

1-1 By: Guillen (Senate Sponsor - Zaffirini) H.B. No. 4704
1-2 (In the Senate - Received from the House May 18, 2009;
1-3 May 19, 2009, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 23, 2009, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 23, 2009, sent to printer.)

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

1-8 relating to the Starr County Hospital District.

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

1-10 SECTION 1. Chapter 118, Acts of the 63rd Legislature,
1-11 Regular Session, 1973, is amended by adding Section 5B to read as
1-12 follows:

1-13 Sec. 5B. (a) The board may borrow money at a rate not to
1-14 exceed the maximum annual percentage rate allowed by law for
1-15 district obligations at the time the loan is made.

1-16 (b) To secure a loan, the board may pledge:

1-17 (1) district revenue that is not pledged to pay the
1-18 district's bonded indebtedness;

1-19 (2) a district tax to be imposed by the district during
1-20 the 12-month period following the date of the pledge that is not
1-21 pledged to pay the principal of or interest on district bonds; or

1-22 (3) a district bond that has been authorized but not
1-23 sold.

1-24 (c) A loan for which taxes or bonds are pledged must mature
1-25 not later than the first anniversary of the date the loan is made. A
1-26 loan for which district revenue is pledged must mature not later
1-27 than the fifth anniversary of the date the loan is made.

1-28 SECTION 2. This Act takes effect immediately if it receives
1-29 a vote of two-thirds of all the members elected to each house, as
1-30 provided by Section 39, Article III, Texas Constitution. If this
1-31 Act does not receive the vote necessary for immediate effect, this
1-32 Act takes effect September 1, 2009.

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