

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1413
By: Chisum (Duncan)
Intergovernmental Relations
5/18/2011
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

C.S.H.B. 1413 amends current law relating to the powers and duties of the Castro County Hospital District.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 1013.052, Special District Local Laws Code, as follows:

Sec. 1013.052. NOTICE OF ELECTION. Requires that notice of an election of directors be published in a newspaper of general circulation in Castro County in accordance with Section 4.003 (Method of Giving Notice), Election Code. Deletes existing text requiring notice of the election, not earlier than the 30th day or later than the 10th day before the date of an election of directors, to be published one time in a newspaper of general circulation in Castro County.

SECTION 2. Amends Subchapter E, Chapter 1013, Special District Local Laws Code, by adding Sections 1013.209 and 1013.210, as follows:

Sec. 1013.209. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. Provides that, in addition to the authority to issue general obligation bonds and revenue bonds under this subchapter, the board of directors of the Castro County Hospital District (board; district) may provide for the security and payment of district bonds from a pledge of a combination of ad valorem taxes as authorized by Section 1013.202 and revenue and other sources authorized by Section 1013.206.

Sec. 1013.210. USE OF BOND PROCEEDS. Authorizes the district to use the proceeds of bonds issued under this subchapter 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 for one year after the project or facility is acquired or constructed; 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 3. Effective date: upon passage or September 1, 2011.