

1-1 By: Hilderbran (Senate Sponsor - Uresti) H.B. No. 4257  
1-2 (In the Senate - Received from the House May 6, 2009;  
1-3 May 6, 2009, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 22, 2009, reported favorably by  
1-5 the following vote: Yeas 5, Nays 0; May 22, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the Sutton County Hospital District.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Section 3.03(d), Chapter 1047, Acts of the 68th  
1-11 Legislature, Regular Session, 1983, is amended to read as follows:

1-12 (d) An election shall be held on the ~~[first Saturday in]~~ May  
1-13 uniform election date under Section 41.001, Election Code, in each  
1-14 even-numbered year, and the appropriate number of successor  
1-15 directors shall be elected for four-year terms.

1-16 SECTION 2. Section 3.04, Chapter 1047, Acts of the 68th  
1-17 Legislature, Regular Session, 1983, is amended to read as follows:

1-18 Sec. 3.04. NOTICE OF ELECTION. Notice ~~[At least 35 days~~  
1-19 ~~before the date of an election of directors, notice]~~ of the election  
1-20 shall be published one time in a newspaper with general circulation  
1-21 in the district in accordance with Section 4.003, Election Code.

1-22 SECTION 3. Section 3.05, Chapter 1047, Acts of the 68th  
1-23 Legislature, Regular Session, 1983, is amended to read as follows:

1-24 Sec. 3.05. APPLICATION ~~[PETITION]~~. (a) A person who wishes  
1-25 to have his name printed on the ballot as a candidate for director  
1-26 must file with the secretary of the board of directors an  
1-27 application in accordance with Chapter 144, Election Code ~~[a~~  
1-28 ~~petition signed by at least 10 registered voters of the district~~  
1-29 ~~asking that his name be placed on the ballot. The determination of~~  
1-30 ~~whether a person is a registered voter of the district shall be~~  
1-31 ~~based on the most recent official lists of registered voters].~~

1-32 (b) ~~[The petition must be filed with the secretary not later~~  
1-33 ~~than the 31st day before the date of the election.~~

1-34 ~~[(c)]~~ The application ~~[petition]~~ must specify the  
1-35 commissioner precinct the candidate wishes to represent or specify  
1-36 that the candidate wishes to represent the district at large.

1-37 SECTION 4. Section 4.07, Chapter 1047, Acts of the 68th  
1-38 Legislature, Regular Session, 1983, is amended to read as follows:

1-39 Sec. 4.07. CONSTRUCTION CONTRACTS. (a) The board may enter  
1-40 into construction contracts on behalf of the district; however, the  
1-41 board may enter into construction contracts that involve spending  
1-42 more than the amount provided by Section 271.024, Local Government  
1-43 Code, ~~[\$10,000]~~ only after competitive bidding as provided by  
1-44 Subchapter B, Chapter 271, Local Government Code ~~[Chapter 770, Acts~~  
1-45 ~~of the 66th Legislature, Regular Session, 1979 (Article 2368a.3,~~  
1-46 ~~Vernon's Texas Civil Statutes)].~~

1-47 (b) Chapter 2253, Government Code ~~[Article 5160, Revised~~  
1-48 ~~Statutes]~~, as it relates to performance and payment bonds, applies  
1-49 to construction contracts let by the district.

1-50 SECTION 5. Article 5, Chapter 1047, Acts of the 68th  
1-51 Legislature, Regular Session, 1983, is amended by adding Section  
1-52 5.11 to read as follows:

1-53 Sec. 5.11. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

1-54 (a) The board may borrow money at a rate not to exceed the maximum  
1-55 annual percentage rate allowed by law for district obligations at  
1-56 the time the loan is made.

1-57 (b) To secure a loan, the board may pledge:

1-58 (1) district revenue that is not pledged to pay the  
1-59 district's bonded indebtedness;

1-60 (2) a district tax to be imposed by the district in the  
1-61 next 12-month period following the date of the pledge that is not  
1-62 pledged to pay the principal of or interest on district bonds; or

1-63 (3) a district bond that has been authorized but not  
1-64 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 6. Article 6, Chapter 1047, Acts of the 68th Legislature, Regular Session, 1983, is amended by adding Sections 6.12 and 6.13 to read as follows:

Sec. 6.12. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this article, the board may provide for the security and payment of district bonds from a pledge of a combination of ad valorem taxes as authorized by Section 6.02 of this Act and revenue and other sources authorized by Section 6.04 of this Act.

Sec. 6.13. USE OF BOND PROCEEDS. The district may use the proceeds of bonds issued under this article to pay:

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

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

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

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

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

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

(5) costs related to the bond issuance;

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

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

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.

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