

By: Chisum

H.B. No. 3626

A BILL TO BE ENTITLED

AN ACT

relating to the North Wheeler County Hospital District.

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

SECTION 1. Section 4, Chapter 260, Acts of the 58th Legislature, Regular Session, 1963, is amended to read as follows:

Sec. 4. DISTRICT MANAGEMENT. The District [~~Within ten (10) days after such election is held the Commissioners Court of said County shall convene and canvass the returns thereof and in the event such election results favorably to the proposition specified in Section 3 hereof, such District~~] shall be governed by a Board of Directors to consist of five (5) members, who shall serve without pay. Two Directors are elected from each commissioners precinct included in the District, and one Director is elected from the District at large. Unless four-year terms are established under Section 285.081, Health and Safety Code, Directors serve staggered two-year terms. Each such Director must at the time of [~~his~~] election or appointment [~~hereunder,~~] be a resident of the District, be a registered voter, [own property subject to taxation therein] and be more than eighteen (18) [~~twenty-one (21)~~] years of age. A person who is elected from a commissioners precinct or who is appointed to fill a vacancy for a commissioners precinct must be a resident of that precinct. A District employee may not serve as a Director. [~~Not less than fifteen (15) nor more than twenty-five (25) days after the District is declared established and created~~

1 ~~the Commissioners Court shall call an election for the five (5)~~
2 ~~Directors who will serve as the District's first Board of~~
3 ~~Directors, this election to be held on a date not more than thirty~~
4 ~~(30) days after the day of the passage of the Commissioners Court~~
5 ~~order calling same but on such date as will permit publication of an~~
6 ~~election notice in a newspaper of general circulation in Wheeler~~
7 ~~County one (1) time not less than ten (10) days prior to such~~
8 ~~election date. Any candidate desiring to be voted upon as a first~~
9 ~~Director shall, no later than three (3) days prior to the day of~~
10 ~~passage of the Commissioners Court order calling the election,~~
11 ~~present a petition to that Court signed by such candidate and not~~
12 ~~less than five (5) qualified voters residing in the candidate's~~
13 ~~voting precinct, requesting that his name be placed upon the~~
14 ~~official ballot. For the purpose of electing Directors, the~~
15 ~~Hospital District shall be divided into five (5) voting precincts~~
16 ~~which shall be made up of the parts of the following school~~
17 ~~districts which lie within the Hospital District, using school~~
18 ~~district boundaries as of January 1, 1963, as follows: Allison,~~
19 ~~Kelton, Briscoe, Wheeler plus any part of Sections 14 and 15 of~~
20 ~~Block 27, H & G.N. Survey that are within the boundaries of the~~
21 ~~Hospital District, and Mobeetic plus any part of Sections 69 and 70~~
22 ~~of Block 24 of H and G.N. Survey that are within the boundaries of~~
23 ~~the Hospital District. Any territory within the Hospital District,~~
24 ~~but not within one of the five (5) school districts, shall be added~~
25 ~~to the nearest Hospital District voting precinct by the action of~~
26 ~~the Board of Directors of the Hospital District. Each voting~~
27 ~~precinct of the Hospital District shall be represented by one (1)~~

1 ~~Director who must reside within the voting precinct. The regular~~
2 ~~term of each Director shall be for two (2) years but after the first~~
3 ~~called election, the Directors by lot shall select three (3)~~
4 ~~Directors for two (2) year terms, and two (2) Directors for one (1)~~
5 ~~year terms. The first year terms shall be ended on the date of the~~
6 ~~first annual election as hereinafter provided. No person shall be~~
7 ~~appointed or elected as a member of the Board of Directors of said~~
8 ~~Hospital District unless he is a resident of the voting precinct~~
9 ~~thereof and owns property subject to taxation therein and unless at~~
10 ~~the time of such election or appointment he shall be more than~~
11 ~~twenty-one (21) years of age.]~~ Each member of the Board of
12 Directors shall qualify by executing the constitutional oath of
13 office and shall execute a good and sufficient commercial bond for
14 One Thousand Dollars (\$1,000) payable to said District conditioned
15 upon the faithful performance of his duties, and such oaths and
16 bonds shall be deposited with the depository bank of the District
17 for safekeeping. The cost of this bond shall be an expense of the
18 Hospital District.

19 The Board of Directors shall organize by electing one (1) of
20 their number as president, and one (1) as vice president and one (1)
21 as secretary. Any three (3) members of the Board of Directors shall
22 constitute a quorum and a concurrence of three (3) shall be
23 sufficient in all matters pertaining to the business of the
24 District. All vacancies in the office of Director shall be filled
25 for the unexpired term by appointment of the remainder of the Board
26 of Directors. In the event the number of Directors shall be reduced
27 to less than three (3) for any reason, the remaining Directors shall

1 immediately call a special election to fill said vacancies, and
2 upon failure to do so a District Court may, upon application of any
3 voter or taxpayer of the District, issue a mandate requiring that
4 such election be ordered by the remaining Directors. An election
5 shall be held each year on the May uniform election date prescribed
6 by Section 41.001, Election Code, to elect the appropriate number
7 of Directors.

8 Notice [~~A regular election of Directors shall be held on the~~
9 ~~same day that the election of trustees of public schools is held~~
10 ~~each year and notice~~] of such election shall be published in a
11 newspaper of general circulation in the County in accordance with
12 Section 4.003, Election Code. [~~one (1) time at least ten (10) days~~
13 ~~prior to the date of election.~~] Any person desiring the person's
14 [~~his~~] name to be printed on the ballot as a candidate for Director
15 shall file an application [~~a petition, signed by not less than five~~
16 ~~(5) qualified voters residing in the candidate's voting precinct~~
17 ~~asking that such name be printed on the ballot,~~] with the secretary
18 of the Board of Directors of the District in accordance with Chapter
19 144, Election Code. [~~Such petition shall be filed with such~~
20 ~~secretary at least twenty-five (25) days prior to the date of~~
21 ~~election. All qualified electors residing within the District~~
22 ~~shall be eligible to vote for Directors, provided, however, that~~
23 ~~such eligible elector can vote only to select a Director from the~~
24 ~~Hospital District voting precinct of the residence of such~~
25 ~~elector.~~]

26 SECTION 2. Section 6, Chapter 260, Acts of the 58th
27 Legislature, Regular Session, 1963, is amended to read as follows:

1 Sec. 6. FISCAL YEAR-AUDIT-ACCOUNTING. The District
2 operates on a fiscal year established by the Board of Directors.
3 The fiscal year may not be changed if revenue bonds are outstanding
4 or more than once in a 24-month period. The Board [~~The District~~
5 ~~shall be operated on a fiscal year commencing on October 1st of each~~
6 ~~year and ending on September 30th of the succeeding year and it]~~
7 shall cause an audit to be made of the financial condition of said
8 District which shall at all times be open to inspection at the
9 principal office of the District. In addition the Administrator or
10 Manager shall prepare an annual budget for approval by the Board of
11 Directors of said District. As soon as practical after the close of
12 each fiscal year the Administrator or Manager shall prepare for the
13 Board a full sworn statement of all moneys belonging to the District
14 and a full account of the disbursements of same.

15 SECTION 3. Chapter 260, Acts of the 58th Legislature,
16 Regular Session, 1963, is amended by adding Sections 7A, 7B, and 7C
17 to read as follows:

18 Sec. 7A. REVENUE BONDS. (a) The board may issue revenue
19 bonds to:

20 (1) purchase, construct, acquire, repair, renovate,
21 or equip buildings or improvements for hospital system purposes; or

22 (2) acquire sites to be used for hospital system
23 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, and 264.046-264.049, Health and Safety Code, for
5 issuance of revenue bonds by a county hospital authority.

6 Sec. 7B. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS.

7 (a) In addition to the authority to issue general obligation bonds
8 and revenue bonds under this Act, the board may provide for the
9 security and payment of district bonds from a pledge of a
10 combination of ad valorem taxes as authorized by Section 7 of this
11 Act and revenue and other sources as authorized by Section 7A of
12 this Act.

13 (b) Bonds, other than refunding bonds, that the board
14 proposes to secure wholly or partly by an ad valorem tax must be
15 approved at an election held in the district in accordance with
16 Section 7 of this Act.

17 Sec. 7C. USE OF BOND PROCEEDS. The district may use the
18 proceeds of bonds issued under this Act to pay:

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

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

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

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

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

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

5 (5) costs related to the bond issuance;

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

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

12 SECTION 4. Chapter 260, Acts of the 58th Legislature,
13 Regular Session, 1963, is amended by adding Section 22 to read as
14 follows:

15 Sec. 22. DISSOLUTION; ELECTION. (a) The district may be
16 dissolved only if the dissolution is approved by a majority of the
17 registered voters of the district voting in an election held for
18 that purpose.

19 (b) The board of directors may order an election on the
20 question of dissolving the district and disposing of the district's
21 assets and obligations. The board shall order an election if the
22 board receives a petition requesting an election that is signed by a
23 number of registered voters of the district equal to at least 15
24 percent of the registered voters in the district.

25 (c) Section 41.001, Election Code, does not apply to an
26 election ordered under this section.

27 (d) The order calling an election under this section must

1 state:

2 (1) the nature of the election, including the
3 proposition that is 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) The board of directors shall give notice of the election
8 by publishing a substantial copy of the election order in a
9 newspaper with general circulation in the district once a week for
10 two consecutive weeks. The first publication must appear not later
11 than the 35th day before the date set for the election.

12 (f) The ballot for the election must be printed to permit
13 voting for or against the proposition: "The dissolution of the
14 North Wheeler County Hospital District."

15 (g) If a majority of the votes in the election favor
16 dissolution, the board of directors shall find that the district is
17 dissolved. If a majority of the votes in the election do not favor
18 dissolution, the board shall continue to administer the district,
19 and another election on the question of dissolution may not be held
20 before the first anniversary of the most recent election to
21 dissolve the district.

22 (h) If a majority of the votes in the election favor
23 dissolution, the board of directors shall:

24 (1) transfer the land, buildings, improvements,
25 equipment, and other assets that belong to the district to Wheeler
26 County or another governmental entity in Wheeler County; or

27 (2) administer the property, assets, and debts until

1 all money has been disposed of and all district debts have been paid
2 or settled.

3 (i) If the district transfers the land, buildings,
4 improvements, equipment, and other assets to Wheeler County or
5 another governmental entity, the county or entity assumes all debts
6 and obligations of the district at the time of the transfer, and the
7 district is dissolved.

8 (j) If the district does not transfer the land, buildings,
9 improvements, equipment, and other assets to Wheeler County or
10 another governmental entity, the board of directors shall
11 administer the property, assets, and debts of the district until
12 all funds have been disposed of and all district debts have been
13 paid or settled, at which time the district is dissolved.

14 (k) After the board of directors finds that the district is
15 dissolved, the board shall:

16 (1) determine any debt owed by the district; and

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

20 (l) When all outstanding debts and obligations of the
21 district are paid, the board of directors shall order the secretary
22 to return to each district taxpayer the taxpayer's pro rata share of
23 all unused tax money.

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

1 assessor-collector.

2 (n) After the district has paid all its debts and has
3 disposed of all its assets and money as prescribed by this section,
4 the board of directors shall file a written report with the
5 Commissioners Court of Wheeler County summarizing the board's
6 actions in dissolving the district.

7 (o) Not later than the 10th day after the date it receives
8 the report and determines that the requirements of this section
9 have been fulfilled, the Commissioners Court of Wheeler County
10 shall enter an order dissolving the district and releasing the
11 board of directors of the district from any further duty or
12 obligation.

13 SECTION 5. (a) The election of three directors of the North
14 Wheeler County Hospital District scheduled before the effective
15 date of this Act to be held in May 2010 shall be held, and two
16 directors shall be elected from Precinct 2 and one director shall be
17 elected from the district at large. The directors elected at the
18 election shall serve two-year terms.

19 (b) The election of two directors of the district scheduled
20 before the effective date of this Act to be held in May 2011 shall be
21 held, and two directors shall be elected from Precinct 1. The
22 directors elected at the election shall serve two-year terms.

23 SECTION 6. This Act takes effect immediately if it receives
24 a vote of two-thirds of all the members elected to each house, as
25 provided by Section 39, Article III, Texas Constitution. If this
26 Act does not receive the vote necessary for immediate effect, this
27 Act takes effect September 1, 2009.