

1-1 By: Heflin (Senate Sponsor - Duncan) H.B. No. 2994
1-2 (In the Senate - Received from the House May 8, 2009;
1-3 May 8, 2009, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 18, 2009, reported favorably by
1-5 the following vote: Yeas 4, Nays 0; May 18, 2009, sent to
1-6 printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the powers and duties of the Reagan Hospital District.
1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Chapter 29, Acts of the 65th Legislature,
1-12 Regular Session, 1977, is amended by adding Section 7A to read as
1-13 follows:

1-14 Sec. 7A. (a) The board may borrow money at a rate not to
1-15 exceed the maximum annual percentage rate allowed by law for
1-16 district obligations at the time the loan is made.

1-17 (b) To secure a loan, the board may pledge:

1-18 (1) district revenue that is not pledged to pay the
1-19 district's bonded indebtedness;

1-20 (2) a district tax to be imposed by the district during
1-21 the 12-month period following the date of the pledge that is not
1-22 pledged to pay the principal of or interest on district bonds; or

1-23 (3) a district bond that has been authorized but not
1-24 sold.

1-25 (c) A loan for which taxes or bonds are pledged must mature
1-26 not later than the first anniversary of the date the loan is made. A
1-27 loan for which district revenue is pledged must mature not later
1-28 than the fifth anniversary of the date the loan is made.

1-29 SECTION 2. Chapter 29, Acts of the 65th Legislature,
1-30 Regular Session, 1977, is amended by adding Sections 9A and 9B to
1-31 read as follows:

1-32 Sec. 9A. In addition to the authority to issue general
1-33 obligation bonds and revenue bonds under this Act, the board may
1-34 provide for the security and payment of district bonds from a pledge
1-35 of a combination of ad valorem taxes as authorized by Section 8 of
1-36 this Act and revenue and other sources as authorized by Section 9 of
1-37 this Act.

1-38 Sec. 9B. The district may use the proceeds of bonds issued
1-39 under this Act to pay:

1-40 (1) any expense the board determines is reasonable and
1-41 necessary to issue, sell, and deliver the bonds;

1-42 (2) interest payments on the bonds during a period of
1-43 acquisition or construction of a project or facility to be provided
1-44 through the bonds, not to exceed five years;

1-45 (3) costs related to the operation and maintenance of
1-46 a project or facility to be provided through the bonds:

1-47 (A) during an estimated period of acquisition or
1-48 construction, not to exceed five years; and

1-49 (B) for one year after the project or facility is
1-50 acquired or constructed;

1-51 (4) costs related to the financing of the bond funds,
1-52 including debt service reserve and contingency funds;

1-53 (5) costs related to the bond issuance;

1-54 (6) costs related to the acquisition of land or
1-55 interests in land for a project or facility to be provided through
1-56 the bonds; and

1-57 (7) costs of construction of a project or facility to
1-58 be provided through the bonds, including the payment of related
1-59 professional services and expenses.

1-60 SECTION 3. This Act takes effect immediately if it receives
1-61 a vote of two-thirds of all the members elected to each house, as
1-62 provided by Section 39, Article III, Texas Constitution. If this
1-63 Act does not receive the vote necessary for immediate effect, this
1-64 Act takes effect September 1, 2009.

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