

By: Gonzalez Toureilles

H.B. No. 2708

Substitute the following for H.B. No. 2708:

By: Marquez

C.S.H.B. No. 2708

A BILL TO BE ENTITLED

AN ACT

relating to the powers of the Karnes County Hospital District.

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

SECTION 1. Subchapter D, Chapter 1048, Special District Local Laws Code, as effective April 1, 2009, is amended by adding Section 1048.161 to read as follows:

Sec. 1048.161. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

(a) The board may borrow money at a rate not to exceed the maximum annual percentage rate allowed by law for district obligations at the time the loan is made.

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

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

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

(3) a district bond that has been authorized but not sold.

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

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2009.