

By: Estes

S.B. No. 1986

A BILL TO BE ENTITLED

AN ACT

relating to the Gainesville Hospital District.

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

SECTION 1. Section 5, Chapter 211, Acts of the 64th Legislature, Regular Session, 1975, is amended by adding Subsections (c-1) and (c-2) to read as follows:

(c-1) The board of directors may employ physicians or other health care providers as the board considers necessary for the efficient operation of the district.

(c-2) Subsections (c) and (c-1) do not authorize the board of directors to supervise or control the practice of medicine, as prohibited by Subtitle B, Title 3, Occupations Code.

SECTION 2. Chapter 211, Acts of the 64th Legislature, Regular Session, 1975, is amended by adding Section 5A to read as follows:

Sec. 5A. (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 in the next 12-month period following the date of the pledge that is not pledged to pay the principal of or interest on district bonds; or

1 (3) a district bond that has been authorized but not
2 sold.

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

7 SECTION 3. Chapter 211, Acts of the 64th Legislature,
8 Regular Session, 1975, is amended by adding Sections 9A and 9B to
9 read as follows:

10 Sec. 9A. In addition to the authority to issue general
11 obligation bonds and revenue bonds under this Act, the board may
12 provide for the security and payment of district bonds from a pledge
13 of a combination of ad valorem taxes, revenue, and other sources
14 authorized by Section 9 of 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 insure, 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. Chapter 211, Acts of the 64th Legislature,
11 Regular Session, 1975, is amended by adding Section 22 to read as
12 follows:

13 Sec. 22. (a) The district may be dissolved only on
14 approval of a majority of the district voters voting in an election
15 held for that purpose.

16 (b) The board may order an election on the question of
17 dissolving the district and disposing of the district's assets and
18 obligations.

19 (c) The board shall order an election if the board receives
20 a petition requesting an election that is signed by at least 15
21 percent of the registered voters in the district.

22 (d) The order calling the election must state:

23 (1) the nature of the election, including the
24 proposition to appear on the ballot;

25 (2) the date of the election;

26 (3) the hours during which the polls will be open; and

27 (4) the location of the polling places.

1 (e) Section 41.001(a), Election Code, does not apply to an
2 election ordered under this section.

3 (f) The board shall give notice of an election under this
4 section by publishing once a week for two consecutive weeks a
5 substantial copy of the election order in a newspaper with general
6 circulation in the district. The first publication of the notice
7 must appear not later than the 35th day before the date of the
8 election.

9 (g) The ballot for an election under this section must be
10 printed to permit voting for or against the proposition: "The
11 dissolution of the Gainesville Hospital District."

12 (h) If a majority of the votes in an election under this
13 section favor dissolution, the board shall find that the district
14 is dissolved. If a majority of the votes in the election do not
15 favor dissolution, the board shall continue to administer the
16 district and another election on the question of dissolution may
17 not be held before the first anniversary of the date of the most
18 recent election on the question of dissolution.

19 (i) If a majority of the votes in the election held under
20 this section favor dissolution, the board shall:

21 (1) transfer the land, buildings, improvements,
22 equipment, and other assets that belong to the district to Cooke
23 County or another governmental entity in Cooke County only if Cooke
24 County or the other governmental entity consents to such transfer;

25 or

26 (2) administer the property, assets, and debts until
27 all money has been disposed of and all district debts have been paid

1 or settled.

2 (j) If the district makes the transfer under Subsection
3 (i)(1), the county or entity assumes all debts and obligations of
4 the district at the time of the transfer, and the district is
5 dissolved. If Subsection (i)(1) does not apply and the board
6 administers the property, assets, and debts of the district under
7 Subsection (i)(2), the district is dissolved when all money has
8 been disposed of and all district debts have been paid or settled.

9 (k) After the board finds that the district is dissolved,
10 the board shall:

11 (1) determine the debt owed by the district; and

12 (2) impose on the property included in the district's
13 tax rolls a tax that is in proportion of the debt to the property
14 value.

15 (l) On the payment of all outstanding debts and obligations
16 of the district, the board shall order the secretary to return to
17 each district taxpayer the taxpayer's pro rata share of all unused
18 tax money. A taxpayer may request that the taxpayer's share of
19 surplus tax money be credited to the taxpayer's county taxes. If a
20 taxpayer requests the credit, the board shall direct the secretary
21 to transmit the money to the county tax assessor-collector.

22 (m) After the district has paid all its debts and has
23 disposed of all its money and other assets as prescribed by this
24 section, the board shall file a written report with the
25 Commissioners Court of Cooke County summarizing the board's actions
26 in dissolving the district.

27 (n) Not later than the 10th day after the date the

1 Commissioners Court of Cooke County receives the report and
2 determines that the requirements of this subchapter have been
3 fulfilled, the commissioners court shall enter an order dissolving
4 the district and releasing the board from any further duty or
5 obligation.

6 SECTION 5. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect September 1, 2009.