southeasterly direction with the East line of  
18 said Charo Survey to its Southeast corner, which is also the  
19 Northeast corner of the P. Fleming Survey, Abstract No. 386;

20 Thence in a Southwesterly direction with the North line of  
21 said Fleming Survey to its Northwest corner on the East line of the  
22 T. R. Gossett Survey, Abstract No. 416;

23 Thence North with the East line of said Gossett Survey to the  
24 Northeast corner of the 105 acre tract sold by W. Kemplin to Tony  
25 Voth, by deed recorded in Book 325, page 556 of Cooke County Deed  
26 Records;

27 Thence West with the North line of said 105 acre tract to its

1 Northwest corner on the West line of said Gossett Survey;

2 Thence South with the West line of said Gossett Survey to its  
3 Southwest corner, said corner being the Northwest corner of the O.  
4 F. Leverett Survey, Abstract No. 563, and the Northeast corner of  
5 the Kuykendall Survey, Abstract No. 560, continuing South with the  
6 East line of said Kuykendall Survey to the Northeast corner of the  
7 100 acre tract out of said Kuykendall Survey conveyed by J. C.  
8 Hemphill and wife to George E. Hemphill by deed recorded in Book 66,  
9 page 113 of Cooke County Deed Records, (which said 100 acres is now  
10 owned by Mike Fuhrmann);

11 Thence West with the North line of said 100 acre tract to the  
12 Northwest corner of said 100 acres, same being the Northeast corner  
13 of the 83 acres conveyed by Christine Roewe to Jos. Fleitman, by  
14 deed recorded in Book 254, page 495 of the Cooke County Deed  
15 Records;

16 Thence South with the West line of said Fuhrmann 100 acres to  
17 its Southwest corner on the South line of said Kuykendall Survey;

18 Thence West with the South line of said Kuykendall Survey to  
19 the Northwest corner of the J. B. Trenary Survey, Abstract No. 1043;

20 Thence South with the West line of said Trenary Survey,  
21 continuing South with the West line of the A. Smith Survey, Abstract  
22 No. 903 to its Southwest corner;

23 Thence South to the Southwest corner of 218.32 acre tract out  
24 of C. Jessup Survey, Abstract No. 522, same being that conveyed to  
25 Ray Kupper from W. H. Campbell, recorded in Volume 443, page 570 of  
26 Cooke County Deed Records;

27 Thence due East across the C. Jessup Survey, Abstract No. 522

1 to the West boundary line of M. Alexander Survey, Abstract No. 6;

2 Thence South with the West line of said Alexander Survey to  
3 its Southwest corner which is also the Southeast corner of the J. Y.  
4 Wadlington Survey, Abstract No. 1282;

5 Thence West with the South line of said Wadlington Survey to  
6 the Northeast boundary line of the H. Jennings Survey, Abstract No.  
7 531;

8 Thence Southeasterly with said Northeast line of said H.  
9 Jennings Survey to its Southeast corner;

10 Thence West on the North line of the A. Van Slyke Survey,  
11 Abstract No. 1076, continuing West with the North line of the A. Van  
12 Slyke Survey, Abstract No. 1075 and the North line of the Marshall  
13 University Survey, Abstract No. 620 to the Southwest corner of said  
14 H. Jennings Survey, said corner being also the Southeast corner of  
15 the J. Jennings Survey, Abstract No. 530;

16 Thence North 45 degrees West 1967 varas to the Northwest  
17 corner of the J. J. Tomlinson Survey, Abstract No. 1009, said corner  
18 being the Northeast corner of the G. E. N. Ball Survey, Abstract No.  
19 1649;

20 Thence South 45 degrees West with the North line of said Ball  
21 Survey to the Southeast corner of the H. Ritchey Survey, Abstract  
22 No. 845, said corner being the Southwest corner of the William  
23 Thomas Survey, Abstract No. 1024;

24 Thence North 45 degrees West with the West line of said Thomas  
25 Survey to its Northwest corner, said corner being due East of the  
26 Southeast corner of the O. F. Leverett Survey, Abstract No. 607 and  
27 the Northeast corner of the John Barnett Survey, Abstract No. 42;

1           Thence due West to the Northeast corner of the John Barnett  
2 Survey, Abstract No. 42;

3           Thence South, with the East line of said John Barnett Survey  
4 to the Southwest corner of the M. University Survey, Abstract No.  
5 619;

6           Thence East, with the South line of said M. University  
7 Survey, to the Northwest corner of the A. J. Miller Survey, Abstract  
8 No. 635;

9           Thence South, with the West line of said A. J. Miller Survey  
10 to the center of the abandoned M. K. & T. R. R. Co. Right-of-way;

11           Thence in an Easterly direction with the center of the  
12 abandoned M. K. & T. R. R. Co. Right-of-way, to the West line of the  
13 A. H. Van Slyke Survey, Abstract No. 1076;

14           Thence South, with the West line of said A. H. Van Slyke  
15 Survey to its Southwest corner, being common with the Northeast  
16 corner of the R. E. Shannon Survey, Abstract No. 963;

17           Thence West, with the North line of said R. E. Shannon Survey  
18 to its Northwest corner;

19           Thence South, with the West line of said R. E. Shannon Survey  
20 to the Northeast corner of the W. Thomas Survey, Abstract No. 1025;

21           Thence West, with the North line of said W. Thomas Survey,  
22 common with the North boundary line of the H. Felderhoff 160 acre  
23 tract of land, to the Northwest corner of said 160 acre tract;

24           Thence South, with the West line of said H. Felderhoff 160  
25 acre tract to its Southwest corner and continuing South, now with  
26 the meandering of the center of the J. T. Biffle Road to the  
27 intersection of said road with the center of Farm to Market Highway

1 No. 1630;

2 Thence Southeasterly, with the center of said Farm to Market  
3 Highway No. 1630, to the intersection of said Highway with the  
4 center of the Arthur Reese Road;

5 Thence South, with the center of the Arthur Reese Road to the  
6 intersection of said Road with the center of Farm to Market Highway  
7 No. 922;

8 Thence West, with the center of said Farm to Market Highway  
9 No. 922, to the intersection of said Highway with the center of the  
10 Sam Seagraves Road;

11 Thence South, with the center of said Sam Seagraves Road, to  
12 the Southeast corner of the E. Southward Survey, Abstract No. 927;

13 Thence West, with the South line of said E. Southward Survey  
14 to its Southwest corner;

15 Thence North, with the West line of said E. Southward Survey  
16 to its Northwest corner on the South line of the J. Hagerty Survey,  
17 Abstract No. 508;

18 Thence East, with the South line of said J. Hagerty Survey to  
19 its Southeast corner;

20 Thence North, with the East line of said J. Hagerty Survey, to  
21 a point in the center of Farm to Market Highway No. 922;

22 Thence West, with the center of Farm to Market Highway No.  
23 922, to the Northwest corner of the F. W. Fishcer tract of land;

24 Thence South, with the West boundary line of said F. W.  
25 Fishcer tract of land to its Southwest corner on the South line of  
26 the L. A. English Survey, Abstract No. 1568;

27 Thence East, with the South line of said L. A. English Survey,

1 to the Northeast corner of the L. Finley Survey, Abstract No. 378;

2 Thence South, with the East line of said L. Finley Survey to  
3 its Southeast corner on the North line of the J. W. Francis Survey,  
4 Abstract No. 375;

5 Thence West, with the North line of said J. W. Francis Survey  
6 to its Northwest corner, being common with the Northeast corner of  
7 the S. P. R. R. Co. Survey, Abstract No. 983;

8 Thence South, with the East lines of said S. P. R. R. Co. and  
9 M. Vance Surveys, Abstract No. 1077, to the Southwest corner of the  
10 I. & G. N. R. R. Co. Survey, Abstract No. 1265;

11 Thence East, with the South line of said I. & G. N. R. R. Co.  
12 Survey, Abstract No. 1265, to its Southeast corner on the West line  
13 of the W. F. Evans Survey, Abstract No. 347;

14 Thence North, with the West line of said W. F. Evans Survey to  
15 its Northwest corner;

16 Thence East, with the North line of said W. F. Evans Survey to  
17 its Northeast corner;

18 Thence South, with the East line of said W. F. Evans Survey to  
19 an inner corner to said Survey, being common with the most Westerly  
20 Southwest corner of the P. O. Pittman Survey, Abstract No. 1211;

21 Thence East, with the division line between said W. F. Evans  
22 and P. O. Pittman Surveys, to an inner corner of said Pittman  
23 Survey;

24 Thence South, continuing with the South line of said P. O.  
25 Pittman Survey, in a jog to the South, to the most  
26 Northerly-Northwest corner of the W. M. Phelps Survey, Abstract No.  
27 821;



1           Thence East, with the North lines of the W. M. Phelps and P.  
2 P. Cady Surveys, to the Northeast corner of said P. P. Cady Survey,  
3 Abstract No. 1239, on the West line of the M. Sowder Survey,  
4 Abstract No. 1579;

5           Thence North, with the West line of said M. Sowder Survey to  
6 its Northwest corner;

7           Thence East, with the North line of said M. Sowder Survey, to  
8 a point in the center of the Sam Seagraves Road;

9           Thence South, with the center of the Sam Seagraves Road, to a  
10 point due East of the Southeast corner of the P. P. Cady Survey,  
11 Abstract No. 1239;

12           Thence West, along a line crossing the M. Sowder Survey,  
13 Abstract No. 1579, passing the Southeast corner of said P. P. Cady  
14 Survey and continuing West, now with the South line of said Cady  
15 Survey, to the most Easterly-Northeast corner of the W. M. Phelps  
16 Survey, Abstract No. 821;

17           Thence South, with the East line of said W. M. Phelps Survey  
18 to its Southeast corner on the North line of the C. De Morse Survey,  
19 Abstract No. 305;

20           Thence West, with the North line of said C. De Morse Survey,  
21 to the Northeast corner of the W. E. Fortenberry 67.5 acre tract of  
22 land;

23           Thence South, with the East boundary line of said W. E.  
24 Fortenberry 67.5 acre tract and continuing South to a point due East  
25 of the Southeast corner of the H. Lindsley 51 acre tract of land;

26           Thence West, passing the Southeast corner of said H. Lindsley  
27 51 acre tract of land and continuing West, now with the South line

1 of said 51 acre tract to its intersection with the West line of the  
2 C. De Morse Survey, Abstract No. 305;

3 Thence South, with the West line of said C. De Morse Survey,  
4 to the intersection of said survey line with the county line between  
5 Cooke and Denton Counties;

6 Thence West, with said county line between Cooke and Denton  
7 Counties, passing the Northwest corner of said Denton County and  
8 continuing West, now with the county line between Cooke and Wise  
9 Counties to the Southwest corner of said Cooke County, to the Place  
10 of Beginning.

11 ~~[The change in the boundaries of the Muenster Hospital~~  
12 ~~District, as herein permitted, shall not be effective unless and~~  
13 ~~until such change is approved by a majority of the qualified~~  
14 ~~property taxpaying electors residing within the boundaries of the~~  
15 ~~area permitted to be annexed and by a majority of the qualified~~  
16 ~~property taxpaying electors residing within the boundaries of the~~  
17 ~~District as defined in Section 1(b) of the Act, voting at an~~  
18 ~~election called for that purpose. The election shall be called by~~  
19 ~~the Board of Directors of the District and shall be held not less~~  
20 ~~than thirty (30) nor more than sixty (60) days from the date of the~~  
21 ~~order calling such election. The order calling the election shall~~  
22 ~~specify the time and places of holding the same, the form of the~~  
23 ~~ballot and name the presiding and alternate judges for each voting~~  
24 ~~place. Notice of the election shall be given by publishing a~~  
25 ~~substantial copy of the election order in a newspaper of general~~  
26 ~~circulation in the two areas in which the election is to be held,~~  
27 ~~once a week for two consecutive weeks, the first publication to~~

1 ~~appear at least fourteen (14) days prior to the date set for the~~  
2 ~~election. At the election there shall be submitted the proposition~~  
3 ~~of whether the boundaries of the District shall be expanded and~~  
4 ~~shall all taxable property situated within the expanded boundaries~~  
5 ~~of the District be subject to the levy of annual taxes at a rate not~~  
6 ~~to exceed seventy-five cents (75¢) on each one hundred dollar~~  
7 ~~valuation of taxable property for the purpose of meeting the~~  
8 ~~requirements of the District's bonds, and for the care of~~  
9 ~~indigents. The ballots shall be printed to provide for voting for or~~  
10 ~~against the proposition:~~

11 ~~['The expansion of the boundaries of the Muenster Hospital~~  
12 ~~District and the levy of a tax not to exceed seventy-five cents~~  
13 ~~(75¢) on the one hundred dollar valuation of all taxable property~~  
14 ~~within the expanded boundaries of the District.']~~

15 ~~[As a result of recent court decisions relating to elections,~~  
16 ~~the Legislature hereby recognized there is some confusion as to the~~  
17 ~~proper qualifications of electors who may participate in certain~~  
18 ~~types of elections. It is therefore expressly provided that the~~  
19 ~~Board of Directors in calling any election required to be held under~~  
20 ~~the provisions of this Act may provide that all qualified electors,~~  
21 ~~including those who own taxable property which has been duly~~  
22 ~~rendered for taxation should be permitted to vote at the election~~  
23 ~~being called, by reason of the aforesaid court decisions, provided,~~  
24 ~~however, in the order calling the election, provision is made~~  
25 ~~whereby the ballots of the resident qualified property taxpaying~~  
26 ~~electors who own taxable property which has been duly rendered for~~  
27 ~~taxation can be tabulated and counted separately from the ballots~~

1 ~~of the other qualified electors, and in any election so called, a~~  
2 ~~majority vote of the resident qualified property taxpaying voters~~  
3 ~~who own taxable property which has been duly rendered for taxation~~  
4 ~~and a majority vote of all qualified electors, including those who~~  
5 ~~own taxable property which has been duly rendered for taxation,~~  
6 ~~shall be required to sustain the proposition.]~~

7 SECTION 2.03. Section 1, Chapter 95, Acts of the 56th  
8 Legislature, Regular Session, 1959, is amended to read as follows:

9 Sec. 1. The [~~There is hereby created and established within~~  
10 ~~the State of Texas in addition to the districts into which the state~~  
11 ~~has heretofore been divided in the form and manner hereinafter~~  
12 ~~provided, a Conservation and Reclamation District to be known as]~~  
13 Lavaca County Flood Control District Number 3 consists [~~7~~  
14 ~~hereinafter called the District, and consisting]~~ of that part of  
15 the State of Texas, all within the boundaries of the County of  
16 Lavaca, comprehended within the following field notes, to-wit:

17 BEGINNING at a point on the East side of the Lavaca River  
18 about one mile up said river from the City of Hallettsville where  
19 the league line between the J. Hallett and Luke Presnal Leagues  
20 joins said river;

21 THENCE in an easterly direction along said league line to the  
22 point where said line intersects with F.M. Road No. 537, being the  
23 Hallettsville to Breslau F.M. Road;

24 THENCE along said F.M. Road No. 537 in a northerly direction  
25 to a road; said road being located immediately S. of Campbell  
26 Branch;

27 THENCE along said road in an easterly direction to its

1 intersection with U. S. Highway No. 77, being the Hallettsville to  
2 Schulenburg Highway;

3       THENCE along said Highway No. 77 in a southerly direction to  
4 the N.W. corner of the H. C. Randow property;

5       THENCE along Randow's property in an easterly direction and  
6 continuing along the north property line of the Joe Pavlu tract to a  
7 point being the N.E. corner of the Pavlu tract;

8       THENCE in a southerly direction along the E. line of the Pavlu  
9 tract, also being the Joe Leopold west boundary line and following  
10 said line to a road immediately on the west side of the Catholic  
11 Cemetery;

12       THENCE along said road in a southerly direction to a point  
13 where such road intersects with the "cemetery road";

14       THENCE along said cemetery road in a westerly direction to  
15 the Jim Najvar property;

16       THENCE in a southerly direction along the east boundary line  
17 of the Najvar property to U. S. Highway No. 90A;

18       THENCE beginning from U. S. Highway No. 90A and running in a  
19 southerly direction along F.M. Road No. 530 (presently known as the  
20 F.M. Road No. 530 By-pass) to a point where such by-pass intersects  
21 with the present F.M. Road No. 530 (being the Hallettsville to  
22 Vienna F.M. Road);

23       THENCE beginning at a point on the west side of F.M. Road No.  
24 530 and running in a westerly direction along the S. boundary line  
25 of the Anna Treptow Estate tract and continuing along the S.  
26 boundary line of the Louis Menking tract to the E. A. Turk tract;

27       THENCE along the said Turk tract in a southerly direction to

1 the Lavaca River;

2       THENCE up said river to the Poor Farm Bridge;

3       THENCE southerly and in a westerly direction along the  
4 boundary line of the Emil Marek tract of land:

5       THENCE along the S. boundary line of the Rud. Bujnoch tract in  
6 a westerly direction to U. S. Highway No. 77 (being the  
7 Hallettsville to Victoria Highway);

8       THENCE along said highway in a northerly direction to the T. &  
9 N. O. Railroad crossing;

10       THENCE in a westerly direction along the N. boundary line of  
11 the T. & N. O. Railroad right-of-way to the H. O. Von Rosenberg  
12 tract;

13       THENCE in a northerly direction along the East boundary line  
14 of the H. O. Von Rosenberg tract to U. S. Highway No. 77A (being the  
15 Hallettsville to Yoakum Highway);

16       THENCE beginning at a point on the N. side of U. S. Highway  
17 No. 77A and running in a northerly direction along the east line of  
18 the A. Schubert tract and continuing to the I. Rheinstrom tract;

19       THENCE along the west of the Rheinstrom tract to a creek also  
20 being the division line between the Rheinstrom and Alphonse Steffek  
21 tracts;

22       THENCE along said creek in an easterly direction to the  
23 Lavaca River.

24       ~~[Such District shall be a governmental agency and body~~  
25 ~~politic and corporate, with the powers of government and with the~~  
26 ~~authority to exercise the rights, privileges, and functions~~  
27 ~~hereinafter specified, the creation and establishment of such~~

1 ~~District being essential to the accomplishment of the purposes of~~  
2 ~~Section 59 of Article XVI of the Constitution of this State, as~~  
3 ~~amended, including the control, storing, preservation, and~~  
4 ~~distribution of the storm and floodwaters, and the waters of the~~  
5 ~~rivers and streams in the District and their tributaries, for~~  
6 ~~domestic, municipal, flood control, irrigation, and other useful~~  
7 ~~purposes, the reclamation and drainage of the overflow land within~~  
8 ~~the District, the conservation of forests, and to aid in the~~  
9 ~~protection of navigation on the navigable waters by regulating the~~  
10 ~~flood and storm waters that flow into said navigable streams.]~~

11 SECTION 2.04. Section 1, Chapter 714, Acts of the 65th  
12 Legislature, Regular Session, 1977, is amended to read as follows:

13 Sec. 1. The boundaries of the Meeker Municipal Water  
14 District are [~~Under and pursuant to the provisions of Article XVI,~~  
15 ~~Section 59, of the Texas Constitution, a conservation and~~  
16 ~~reclamation district is hereby created and established in Jefferson~~  
17 ~~County, Texas, to be known as "Meeker Municipal Water District"~~  
18 ~~(the "district"), and the boundaries of said district shall be]~~ as  
19 follows:

20 BEGINNING at the intersection of the center line of the TNN&O  
21 Railroad (Southern Pacific Railroad) right-of-way and the west  
22 right-of-way line of the Lower Neches Valley Authority lateral  
23 sometimes called Port Arthur Fresh Water Canal;

24 THENCE in a westerly direction along the center line of the  
25 TNN&O Railway (Southern Pacific Railroad) right-of-way to the east  
26 line of the James Gerish, Sr. League, Abstract 24, the same being  
27 the west right-of-way line of the Texas Public Service Company,

1 Lower Neches Valley Authority (Cheek) Lateral;

2       THENCE north with the west right-of-way line of the Texas  
3 Public Service Company, now Lower Neches Valley Authority (Cheek)  
4 lateral, to its intersection with the center line of the LNVA/Texas  
5 Public Service Company's BI main canal;

6       THENCE northerly with the center line of the LNVA/Texas  
7 Public Service Company's/BI main canal to its intersection of the  
8 center line of State Highway 105;

9       THENCE westerly with the center line of State Highway 105 to  
10 its intersection with the right descending bank (the southeast  
11 bank) of Pine Island Bayou;

12       THENCE southwesterly with the meanders of the southeast bank  
13 (right descending bank) of Pine Island Bayou in a southeasterly  
14 direction to its intersection with the east line of the J. M.  
15 Carpenter Abstract 73, Tract No. 73;

16       THENCE south with the east line of the J. M. Carpenter  
17 Abstract 743, Tract No. 73, to the north line of the George Ennis  
18 Tract Abstract 824;

19       THENCE west with the north line of the George Ennis Tract  
20 Abstract 824 to its northwest corner;

21       THENCE south with the west line of the George Ennis Abstract  
22 824 Tract to the north line of T&O RRC Abstract 237, Tract 101;

23       THENCE west with the north line of the T&NO RR Company  
24 Abstract 237, Tract 101, to its northwest corner;

25       THENCE south with the west line of the T&NO Railroad Company  
26 Abstract 237, Tract 101, to its southwest corner;

27       THENCE east with the south line of the T&NO RR Company



1 Abstract 237, Tract 101, to the south line of the P. J. Chiles  
2 Survey, continuing east with the south line of the P. J. Chiles  
3 Survey, and its projection, which is the same line as the south line  
4 of the Susannah Cotton Tract, Abstract 106, and south line of the S.  
5 Cotton Tract, Abstract 107, to the north right-of-way of the  
6 LNVA/Texas Public Service Company's/BI main canal;

7       THENCE east with the north right-of-way line of the Lower  
8 Neches Valley Authority/Texas Public Service Company's/BI main  
9 canal to its intersection with the west right-of-way line of Imes  
10 Road;

11       THENCE south with the west right-of-way line of Imes Road to  
12 the center line of the T&NO RR (Southern Pacific) right-of-way  
13 line;

14       THENCE west with the center line of the T&NO RR/Southern  
15 Pacific right-of-way to the east bank of Green Pond Gulley;

16       THENCE south with the meanders of the east bank of Green Pond  
17 Gulley to the north line of the HT&B RR Company Abstract 150, Tract  
18 7, the same being the south line of the James Gerish, Sr. League;

19       THENCE east along the north line of the HT&B RR Company  
20 Abstract 150, Tract 7, and the south line of the James Gerish, Sr.  
21 League to the southeast corner of the James Gerish, Sr. League;

22       THENCE continuing east along the south line of the Ashley  
23 Savery League Abstract 46 to the east right-of-way line of the  
24 LNVA/Texas Public Service Company/Tyrrell Lateral;

25       THENCE north with the west right-of-way line of the  
26 LNVA/Texas Public Service Company/Tyrrell Lateral and continuing  
27 along the west right-of-way line of the LNVA/Port Arthur Canal in a

1 north and northwesterly direction to the place of beginning.

2 SECTION 2.05. Section 1(a), Chapter 1331, Acts of the 76th  
3 Legislature, Regular Session, 1999, is amended to read as follows:

4 (a) The following groundwater conservation districts are  
5 created:

- 6 (1) Cow Creek Groundwater Conservation District;
- 7 (2) Brazos Valley Groundwater Conservation District;
- 8 (3) Crossroads Groundwater Conservation District;
- 9 (4) Hays Trinity Groundwater Conservation District;
- 10 (5) ~~[Lone Wolf Groundwater Conservation District;~~
- 11 ~~[(6) Lost Pines Groundwater Conservation District;~~
- 12 ~~[(7) McMullen Groundwater Conservation District;~~
- 13 (6) ~~[(8)]~~ Middle Pecos Groundwater Conservation  
14 District;
- 15 (7) ~~[(9)]~~ Red Sands Groundwater Conservation  
16 District;
- 17 (8) ~~[(10)]~~ Refugio Groundwater Conservation District;
- 18 (9) ~~[(11)]~~ Southeast Trinity Groundwater Conservation  
19 District; and
- 20 (10) ~~[(12)]~~ Texana Groundwater Conservation District.

21 SECTION 2.06. Section 2(a), Chapter 1331, Acts of the 76th  
22 Legislature, Regular Session, 1999, is amended to read as follows:

23 (a) The boundaries of the following groundwater  
24 conservation districts are coextensive with county boundaries as  
25 follows:

- 26 (1) the boundaries of the Cow Creek Groundwater  
27 Conservation District are coextensive with the boundaries of

1 Kendall County;

2           (2) the boundaries of the Brazos Valley Groundwater  
3 Conservation District are coextensive with the boundaries of  
4 Robertson and Brazos Counties;

5           (3) the boundaries of the Crossroads Groundwater  
6 Conservation District are coextensive with the boundaries of  
7 Victoria County;

8           ~~(4) [the boundaries of the Lone Wolf Groundwater  
9 Conservation District are coextensive with the boundaries of  
10 Mitchell County;~~

11           ~~[(5) the boundaries of the Lost Pines Groundwater  
12 Conservation District are coextensive with the boundaries of  
13 Bastrop and Lee Counties, but if the voters of only one county  
14 confirm the creation of the district under Section 10 of this Act,  
15 the boundaries of the district are coextensive with the boundaries  
16 of that county;~~

17           ~~[(6)]~~ the boundaries of the McMullen Groundwater  
18 Conservation District are coextensive with the boundaries of  
19 McMullen County;

20           (5) ~~[(7)]~~ the boundaries of the Middle Pecos  
21 Groundwater Conservation District are coextensive with the  
22 boundaries of Pecos County;

23           (6) ~~[(8)]~~ the boundaries of the Refugio Groundwater  
24 Conservation District are coextensive with the boundaries of  
25 Refugio County; and

26           (7) ~~[(9)]~~ the boundaries of the Texana Groundwater  
27 Conservation District are coextensive with the boundaries of

1 Jackson County.

2 ARTICLE 3. REPEALER

3 SECTION 3.01. The following statutes are repealed:

4 (1) Sections 1A, 1B, 1C, 2, 3, 4, 5, 6, 7, 7A, 8, 9, 10,  
5 11, 12, 12A, 13, 13A, 13B, 14, 15, 16, 16A, 17, and 18, Chapter 310,  
6 Acts of the 59th Legislature, Regular Session, 1965;

7 (2) Section 4, Chapter 249, Acts of the 72nd  
8 Legislature, Regular Session, 1991;

9 (3) Chapter 674, Acts of the 60th Legislature, Regular  
10 Session, 1967;

11 (4) Chapter 112, Acts of the 65th Legislature, Regular  
12 Session, 1977;

13 (5) Section 2, Chapter 911, Acts of the 70th  
14 Legislature, Regular Session, 1987;

15 (6) Section 5, Chapter 128, Acts of the 80th  
16 Legislature, Regular Session, 2007;

17 (7) Chapter 258, Acts of the 65th Legislature, Regular  
18 Session, 1977;

19 (8) Section 3, Chapter 479, Acts of the 67th  
20 Legislature, Regular Session, 1981;

21 (9) Section 6, Chapter 511, Acts of the 72nd  
22 Legislature, Regular Session, 1991;

23 (10) Section 2, Chapter 529, Acts of the 78th  
24 Legislature, Regular Session, 2003;

25 (11) Section 3, Chapter 476, Acts of the 79th  
26 Legislature, Regular Session, 2005;

27 (12) Chapter 287, Acts of the 61st Legislature,

1 Regular Session, 1969;

2 (13) Sections 11, 12, and 13, Chapter 1091, Acts of the  
3 76th Legislature, Regular Session, 1999;

4 (14) Sections 1, 1A, 2, 3, 4, 5, 6, 6(b), 7, 8, 9, 11,  
5 12, 13, 14, 15, 16, 17, 18, 19, 20, 20a, 20b, 20c, 21, 22, and 23,  
6 Chapter 477, Acts of the 59th Legislature, Regular Session, 1965;

7 (15) Section 14, Chapter 125, Acts of the 74th  
8 Legislature, Regular Session, 1995;

9 (16) Chapter 172, Acts of the 59th Legislature,  
10 Regular Session, 1965;

11 (17) Sections 10 and 11, Chapter 385, Acts of the 76th  
12 Legislature, Regular Session, 1999;

13 (18) Chapter 206, Acts of the 61st Legislature,  
14 Regular Session, 1969;

15 (19) Chapter 211, Acts of the 64th Legislature,  
16 Regular Session, 1975;

17 (20) Section 3, Chapter 415, Acts of the 80th  
18 Legislature, Regular Session, 2007;

19 (21) Chapter 766, Acts of the 69th Legislature,  
20 Regular Session, 1985;

21 (22) Chapter 16, Acts of the 70th Legislature, Regular  
22 Session, 1987;

23 (23) Section 4, Chapter 70, Acts of the 74th  
24 Legislature, Regular Session, 1995;

25 (24) Sections 1, 2(b) and (c), 3, 4, 5, 6, 7, 8, 9, 10,  
26 11, 12, 13, 14, 15, 16, 17, and 18, Chapter 644, Acts of the 59th  
27 Legislature, Regular Session, 1965;

- 1           (25) Chapter 868, Acts of the 62nd Legislature,  
2 Regular Session, 1971;
- 3           (26) Chapter 8, Acts of the 71st Legislature, Regular  
4 Session, 1989;
- 5           (27) Chapter 260, Acts of the 58th Legislature,  
6 Regular Session, 1963;
- 7           (28) Chapter 84, Acts of the 59th Legislature, Regular  
8 Session, 1965;
- 9           (29) Sections 4 and 5, Chapter 259, Acts of the 68th  
10 Legislature, Regular Session, 1983;
- 11          (30) Chapter 35, Acts of the 59th Legislature, Regular  
12 Session, 1965;
- 13          (31) Sections 2 and 3, Chapter 472, Acts of the 67th  
14 Legislature, Regular Session, 1981;
- 15          (32) Section 5, Chapter 66, Acts of the 71st  
16 Legislature, Regular Session, 1989;
- 17          (33) Chapter 29, Acts of the 65th Legislature, Regular  
18 Session, 1977;
- 19          (34) Section 12, Chapter 434, Acts of the 77th  
20 Legislature, Regular Session, 2001;
- 21          (35) Articles 1 through 8, Chapter 11, Acts of the 70th  
22 Legislature, 2nd Called Session, 1987;
- 23          (36) Chapter 6, Acts of the 65th Legislature, Regular  
24 Session, 1977;
- 25          (37) Section 6, Chapter 614, Acts of the 67th  
26 Legislature, Regular Session, 1981;
- 27          (38) Chapter 199, Acts of the 71st Legislature,

1 Regular Session, 1989;

2 (39) Chapter 565, Acts of the 64th Legislature,  
3 Regular Session, 1975;

4 (40) Chapter 5, Acts of the 62nd Legislature, Regular  
5 Session, 1971;

6 (41) Chapter 102, Acts of the 62nd Legislature,  
7 Regular Session, 1971;

8 (42) Chapter 140, Acts of the 65th Legislature,  
9 Regular Session, 1977; and

10 (43) Chapter 261, Acts of the 58th Legislature,  
11 Regular Session, 1963.

12 SECTION 3.02. The following statutes are repealed:

13 (1) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
14 15, 16, 17, and 18, Chapter 566, Acts of the 73rd Legislature,  
15 Regular Session, 1993;

16 (2) Chapter 303, Acts of the 51st Legislature, Regular  
17 Session, 1949;

18 (3) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 675, Acts  
19 of the 62nd Legislature, Regular Session, 1971;

20 (4) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 411, Acts  
21 of the 62nd Legislature, Regular Session, 1971;

22 (5) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 579, Acts  
23 of the 62nd Legislature, Regular Session, 1971;

24 (6) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 554, Acts  
25 of the 62nd Legislature, Regular Session, 1971;

26 (7) Sections 1, 3, 4, 5, 6, 7, 8, 9, and 10, Chapter  
27 388, Acts of the 63rd Legislature, Regular Session, 1973;

1           (8) Sections 1, 3, 4, 5, 6, 7, 8, 9, and 10, Chapter  
2 620, Acts of the 63rd Legislature, Regular Session, 1973;

3           (9) Sections 2, 2a, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
4 14, 15, 16, 17, 18, and 19, Chapter 95, Acts of the 56th  
5 Legislature, Regular Session, 1959;

6           (10) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 659,  
7 Acts of the 62nd Legislature, Regular Session, 1971;

8           (11) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 685,  
9 Acts of the 62nd Legislature, Regular Session, 1971;

10          (12) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
11 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, Chapter 749, Acts  
12 of the 61st Legislature, Regular Session, 1969;

13          (13) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
14 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, Chapter 306, Acts  
15 of the 61st Legislature, Regular Session, 1969;

16          (14) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, and  
17 13, Chapter 1381, Acts of the 77th Legislature, Regular Session,  
18 2001;

19          (15) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, and 12,  
20 Chapter 916, Acts of the 70th Legislature, Regular Session, 1987;

21          (16) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
22 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, Chapter 391, Acts  
23 of the 61st Legislature, Regular Session, 1969;

24          (17) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 445,  
25 Acts of the 62nd Legislature, Regular Session, 1971;

26          (18) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 642,  
27 Acts of the 62nd Legislature, Regular Session, 1971;



1           (19) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 437,  
2 Acts of the 62nd Legislature, Regular Session, 1971;

3           (20) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
4 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, Chapter 144, Acts of  
5 the 61st Legislature, Regular Session, 1969;

6           (21) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
7 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, Chapter 838, Acts of  
8 the 61st Legislature, Regular Session, 1969;

9           (22) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, and 11,  
10 Chapter 741, Acts of the 71st Legislature, Regular Session, 1989;

11           (23) Sections 1, 3, 4, 5, 5A, 6, 7, 8, and 9, Chapter  
12 696, Acts of the 65th Legislature, Regular Session, 1977;

13           (24) Sections 1, 2, 3, 4, 5(b), 6, 7, 8, 9, 10, 11, 12,  
14 13, 14, 15, 16, 17, 18, 19, 19A, 20, 20A, 21, 22, 23, 24, 25, 26, 27,  
15 and 28, Chapter 935, Acts of the 69th Legislature, Regular Session,  
16 1985;

17           (25) Sections 6 and 7, Chapter 1213, Acts of the 75th  
18 Legislature, Regular Session, 1997;

19           (26) Chapter 97, Acts of the 66th Legislature, Regular  
20 Session, 1979;

21           (27) Sections 4 and 5, Chapter 398, Acts of the 68th  
22 Legislature, Regular Session, 1983;

23           (28) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
24 14, 15, 16, 17, 18, 19, 20, 21, 22, and 23, Chapter 616, Acts of the  
25 61st Legislature, Regular Session, 1969;

26           (29) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 658,  
27 Acts of the 62nd Legislature, Regular Session, 1971;

1           (30) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 664,  
2 Acts of the 62nd Legislature, Regular Session, 1971;

3           (31) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 635,  
4 Acts of the 62nd Legislature, Regular Session, 1971;

5           (32) Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
6 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, Chapter 714, Acts of  
7 the 65th Legislature, Regular Session, 1977;

8           (33) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 423,  
9 Acts of the 62nd Legislature, Regular Session, 1971;

10          (34) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 693,  
11 Acts of the 62nd Legislature, Regular Session, 1971;

12          (35) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 694,  
13 Acts of the 62nd Legislature, Regular Session, 1971;

14          (36) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, and 11,  
15 Chapter 756, Acts of the 69th Legislature, Regular Session, 1985;

16          (37) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 704,  
17 Acts of the 62nd Legislature, Regular Session, 1971;

18          (38) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 634,  
19 Acts of the 62nd Legislature, Regular Session, 1971; and

20          (39) Sections 1, 2, 3, 5, 6, 7, and 8, Chapter 344,  
21 Acts of the 62nd Legislature, Regular Session, 1971.

22           SECTION 3.03. The following statutes are repealed:

23           (1) Sections 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
24 15, 16, and 17, Chapter 439, Acts of the 70th Legislature, Regular  
25 Session, 1987;

26           (2) Sections 7 and 8, Chapter 1310, Acts of the 77th  
27 Legislature, Regular Session, 2001;

1           (3) Sections 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
2 15, 16, and 17, Chapter 992, Acts of the 70th Legislature, Regular  
3 Session, 1987;

4           (4) Chapter 915, Acts of the 70th Legislature, Regular  
5 Session, 1987;

6           (5) Section 22, Chapter 759, Acts of the 78th  
7 Legislature, Regular Session, 2003;

8           (6) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, and 12,  
9 Chapter 1075, Acts of the 75th Legislature, Regular Session, 1997;

10           (7) Chapter 1361, Acts of the 77th Legislature,  
11 Regular Session, 2001;

12           (8) Chapter 772, Acts of the 78th Legislature, Regular  
13 Session, 2003;

14           (9) Chapter 1291, Acts of the 77th Legislature,  
15 Regular Session, 2001;

16           (10) Chapter 1474, Acts of the 77th Legislature,  
17 Regular Session, 2001;

18           (11) Chapter 1294, Acts of the 77th Legislature,  
19 Regular Session, 2001;

20           (12) Chapter 1358, Acts of the 77th Legislature,  
21 Regular Session, 2001;

22           (13) Chapter 376, Acts of the 69th Legislature,  
23 Regular Session, 1985;

24           (14) Chapter 26, Acts of the 70th Legislature, Regular  
25 Session, 1987;

26           (15) Chapter 1045, Acts of the 71st Legislature,  
27 Regular Session, 1989;

1           (16) Chapter 302, Acts of the 77th Legislature,  
2 Regular Session, 2001;

3           (17) Chapter 489, Acts of the 67th Legislature,  
4 Regular Session, 1981;

5           (18) Sections 2 and 3, Chapter 294, Acts of the 77th  
6 Legislature, Regular Session, 2001;

7           (19) Chapter 693, Acts of the 72nd Legislature,  
8 Regular Session, 1991;

9           (20) Chapter 865, Acts of the 70th Legislature,  
10 Regular Session, 1987;

11           (21) Chapter 1344, Acts of the 77th Legislature,  
12 Regular Session, 2001;

13           (22) Part 4, Chapter 966, Acts of the 77th  
14 Legislature, Regular Session, 2001;

15           (23) Chapter 1328, Acts of the 77th Legislature,  
16 Regular Session, 2001;

17           (24) Part 5, Chapter 966, Acts of the 77th  
18 Legislature, Regular Session, 2001; and

19           (25) Chapter 1323, Acts of the 77th Legislature,  
20 Regular Session, 2001.

21                           ARTICLE 4. GENERAL MATTERS

22           SECTION 4.01. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.

23 This Act is enacted under Section 43, Article III, Texas  
24 Constitution. This Act is intended as a codification only, and no  
25 substantive change in the law is intended by this Act. This Act  
26 does not increase or decrease the territory of any special district  
27 of the state as those boundaries exist on the effective date of this

1 Act.

2 SECTION 4.02. PRESERVATION OF VALIDATION MADE BY PREVIOUS  
3 LAW. (a) The repeal of a law, including a validating law, by this  
4 Act does not remove, void, or otherwise affect in any manner a  
5 validation under the repealed law. The validation is preserved and  
6 continues to have the same effect that it would have if the law were  
7 not repealed.

8 (b) Subsection (a) of this section does not diminish the  
9 saving provisions prescribed by Section 311.031, Government Code.

10 SECTION 4.03. EFFECTIVE DATE. This Act takes effect April  
11 1, 2011.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 2619 was passed by the House on April 24, 2009, by the following vote: Yeas 134, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2619 on May 29, 2009, by the following vote: Yeas 145, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 2619 was passed by the Senate, with amendments, on May 26, 2009, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor