

By: Heflin

H.B. No. 2994

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Reagan Hospital District.

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

SECTION 1. Section 6, Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended by adding Subsection (e-1) to read as follows:

(e-1) The board may employ physicians or other health care providers as the board considers necessary for the efficient operation of the district. This section may not be construed as authorizing the board to supervise or control the practice of medicine, as prohibited by Subtitle B, Title 3, Occupations Code.

SECTION 2. Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended by adding Section 7A to read as follows:

Sec. 7A. (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 during the 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

1 sold.

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

6 SECTION 3. Chapter 29, Acts of the 65th Legislature,
7 Regular Session, 1977, is amended by adding Sections 9A and 9B to
8 read as follows:

9 Sec. 9A. In addition to the authority to issue general
10 obligation bonds and revenue bonds under this Act, the board may
11 provide for the security and payment of district bonds from a pledge
12 of a combination of ad valorem taxes as authorized by Section 8 of
13 this Act and revenue and other sources as authorized by Section 9 of
14 this Act.

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

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

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

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

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

26 (B) for one year after the project or facility is
27 acquired or constructed;

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

3 (5) costs related to the bond issuance;

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

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

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