

By: Ritter

H.B. No. 3184

A BILL TO BE ENTITLED

AN ACT

relating to the nonsubstantive revision of certain local laws concerning special districts, including conforming amendments.

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

ARTICLE 1. NONSUBSTANTIVE REVISION OF LOCAL LAWS

SECTION 1.01. Subtitle A, Title 3, Special District Local Laws Code, is amended by adding Chapters 1011, 1034, 1058, 1069, 1074, 1086, 1098, 1099, 1100, 1101, 1102, 1103, 1104, 1105, 1106, 1108, and 1111 to read as follows:

CHAPTER 1011. SCHLEICHER COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1011.001. DEFINITIONS

Sec. 1011.002. AUTHORITY FOR OPERATION

Sec. 1011.003. POLITICAL SUBDIVISION

Sec. 1011.004. DISTRICT TERRITORY

Sec. 1011.005. CORRECTION OF INVALID PROCEDURES

[Sections 1011.006-1011.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1011.051. BOARD ELECTION; TERM

Sec. 1011.052. NOTICE OF ELECTION

Sec. 1011.053. BALLOT PETITION

Sec. 1011.054. QUALIFICATIONS FOR OFFICE

Sec. 1011.055. BOND; RECORD OF BOND AND OATH

Sec. 1011.056. BOARD VACANCY

1 Sec. 1011.057. OFFICERS
2 Sec. 1011.058. COMPENSATION; EXPENSES
3 Sec. 1011.059. VOTING REQUIREMENT
4 Sec. 1011.060. MEETINGS
5 Sec. 1011.061. EMPLOYEES
6 Sec. 1011.062. MAINTENANCE OF RECORDS; PUBLIC
7 INSPECTION
8 Sec. 1011.063. SEAL
9 Sec. 1011.064. ALTERNATIVE ELECTION OF DIRECTORS BY
10 PRECINCT
11 [Sections 1011.065-1011.100 reserved for expansion]
12 SUBCHAPTER C. POWERS AND DUTIES
13 Sec. 1011.101. DISTRICT RESPONSIBILITY
14 Sec. 1011.102. RESTRICTION ON COUNTY OR MUNICIPAL
15 TAXATION
16 Sec. 1011.103. MANAGEMENT AND CONTROL OF DISTRICT
17 Sec. 1011.104. RULES
18 Sec. 1011.105. PURCHASING AND ACCOUNTING PROCEDURES
19 Sec. 1011.106. EMINENT DOMAIN
20 Sec. 1011.107. GIFTS AND ENDOWMENTS
21 Sec. 1011.108. PROVISION OF SERVICES OUTSIDE DISTRICT
22 Sec. 1011.109. PAYMENT FOR TREATMENT; PROCEDURES
23 Sec. 1011.110. AUTHORITY TO SUE AND BE SUED
24 [Sections 1011.111-1011.150 reserved for expansion]
25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
26 Sec. 1011.151. BUDGET
27 Sec. 1011.152. PROPOSED BUDGET: NOTICE AND HEARING

1 Sec. 1011.153. FISCAL YEAR

2 Sec. 1011.154. ANNUAL AUDIT

3 Sec. 1011.155. DEPOSITORY OR TREASURER

4 [Sections 1011.156-1011.200 reserved for expansion]

5 SUBCHAPTER E. BONDS

6 Sec. 1011.201. GENERAL OBLIGATION BONDS

7 Sec. 1011.202. TAX TO PAY GENERAL OBLIGATION BONDS

8 Sec. 1011.203. GENERAL OBLIGATION BOND ELECTION

9 Sec. 1011.204. MATURITY OF GENERAL OBLIGATION BONDS

10 Sec. 1011.205. EXECUTION OF GENERAL OBLIGATION BONDS

11 Sec. 1011.206. REFUNDING BONDS

12 [Sections 1011.207-1011.250 reserved for expansion]

13 SUBCHAPTER F. TAXES

14 Sec. 1011.251. IMPOSITION OF AD VALOREM TAX

15 Sec. 1011.252. TAX RATE

16 Sec. 1011.253. TAX ASSESSOR-COLLECTOR

17 CHAPTER 1011. SCHLEICHER COUNTY HOSPITAL DISTRICT

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 1011.001. DEFINITIONS. In this chapter:

20 (1) "Board" means the board of directors of the
21 district.

22 (2) "Director" means a member of the board.

23 (3) "District" means the Schleicher County Hospital
24 District. (New.)

25 Sec. 1011.002. AUTHORITY FOR OPERATION. The Schleicher
26 County Hospital District operates in accordance with and has the
27 powers and responsibilities provided by Section 9, Article IX,

1 Texas Constitution. (Acts 60th Leg., R.S., Ch. 38, Sec. 1 (part).)

2 Sec. 1011.003. POLITICAL SUBDIVISION. The district is a
3 political subdivision of this state. (Acts 60th Leg., R.S., Ch. 38,
4 Sec. 16 (part).)

5 Sec. 1011.004. DISTRICT TERRITORY. The boundaries of the
6 district are coextensive with the boundaries of Schleicher County.
7 (Acts 60th Leg., R.S., Ch. 38, Sec. 1 (part).)

8 Sec. 1011.005. CORRECTION OF INVALID PROCEDURES. If a
9 court holds that any procedure under this chapter violates the
10 constitution of this state or of the United States, the district by
11 resolution may provide an alternative procedure that conforms with
12 the constitution. (Acts 60th Leg., R.S., Ch. 38, Sec. 17 (part).)

13 [Sections 1011.006-1011.050 reserved for expansion]

14 SUBCHAPTER B. DISTRICT ADMINISTRATION

15 Sec. 1011.051. BOARD ELECTION; TERM. (a) Except as
16 provided by Section 1011.064, the board consists of seven directors
17 elected from the district at large.

18 (b) Unless four-year terms are established under Section
19 285.081, Health and Safety Code:

20 (1) directors serve staggered two-year terms; and

21 (2) a directors' election shall be held annually on a
22 date authorized by Chapter 41, Election Code. (Acts 60th Leg.,
23 R.S., Ch. 38, Secs. 3(a) (part), (c) (part).)

24 Sec. 1011.052. NOTICE OF ELECTION. At least 10 days before
25 the date of a directors' election, notice of the election must be
26 published one time in a newspaper of general circulation in
27 Schleicher County. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(c))

1 (part).)

2 Sec. 1011.053. BALLOT PETITION. (a) A person who wants to
3 have the person's name printed on the ballot as a candidate for
4 director must file with the board secretary a petition requesting
5 that action. The petition must be signed by not fewer than 10
6 registered voters.

7 (b) The petition and an application for a place on the
8 ballot that meets the requirements of the Election Code must be
9 filed in the manner provided by Chapter 144, Election Code. (Acts
10 60th Leg., R.S., Ch. 38, Sec. 3(c) (part).)

11 Sec. 1011.054. QUALIFICATIONS FOR OFFICE. A person may not
12 be appointed or elected as a director unless the person is:

13 (1) a resident of the district; and

14 (2) at least 18 years of age at the time of the
15 appointment or election. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(a)
16 (part).)

17 Sec. 1011.055. BOND; RECORD OF BOND AND OATH. (a) Each
18 director shall execute a good and sufficient bond for \$1,000 that
19 is:

20 (1) payable to the district; and

21 (2) conditioned on the faithful performance of the
22 director's duties.

23 (b) Each director's bond and constitutional oath of office
24 shall be deposited with the district's depository bank for
25 safekeeping. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(a) (part).)

26 Sec. 1011.056. BOARD VACANCY. (a) If a vacancy occurs in
27 the office of director, the remaining directors shall appoint a

1 director for the unexpired term.

2 (b) If the number of directors is reduced to fewer than four
3 for any reason, the remaining directors shall immediately call a
4 special election to fill the vacancies. If the remaining directors
5 do not call the election, a district court, on application of a
6 district voter or taxpayer, may order the directors to hold the
7 election. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(b) (part).)

8 Sec. 1011.057. OFFICERS. The board shall elect from among
9 its members a president and a secretary. (Acts 60th Leg., R.S., Ch.
10 38, Sec. 3(b) (part).)

11 Sec. 1011.058. COMPENSATION; EXPENSES. A director serves
12 without compensation but may be reimbursed for actual expenses
13 incurred in the performance of official duties on approval of the
14 expenses by the board. (Acts 60th Leg., R.S., Ch. 38, Sec. 4
15 (part).)

16 Sec. 1011.059. VOTING REQUIREMENT. A concurrence of a
17 majority of directors is sufficient in any matter relating to
18 district business. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(b)
19 (part).)

20 Sec. 1011.060. MEETINGS. (a) A board meeting may be called
21 by the president or a majority of the directors.

22 (b) Notice of the time and place of a board meeting must be
23 given to each director not later than the seventh day before the
24 time of the meeting.

25 (c) This section does not prevent the board from
26 establishing by resolution a regular time and place for meetings
27 for which special notice is not required. (Acts 60th Leg., R.S.,

1 Ch. 38, Sec. 3(b) (part).)

2 Sec. 1011.061. EMPLOYEES. The board may employ a general
3 manager and other necessary professional and clerical personnel.
4 (Acts 60th Leg., R.S., Ch. 38, Sec. 7(a) (part).)

5 Sec. 1011.062. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.
6 Except as provided by Section 1011.055, all district records,
7 including books, accounts, notices, and minutes, and all other
8 matters of the district and the operation of its facilities shall
9 be:

10 (1) maintained at the district office; and

11 (2) open to public inspection at the district office
12 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(b).)

13 Sec. 1011.063. SEAL. The board may adopt a seal for the
14 district. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(a) (part).)

15 Sec. 1011.064. ALTERNATIVE ELECTION OF DIRECTORS BY
16 PRECINCT. (a) The board may adopt an order to elect directors from
17 five districts according to the commissioners precinct method.

18 (b) If the board adopts an order under Subsection (a), one
19 director is elected by the voters of the district at large and one
20 director is elected from each county commissioners precinct by the
21 voters of that precinct.

22 (c) Except as provided by Subsection (e), a person must be:

23 (1) a resident of the district to be eligible to be a
24 candidate for or to serve as a director at large; and

25 (2) a resident of the precinct to be a candidate for or
26 to serve as a director from that precinct.

27 (d) A person shall indicate on the application for a place

1 on the ballot:

2 (1) that the person seeks to represent the district at
3 large; or

4 (2) the precinct that the person seeks to represent.

5 (e) When the boundaries of the county commissioners
6 precincts are redrawn to reflect population changes after each
7 federal decennial census, a director in office on the effective
8 date of the change, or elected or appointed before the effective
9 date of the change to a term of office beginning on or after the
10 effective date of the change, shall serve the term or the remainder
11 of the term in the precinct to which elected or appointed even if
12 the change in boundaries places the director's residence outside
13 the precinct for which the director was elected or appointed.

14 (f) At the first directors' election after the adoption of
15 an order under Subsection (a), five new directors shall be elected.
16 After the canvass of the returns of the election, the terms of all
17 directors serving at the time of the election expire.

18 (g) At the first meeting of the directors elected under this
19 section, the directors shall draw lots to determine which three
20 directors serve two-year terms and which two directors serve
21 one-year terms. After the terms of the initial directors elected
22 under this section expire, each director serves a two-year term.

23 (Acts 60th Leg., R.S., Ch. 38, Sec. 3A.)

24 [Sections 1011.065-1011.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 1011.101. DISTRICT RESPONSIBILITY. The district has
27 full responsibility for providing medical and hospital care for the

1 district's residents, including the district's needy and indigent
2 residents. (Acts 60th Leg., R.S., Ch. 38, Secs. 2(a) (part), 12
3 (part).)

4 Sec. 1011.102. RESTRICTION ON COUNTY OR MUNICIPAL
5 TAXATION. Schleicher County or a municipality in Schleicher County
6 may not impose a tax for hospital purposes. (Acts 60th Leg., R.S.,
7 Ch. 38, Sec. 12 (part).)

8 Sec. 1011.103. MANAGEMENT AND CONTROL OF DISTRICT. The
9 management and control of the district is vested in the board.
10 (Acts 60th Leg., R.S., Ch. 38, Sec. 4 (part).)

11 Sec. 1011.104. RULES. (a) The board may adopt rules
12 governing the operation of the district and district facilities.

13 (b) The rules, on approval by the board, may be published in
14 booklet form at district expense and may be made available to any
15 taxpayer on request. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(c).)

16 Sec. 1011.105. PURCHASING AND ACCOUNTING PROCEDURES. (a)
17 The board may prescribe the method and manner of making purchases
18 and expenditures by and for the district.

19 (b) The board shall prescribe:

20 (1) all accounting and control procedures; and

21 (2) the method of purchasing necessary supplies,
22 materials, and equipment. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(a)
23 (part).)

24 Sec. 1011.106. EMINENT DOMAIN. (a) The district may
25 exercise the power of eminent domain to acquire a fee simple or
26 other interest in any type of property located in district
27 territory, if the interest is necessary or convenient for the

1 district to exercise a right, power, privilege, or function
2 conferred on the district by this chapter.

3 (b) The district must exercise the power of eminent domain
4 in the manner provided by Chapter 21, Property Code, except the
5 district is not required to deposit in the trial court money or a
6 bond as provided by Section 21.021(a), Property Code.

7 (c) In a condemnation proceeding brought by the district,
8 the district is not required to:

9 (1) pay in advance or provide bond or other security
10 for costs in the trial court;

11 (2) provide bond for the issuance of a temporary
12 restraining order or a temporary injunction; or

13 (3) provide a bond for costs or a supersedeas bond on
14 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 38,
15 Sec. 9.)

16 Sec. 1011.107. GIFTS AND ENDOWMENTS. The board may accept
17 for the district a gift or endowment to be held in trust and
18 administered by the board for the purposes and under the
19 directions, limitations, or other provisions prescribed in writing
20 by the donor that are not inconsistent with the proper management
21 and objectives of the district. (Acts 60th Leg., R.S., Ch. 38, Sec.
22 14.)

23 Sec. 1011.108. PROVISION OF SERVICES OUTSIDE DISTRICT. On
24 approval of the board, the district may provide primary care,
25 emergency services, preventive medical services, and other
26 health-related services outside the district if the services serve
27 the district's purpose. (Acts 60th Leg., R.S., Ch. 38, Sec. 1

1 (part).)

2 Sec. 1011.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)

3 When a patient who claims to be indigent is admitted to a district
4 facility, the board shall have an inquiry made into the
5 circumstances of:

6 (1) the patient; and

7 (2) the patient's relatives legally liable for the
8 patient's support.

9 (b) If an agent designated by the district to handle the
10 inquiry determines that the patient or those relatives cannot pay
11 for all or part of the patient's care and treatment in the hospital,
12 the amount that cannot be paid becomes a charge against the
13 district.

14 (c) If it is determined that the patient or those relatives
15 are liable to pay for all or part of the patient's care and
16 treatment, the patient or those relatives shall be ordered to pay to
17 the district's treasurer a specified amount each week for the
18 patient's support. The amount ordered must be proportionate to
19 their financial ability and may not exceed the actual per capita
20 cost of maintenance.

21 (d) The district may collect the amount from the patient's
22 estate, or from those relatives legally liable for the patient's
23 support, in the manner provided by law for the collection of
24 expenses of the last illness of a deceased person.

25 (e) If there is a dispute as to the ability to pay or doubt
26 in the mind of the district's designated agent, the board shall hold
27 a hearing and, after calling witnesses, shall:

1 (1) resolve the dispute or doubt; and

2 (2) issue any appropriate order.

3 (f) The order may be appealed to the district court. (Acts
4 60th Leg., R.S., Ch. 38, Sec. 13.)

5 Sec. 1011.110. AUTHORITY TO SUE AND BE SUED. As a
6 governmental agency, the district may sue and be sued in its own
7 name in any court in this state. (Acts 60th Leg., R.S., Ch. 38, Sec.
8 16 (part).)

9 [Sections 1011.111-1011.150 reserved for expansion]

10 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

11 Sec. 1011.151. BUDGET. The board annually shall have a
12 budget prepared for the next fiscal year that includes:

13 (1) proposed expenditures and disbursements;

14 (2) estimated receipts and collections; and

15 (3) the amount of taxes required to be imposed for the
16 year. (Acts 60th Leg., R.S., Ch. 38, Sec. 8(b) (part).)

17 Sec. 1011.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)
18 The board shall hold a public hearing on the proposed budget.

19 (b) Notice of the hearing must be published at least once in
20 a newspaper of general circulation in Schleicher County not later
21 than the 10th day before the date of the hearing.

22 (c) Any district taxpayer is entitled to:

23 (1) appear at the time and place designated in the
24 notice; and

25 (2) be heard regarding any item included in the
26 proposed budget. (Acts 60th Leg., R.S., Ch. 38, Sec. 8(b) (part).)

27 Sec. 1011.153. FISCAL YEAR. The district's fiscal year

1 begins on January 1 and ends on December 31. (Acts 60th Leg., R.S.,
2 Ch. 38, Sec. 8(a) (part).)

3 Sec. 1011.154. ANNUAL AUDIT. (a) The board annually shall
4 have an independent audit made of the district's books and records
5 for the preceding fiscal year.

6 (b) Not later than March 31 each year, the audit shall be
7 filed:

8 (1) with the comptroller; and

9 (2) at the district's office. (Acts 60th Leg., R.S.,
10 Ch. 38, Sec. 8(a) (part).)

11 Sec. 1011.155. DEPOSITORY OR TREASURER. (a) The board by
12 resolution shall designate a bank or banks in Schleicher County as
13 the district's depository or treasurer. A designated bank serves
14 for two years and until a successor is designated.

15 (b) All income received by the district shall be deposited
16 with the district depository.

17 (c) All district money shall be secured in the manner
18 provided for securing county funds. (Acts 60th Leg., R.S., Ch. 38,
19 Secs. 5(b) (part), 10.)

20 [Sections 1011.156-1011.200 reserved for expansion]

21 SUBCHAPTER E. BONDS

22 Sec. 1011.201. GENERAL OBLIGATION BONDS. The board may
23 issue and sell general obligation bonds in the name and on the faith
24 and credit of the district for any purpose relating to the purchase,
25 construction, acquisition, repair, or renovation of buildings or
26 improvements and equipping buildings and improvements for hospital
27 purposes. (Acts 60th Leg., R.S., Ch. 38, Sec. 6(a) (part).)

1 Sec. 1011.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)
2 The board shall impose an ad valorem tax at a rate sufficient to
3 create an interest and sinking fund to pay the principal of and
4 interest on general obligation bonds issued under Section 1011.201
5 as the bonds mature.

6 (b) The tax required by this section together with any
7 maintenance and operations tax the district imposes may not in any
8 year exceed 75 cents on each \$100 valuation of all taxable property
9 in the district. (Acts 60th Leg., R.S., Ch. 38, Sec. 6(a) (part).)

10 Sec. 1011.203. GENERAL OBLIGATION BOND ELECTION. (a) The
11 district may issue general obligation bonds only if the bonds are
12 authorized by a majority of the district voters voting at an
13 election held for that purpose.

14 (b) The board may order a bond election on its own motion.

15 (c) The order must specify:

- 16 (1) the location of the polling places;
17 (2) the presiding election officers;
18 (3) the purpose for which the bonds are to be issued;
19 (4) the amount of the bonds to be authorized;
20 (5) the maximum interest rate of the bonds; and
21 (6) the maximum maturity date of the bonds.

22 (d) Notice of a bond election shall be given by publishing a
23 substantial copy of the order in a newspaper of general circulation
24 in Schleicher County once each week for two consecutive weeks
25 before the date of the election. The first publication must occur at
26 least 14 days before the date of the election. (Acts 60th Leg.,
27 R.S., Ch. 38, Sec. 6(a) (part).)

1 Sec. 1011.204. MATURITY OF GENERAL OBLIGATION BONDS.
2 District general obligation bonds must mature not later than 40
3 years after the date of issuance. (Acts 60th Leg., R.S., Ch. 38,
4 Sec. 6(a) (part).)

5 Sec. 1011.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)
6 The board president shall execute the general obligation bonds in
7 the district's name.

8 (b) The board secretary shall countersign the bonds. (Acts
9 60th Leg., R.S., Ch. 38, Sec. 6(a) (part).)

10 Sec. 1011.206. REFUNDING BONDS. (a) District refunding
11 bonds may be issued without an election and in the manner provided
12 by this subchapter to refund outstanding bonds issued by the
13 district.

14 (b) A refunding bond may be:

15 (1) sold, with the proceeds of the refunding bond
16 applied to the payment of the outstanding bonds; or

17 (2) exchanged wholly or partly for not less than a
18 similar amount of the outstanding bonds and the unpaid matured
19 interest on those bonds. (Acts 60th Leg., R.S., Ch. 38, Secs. 6(a)
20 (part), (b) (part).)

21 [Sections 1011.207-1011.250 reserved for expansion]

22 SUBCHAPTER F. TAXES

23 Sec. 1011.251. IMPOSITION OF AD VALOREM TAX. (a) On final
24 approval of the budget, the board shall impose a tax on all taxable
25 property in the district subject to district taxation.

26 (b) The board shall impose the tax to:

27 (1) pay the interest on and create a sinking fund for

bonds issued by the district for hospital purposes as provided by this chapter;

(2) provide for the maintenance and operations of the hospital, hospital system, or related facilities;

(3) make improvements and additions to the hospital system; and

(4) acquire necessary sites for the hospital system by purchase, lease, or condemnation. (Acts 60th Leg., R.S., Ch. 38, Secs. 5(a) (part), (b) (part), 8(b) (part).)

Sec. 1011.252. TAX RATE. The board may impose the tax at a rate not to exceed 75 cents on each \$100 valuation of all taxable property in the district. (Acts 60th Leg., R.S., Ch. 38, Sec. 5(a) (part).)

Sec. 1011.253. TAX ASSESSOR-COLLECTOR. The tax assessor-collector of Schleicher County shall assess and collect taxes imposed by the district. (Acts 60th Leg., R.S., Ch. 38, Secs. 5(b) (part), 8(b) (part).)

CHAPTER 1034. HALL COUNTY HOSPITAL DISTRICT

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Sec. 1034.004. DISTRICT TERRITORY

Sec. 1034.005. DISTRICT SUPPORT OR MAINTENANCE NOT

STATE OBLIGATION

Sec. 1034.006. RESTRICTION ON STATE FINANCIAL

ASSISTANCE

[Sections 1034.007-1034.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1034.051. BOARD ELECTION; TERM

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Sec. 1034.057. COMPENSATION; EXPENSES

Sec. 1034.058. VOTING REQUIREMENT

Sec. 1034.059. DISTRICT ADMINISTRATOR

Sec. 1034.060. GENERAL DUTIES OF DISTRICT

ADMINISTRATOR

Sec. 1034.061. ASSISTANT DISTRICT ADMINISTRATOR;

ATTORNEY

Sec. 1034.062. APPOINTMENT OF STAFF AND EMPLOYEES

Sec. 1034.063. RETIREMENT BENEFITS

[Sections 1034.064-1034.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1034.101. DISTRICT RESPONSIBILITY

Sec. 1034.102. RESTRICTION ON COUNTY TAXATION AND DEBT

Sec. 1034.103. MANAGEMENT, CONTROL, AND ADMINISTRATION

Sec. 1034.104. RULES

Sec. 1034.105. PURCHASING AND ACCOUNTING PROCEDURES

Sec. 1034.106. MOBILE EMERGENCY MEDICAL SERVICE

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EQUIPMENT

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9 Sec. 1034.115. REIMBURSEMENT FOR SERVICES
10 Sec. 1034.116. AUTHORITY TO SUE AND BE SUED
11 [Sections 1034.117-1034.150 reserved for expansion]
12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
13 Sec. 1034.151. BUDGET
14 Sec. 1034.152. NOTICE; HEARING; ADOPTION OF BUDGET
15 Sec. 1034.153. AMENDMENTS TO BUDGET
16 Sec. 1034.154. RESTRICTION ON EXPENDITURES
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18 Sec. 1034.156. ANNUAL AUDIT
19 Sec. 1034.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
20 RECORDS
21 Sec. 1034.158. FINANCIAL REPORT
22 Sec. 1034.159. DEPOSITORY
23 Sec. 1034.160. SPENDING AND INVESTMENT RESTRICTIONS
24 [Sections 1034.161-1034.200 reserved for expansion]
25 SUBCHAPTER E. BONDS
26 Sec. 1034.201. GENERAL OBLIGATION BONDS
27 Sec. 1034.202. TAX TO PAY GENERAL OBLIGATION BONDS

1 Sec. 1034.203. GENERAL OBLIGATION BOND ELECTION

2 Sec. 1034.204. REVENUE BONDS

3 Sec. 1034.205. REFUNDING BONDS

4 Sec. 1034.206. MATURITY OF BONDS

5 Sec. 1034.207. EXECUTION OF BONDS

6 Sec. 1034.208. BONDS EXEMPT FROM TAXATION

7 [Sections 1034.209-1034.250 reserved for expansion]

8 SUBCHAPTER F. TAXES

9 Sec. 1034.251. IMPOSITION OF AD VALOREM TAX

10 Sec. 1034.252. TAX RATE

11 Sec. 1034.253. ELECTION TO INCREASE MAXIMUM TAX RATE

12 Sec. 1034.254. TAX ASSESSOR-COLLECTOR

13 CHAPTER 1034. HALL COUNTY HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1034.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the
17 district.

18 (2) "Director" means a member of the board.

19 (3) "District" means the Hall County Hospital
20 District. (Acts 70th Leg., R.S., Ch. 1017, Sec. 1.01.)

21 Sec. 1034.002. AUTHORITY FOR OPERATION. The Hall County
22 Hospital District operates and is financed as provided by Section
23 9, Article IX, Texas Constitution, and by this chapter. (Acts 70th
24 Leg., R.S., Ch. 1017, Sec. 1.02.)

25 Sec. 1034.003. ESSENTIAL PUBLIC FUNCTION. The district is
26 a public entity performing an essential public function. (Acts
27 70th Leg., R.S., Ch. 1017, Sec. 7.11 (part).)

1 Sec. 1034.004. DISTRICT TERRITORY. The boundaries of the
2 district are coextensive with the boundaries of Hall County, Texas.
3 (Acts 70th Leg., R.S., Ch. 1017, Sec. 1.03.)

4 Sec. 1034.005. DISTRICT SUPPORT OR MAINTENANCE NOT STATE
5 OBLIGATION. This state may not be obligated for the support or
6 maintenance of the district. (Acts 70th Leg., R.S., Ch. 1017, Sec.
7 9.01 (part).)

8 Sec. 1034.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.
9 The legislature may not make a direct appropriation for the
10 construction, maintenance, or improvement of a district facility.
11 (Acts 70th Leg., R.S., Ch. 1017, Sec. 9.01 (part).)

12 [Sections 1034.007-1034.050 reserved for expansion]

13 SUBCHAPTER B. DISTRICT ADMINISTRATION

14 Sec. 1034.051. BOARD ELECTION; TERM. (a) The district is
15 governed by a board of five directors elected from the district at
16 large.

17 (b) Unless four-year terms are established under Section
18 285.081, Health and Safety Code:

- 19 (1) directors serve staggered two-year terms; and
20 (2) an election shall be held annually on the May
21 uniform election date to elect the appropriate number of directors.
22 (Acts 70th Leg., R.S., Ch. 1017, Secs. 4.01(a), 4.03(a), (c)
23 (part).)

24 Sec. 1034.052. NOTICE OF ELECTION. At least 35 days before
25 the date of a directors' election, notice of the election must be
26 published one time in a newspaper with general circulation in the
27 district. (Acts 70th Leg., R.S., Ch. 1017, Sec. 4.04.)

1 Sec. 1034.053. BALLOT PETITION. A person who wants to have
2 the person's name printed on the ballot as a candidate for director
3 must file with the board secretary a petition requesting that
4 action. The petition must be:

5 (1) signed by at least three registered voters of the
6 district as determined by the most recent official list of
7 registered voters; and

8 (2) filed by the deadline imposed by Section 144.005,
9 Election Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 4.05.)

10 Sec. 1034.054. QUALIFICATIONS FOR OFFICE. (a) To be
11 eligible to be a candidate for or to serve as a director, a person
12 must be:

13 (1) a resident of the district; and

14 (2) a qualified voter.

15 (b) A district employee may not serve as a director. (Acts
16 70th Leg., R.S., Ch. 1017, Sec. 4.06.)

17 Sec. 1034.055. BOARD VACANCY. If a vacancy occurs in the
18 office of director, the remaining directors shall appoint a
19 director for the unexpired term. (Acts 70th Leg., R.S., Ch. 1017,
20 Sec. 4.07.)

21 Sec. 1034.056. OFFICERS. (a) The board shall elect from
22 among its members a president and a vice president.

23 (b) The board shall appoint a secretary, who need not be a
24 director.

25 (c) Each officer of the board serves a one-year term.

26 (d) The board shall fill a vacancy in a board office for the
27 unexpired term. (Acts 70th Leg., R.S., Ch. 1017, Secs. 4.08, 4.09.)

1 Sec. 1034.057. COMPENSATION; EXPENSES. A director or
2 officer serves without compensation but may be reimbursed for
3 actual expenses incurred in the performance of official duties.
4 The expenses must be:

- 5 (1) reported in the district's records; and
6 (2) approved by the board. (Acts 70th Leg., R.S., Ch.
7 1017, Sec. 4.10.)

8 Sec. 1034.058. VOTING REQUIREMENT. A concurrence of a
9 majority of the directors voting is necessary in matters relating
10 to district business. (Acts 70th Leg., R.S., Ch. 1017, Sec. 4.11.)

11 Sec. 1034.059. DISTRICT ADMINISTRATOR. (a) The board may
12 appoint a qualified person as district administrator.

13 (b) The district administrator serves at the will of the
14 board and is entitled to compensation as determined by the board.

15 (c) Before assuming the duties of district administrator,
16 the administrator must execute a bond in an amount determined by the
17 board of not less than \$5,000 that is:

- 18 (1) payable to the district; and
19 (2) conditioned on the faithful performance of the
20 administrator's duties under this chapter.

21 (d) The board may pay for the bond with district money.
22 (Acts 70th Leg., R.S., Ch. 1017, Secs. 4.12(a) (part), (b) (part),
23 (c) (part), (d).)

24 Sec. 1034.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
25 Subject to the limitations prescribed by the board, the district
26 administrator shall:

- 27 (1) supervise the work and activities of the district;

1 and

2 (2) direct the general affairs of the district. (Acts
3 70th Leg., R.S., Ch. 1017, Sec. 4.15.)

4 Sec. 1034.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

5 (a) The board may appoint qualified persons as:

6 (1) the assistant district administrator; and

7 (2) the attorney for the district.

8 (b) The assistant district administrator and the attorney
9 for the district serve at the will of the board and are entitled to
10 compensation as determined by the board. (Acts 70th Leg., R.S., Ch.
11 1017, Secs. 4.12(a) (part), (b) (part), (c) (part).)

12 Sec. 1034.062. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
13 board may appoint to the staff any doctors the board considers
14 necessary for the efficient operation of the district and may make
15 temporary appointments as considered necessary.

16 (b) The district may employ technicians, nurses, fiscal
17 agents, accountants, architects, additional attorneys, and other
18 necessary employees.

19 (c) The board may delegate to the district administrator the
20 authority to employ persons for the district. (Acts 70th Leg.,
21 R.S., Ch. 1017, Secs. 4.13, 4.14.)

22 Sec. 1034.063. RETIREMENT BENEFITS. The board may provide
23 retirement benefits for district employees by:

24 (1) establishing or administering a retirement
25 program; or

26 (2) participating in:

27 (A) the Texas County and District Retirement

1 System; or

2 (B) another statewide retirement system in which
3 the district is eligible to participate. (Acts 70th Leg., R.S., Ch.
4 1017, Sec. 4.16.)

5 [Sections 1034.064-1034.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 1034.101. DISTRICT RESPONSIBILITY. The district has
8 full responsibility for operating hospital facilities and for
9 providing medical and hospital care for the district's needy
10 inhabitants. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.02 (part).)

11 Sec. 1034.102. RESTRICTION ON COUNTY TAXATION AND DEBT.
12 Hall County may not impose a tax or issue bonds or other obligations
13 for hospital purposes or to provide medical care for district
14 residents. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.01(b).)

15 Sec. 1034.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.
16 The board shall manage, control, and administer the hospital system
17 and the district's money and resources. (Acts 70th Leg., R.S., Ch.
18 1017, Sec. 5.03.)

19 Sec. 1034.104. RULES. The board may adopt rules governing:

20 (1) the operation of the hospital and hospital system;
21 and

22 (2) the duties, functions, and responsibilities of
23 district staff and employees. (Acts 70th Leg., R.S., Ch. 1017, Sec.
24 5.04.)

25 Sec. 1034.105. PURCHASING AND ACCOUNTING PROCEDURES. The
26 board may prescribe:

27 (1) the method of making purchases and expenditures by

1 and for the district; and

2 (2) accounting and control procedures for the
3 district. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.05.)

4 Sec. 1034.106. MOBILE EMERGENCY MEDICAL SERVICE. The
5 district may operate or provide for the operation of a mobile
6 emergency medical service. (Acts 70th Leg., R.S., Ch. 1017, Sec.
7 5.02 (part).)

8 Sec. 1034.107. DISTRICT PROPERTY, FACILITIES, AND
9 EQUIPMENT. (a) The board shall determine:

10 (1) the type, number, and location of buildings
11 required to maintain an adequate hospital system; and

12 (2) the type of equipment necessary for hospital care.

13 (b) The board may:

14 (1) acquire property, including facilities and
15 equipment, for the district for use in the hospital system; and

16 (2) mortgage or pledge the property as security for
17 payment of the purchase price.

18 (c) The board may lease hospital facilities for the
19 district.

20 (d) The board may sell or otherwise dispose of property,
21 including facilities or equipment, for the district. (Acts 70th
22 Leg., R.S., Ch. 1017, Sec. 5.06.)

23 Sec. 1034.108. EMINENT DOMAIN. (a) The district may
24 exercise the power of eminent domain to acquire a fee simple or
25 other interest in property located in district territory if the
26 interest is necessary to exercise a right or authority conferred by
27 this chapter.

1 (b) The district must exercise the power of eminent domain
2 in the manner provided by Chapter 21, Property Code, except that the
3 district is not required to deposit in the trial court money or a
4 bond as provided by Section 21.021(a), Property Code.

5 (c) In a condemnation proceeding brought by the district,
6 the district is not required to:

7 (1) pay in advance or provide a bond or other security
8 for costs in the trial court;

9 (2) provide a bond for the issuance of a temporary
10 restraining order or a temporary injunction; or

11 (3) provide a bond for costs or a supersedeas bond on
12 an appeal or petition for review. (Acts 70th Leg., R.S., Ch. 1017,
13 Sec. 5.09.)

14 Sec. 1034.109. COST OF RELOCATING OR ALTERING PROPERTY. In
15 exercising the power of eminent domain, if the board requires
16 relocating, raising, lowering, rerouting, changing the grade, or
17 altering the construction of any railroad, highway, pipeline, or
18 electric transmission and electric distribution, telegraph, or
19 telephone line, conduit, pole, or facility, the district must bear
20 the actual cost of relocating, raising, lowering, rerouting,
21 changing the grade, or altering the construction to provide
22 comparable replacement without enhancement of facilities, after
23 deducting the net salvage value derived from the old facility.
24 (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.10.)

25 Sec. 1034.110. GIFTS AND ENDOWMENTS. The board may accept
26 for the district a gift or endowment to be held in trust for any
27 purpose and under any direction, limitation, or other provision

1 prescribed in writing by the donor that is consistent with the
2 proper management of the district. (Acts 70th Leg., R.S., Ch. 1017,
3 Sec. 5.14.)

4 Sec. 1034.111. CONSTRUCTION CONTRACTS. (a) The board may
5 enter into construction contracts for the district.

6 (b) The board may enter into a construction contract that
7 involves the expenditure of more than the amount provided by
8 Section 271.024, Local Government Code, only after competitive
9 bidding as provided by Subchapter B, Chapter 271, Local Government
10 Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.07(a).)

11 Sec. 1034.112. OPERATING AND MANAGEMENT CONTRACTS. The
12 board may enter into an operating or management contract relating
13 to a hospital facility for the district. (Acts 70th Leg., R.S., Ch.
14 1017, Sec. 5.08.)

15 Sec. 1034.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
16 SERVICES. The board may contract with a political subdivision of
17 this state or with a state or federal agency for the district to:

- 18 (1) furnish a mobile emergency medical service; or
19 (2) provide for the investigatory or welfare needs of
20 district inhabitants. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.13.)

21 Sec. 1034.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)
22 When an individual who resides in the district is admitted as a
23 patient to a district facility, the district administrator may have
24 an inquiry made into the financial circumstances of:

- 25 (1) the patient; and
26 (2) a relative of the patient legally responsible for
27 the patient's support.

1 (b) To the extent that the patient or the relative of the
2 patient legally responsible for the patient's support cannot pay
3 for care and treatment provided by the district, the district shall
4 supply the care and treatment without charging the patient or the
5 relative.

6 (c) On determining that the patient or a relative legally
7 responsible for the patient's support can pay for all or part of the
8 care and treatment provided by the district, the district
9 administrator shall report that determination to the board, and the
10 board shall issue an order directing the patient or the relative to
11 pay the district a specified amount each week. The amount must be
12 based on the individual's ability to pay.

13 (d) The district administrator may collect money owed to the
14 district from the patient's estate or from the estate of a relative
15 legally responsible for the patient's support in the manner
16 provided by law for the collection of expenses in the last illness
17 of a deceased person.

18 (e) If there is a dispute relating to an individual's
19 ability to pay or if the district administrator has any doubt
20 concerning an individual's ability to pay, the board shall:

- 21 (1) call witnesses;
22 (2) hear and resolve the question; and
23 (3) issue a final order.

24 (f) The final order of the board may be appealed to a
25 district court in Hall County. The substantial evidence rule
26 applies to the appeal. (Acts 70th Leg., R.S., Ch. 1017, Secs.
27 5.11(b), (c), (d), (e), (f).)

1 Sec. 1034.115. REIMBURSEMENT FOR SERVICES. (a) The board
2 shall require a county, municipality, or public hospital located
3 outside the district to reimburse the district for the district's
4 care and treatment of a sick or injured person of that county,
5 municipality, or public hospital, as provided by Chapter 61, Health
6 and Safety Code.

7 (b) The board shall require the sheriff of Hall County to
8 reimburse the district for the district's care and treatment of a
9 person confined in a jail facility of Hall County who is not a
10 district resident.

11 (c) On behalf of the district, the board may contract with
12 the state or federal government for that government to reimburse
13 the district for treatment of a sick or injured person. (Acts 70th
14 Leg., R.S., Ch. 1017, Sec. 5.12.)

15 Sec. 1034.116. AUTHORITY TO SUE AND BE SUED. The board may
16 sue and be sued on behalf of the district. (Acts 70th Leg., R.S.,
17 Ch. 1017, Sec. 5.15.)

18 [Sections 1034.117-1034.150 reserved for expansion]

19 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

20 Sec. 1034.151. BUDGET. (a) The district administrator
21 shall prepare a proposed annual budget for the district.

22 (b) The proposed budget must contain a complete financial
23 statement, including a statement of:

- 24 (1) the outstanding obligations of the district;
25 (2) the amount of cash on hand to the credit of each
26 district fund;
27 (3) the amount of money received by the district from

1 all sources during the previous year;

2 (4) the amount of money available to the district from
3 all sources during the ensuing year;

4 (5) the amount of the balances expected at the end of
5 the year in which the budget is being prepared;

6 (6) the estimated amount of revenue and balances
7 available to cover the proposed budget; and

8 (7) the estimated tax rate required. (Acts 70th Leg.,
9 R.S., Ch. 1017, Sec. 6.04.)

10 Sec. 1034.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)
11 The board shall hold a public hearing on the proposed annual budget.

12 (b) The board shall publish notice of the hearing in a
13 newspaper of general circulation in the district not later than the
14 10th day before the date of the hearing.

15 (c) Any district resident is entitled to be present and
16 participate at the hearing.

17 (d) At the conclusion of the hearing, the board shall adopt
18 a budget by acting on the budget proposed by the district
19 administrator. The board may make any changes in the proposed
20 budget that the board judges to be in the interests of the
21 taxpayers.

22 (e) The budget is effective only after adoption by the
23 board. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.05.)

24 Sec. 1034.153. AMENDMENTS TO BUDGET. After the annual
25 budget is adopted, the budget may be amended on the board's
26 approval. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.06.)

27 Sec. 1034.154. RESTRICTION ON EXPENDITURES. Money may be

1 spent only for an expense included in the annual budget or an
2 amendment to the budget. (Acts 70th Leg., R.S., Ch. 1017, Sec.
3 6.07.)

4 Sec. 1034.155. FISCAL YEAR. (a) The district operates
5 according to a fiscal year established by the board.

6 (b) The fiscal year may not be changed:

7 (1) during a period that revenue bonds of the district
8 are outstanding; or

9 (2) more than once in a 24-month period. (Acts 70th
10 Leg., R.S., Ch. 1017, Sec. 6.01.)

11 Sec. 1034.156. ANNUAL AUDIT. The board annually shall have
12 an audit made of the district's financial condition. (Acts 70th
13 Leg., R.S., Ch. 1017, Sec. 6.02.)

14 Sec. 1034.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
15 RECORDS. The annual audit and other district records shall be open
16 to inspection during regular business hours at the district's
17 principal office. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.03.)

18 Sec. 1034.158. FINANCIAL REPORT. As soon as practicable
19 after the close of the fiscal year, the district administrator
20 shall prepare for the board:

21 (1) a sworn statement of the amount of district money;
22 and

23 (2) an account of the disbursements of that money.
24 (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.08.)

25 Sec. 1034.159. DEPOSITORY. (a) The board shall select at
26 least one bank to serve as a depository for district money.

27 (b) District money, other than money invested as provided by

1 Section 1034.160(b) and money transmitted to a bank for payment of
2 bonds or obligations issued or assumed by the district, shall be
3 deposited as received with the depository bank and shall remain on
4 deposit. This subsection does not limit the power of the board to:

- 5 (1) place a part of district money on time deposit; or
6 (2) purchase certificates of deposit. (Acts 70th
7 Leg., R.S., Ch. 1017, Secs. 6.10(a), (b).)

8 Sec. 1034.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)
9 Except as provided by Sections 1034.111, 1034.201, 1034.204, and
10 1034.205, the district may not incur a debt payable from district
11 revenue other than the revenue on hand or to be on hand in the
12 current and immediately following district fiscal years.

13 (b) The board may invest operating, depreciation, or
14 building reserves only in funds or securities specified by Chapter
15 2256, Government Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.09.)

16 [Sections 1034.161-1034.200 reserved for expansion]

17 SUBCHAPTER E. BONDS

18 Sec. 1034.201. GENERAL OBLIGATION BONDS. If authorized by
19 an election, the board may issue and sell general obligation bonds
20 in the name and on the faith and credit of the district to:

21 (1) purchase, construct, acquire, repair, or renovate
22 buildings or improvements;

23 (2) equip buildings or improvements for hospital
24 purposes; or

25 (3) acquire and operate a mobile emergency medical
26 service. (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.01.)

27 Sec. 1034.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At

1 the time general obligation bonds are issued by the district, the
2 board shall impose an ad valorem tax at a rate sufficient to create
3 an interest and sinking fund to pay the principal of and interest on
4 the bonds as the bonds mature.

5 (b) The tax required by this section together with any other
6 ad valorem tax the district imposes may not in any year exceed the
7 limit approved by the voters at the election authorizing the
8 imposition of the tax. (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.02.)

9 Sec. 1034.203. GENERAL OBLIGATION BOND ELECTION. (a) The
10 district may issue general obligation bonds only if the bonds are
11 authorized by a majority of the district voters voting at an
12 election held for that purpose.

13 (b) The board may order a bond election.

14 (c) The order calling the election must specify:

- 15 (1) the nature and date of the election;
16 (2) the hours during which the polls will be open;
17 (3) the location of the polling places;
18 (4) the amount of the bonds to be authorized; and
19 (5) the maximum maturity of the bonds.

20 (d) Notice of a bond election shall be given as provided by
21 Section 1251.003, Government Code.

22 (e) The board shall declare the results of the election.
23 (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.03.)

24 Sec. 1034.204. REVENUE BONDS. (a) The board may issue
25 revenue bonds to:

- 26 (1) purchase, construct, acquire, repair, renovate,
27 or equip buildings or improvements for hospital purposes;

1 (2) acquire sites to be used for hospital purposes; or

2 (3) acquire and operate a mobile emergency medical
3 service to assist the district in carrying out its hospital
4 purposes.

5 (b) The bonds must be payable from and secured by a pledge of
6 all or part of the revenue derived from the operation of the
7 district's hospital system.

8 (c) The bonds may be additionally secured by a mortgage or
9 deed of trust lien on all or part of district property.

10 (d) The bonds must be issued in the manner provided by
11 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,
12 Health and Safety Code, for issuance of revenue bonds by a county
13 hospital authority. (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.04.)

14 Sec. 1034.205. REFUNDING BONDS. (a) The board may issue
15 refunding bonds to refund outstanding indebtedness issued or
16 assumed by the district.

17 (b) Refunding bonds may be:

18 (1) sold, with the proceeds of the refunding bonds
19 applied to the payment of outstanding indebtedness; or

20 (2) exchanged wholly or partly for not less than a
21 similar principal amount of outstanding indebtedness. (Acts 70th
22 Leg., R.S., Ch. 1017, Secs. 7.05(a), (c) (part).)

23 Sec. 1034.206. MATURITY OF BONDS. District bonds must
24 mature not later than 50 years after the date of issuance. (Acts
25 70th Leg., R.S., Ch. 1017, Sec. 7.06 (part).)

26 Sec. 1034.207. EXECUTION OF BONDS. The board president
27 shall execute district bonds in the district's name, and the board

1 secretary shall countersign the bonds in the manner provided by
2 Chapter 618, Government Code. (Acts 70th Leg., R.S., Ch. 1017, Sec.
3 7.07.)

4 Sec. 1034.208. BONDS EXEMPT FROM TAXATION. The following
5 are exempt from taxation by this state or by a political subdivision
6 of this state:

- 7 (1) bonds issued by the district;
- 8 (2) any transaction relating to the bonds; and
- 9 (3) profits made in the sale of the bonds. (Acts 70th
10 Leg., R.S., Ch. 1017, Sec. 7.11 (part).)

11 [Sections 1034.209-1034.250 reserved for expansion]

12 SUBCHAPTER F. TAXES

13 Sec. 1034.251. IMPOSITION OF AD VALOREM TAX. (a) The board
14 may impose a tax on all property in the district subject to district
15 taxation.

16 (b) The tax may be used to pay:

- 17 (1) indebtedness issued or assumed by the district;
- 18 and
- 19 (2) district maintenance and operating expenses.

20 (c) The district may not impose a tax to pay the principal of
21 or interest on revenue bonds issued under this chapter. (Acts 70th
22 Leg., R.S., Ch. 1017, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

23 Sec. 1034.252. TAX RATE. (a) The board may impose the tax
24 at a rate not to exceed the limit approved by the voters at the
25 election authorizing the imposition of the tax.

26 (b) Unless the rate is increased as provided by Section
27 1034.253, the tax rate for all purposes may not exceed 20 cents on

1 each \$100 valuation of all taxable property in the district.

2 (c) In setting the tax rate, the board shall consider the
3 income of the district from sources other than taxation. (Acts 70th
4 Leg., R.S., Ch. 1017, Secs. 8.01(a) (part), (b), 8.03 (part).)

5 Sec. 1034.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)
6 The board may order an election to increase the district's maximum
7 tax rate to 75 cents on each \$100 valuation of taxable property in
8 the district. The board shall order the election if the board
9 receives a petition requesting an election that is signed by at
10 least 50 qualified voters in the district.

11 (b) The ballot for the election shall be printed to permit
12 voting for or against the proposition: "The imposition of annual
13 taxes by the district for hospital purposes at a rate not to exceed
14 75 cents on the \$100 valuation of all taxable property in the
15 district."

16 (c) If the board finds that the election results favor the
17 proposition, the board may impose taxes as authorized by the
18 proposition. If the board finds that the election results do not
19 favor the proposition, another election on the question of
20 increasing the district's maximum tax rate may not be held before
21 the first anniversary of the date of the most recent election at
22 which voters disapproved the proposition.

23 (d) Section 41.001(a), Election Code, does not apply to an
24 election ordered under this section. (Acts 70th Leg., R.S., Ch.
25 1017, Secs. 8.01A(a), (b) (part), (c) (part), (d) (part).)

26 Sec. 1034.254. TAX ASSESSOR-COLLECTOR. The board may
27 provide for the appointment of a tax assessor-collector for the

district or may contract for the assessment and collection of taxes as provided by the Tax Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 8.04(b).)

CHAPTER 1058. MCCAMEY COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1058.001. DEFINITIONS

Sec. 1058.002. AUTHORITY FOR CREATION

Sec. 1058.003. POLITICAL SUBDIVISION

Sec. 1058.004. DISTRICT TERRITORY

Sec. 1058.005. CONSOLIDATION OF DISTRICT AND RANKIN

COUNTY HOSPITAL DISTRICT

[Sections 1058.006-1058.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1058.051. BOARD ELECTION; TERM

Sec. 1058.052. NOTICE OF ELECTION

Sec. 1058.053. QUALIFICATIONS FOR OFFICE

Sec. 1058.054. BOND; RECORD OF BOND AND OATH

Sec. 1058.055. BOARD VACANCY

Sec. 1058.056. OFFICERS

Sec. 1058.057. VOTING REQUIREMENT

Sec. 1058.058. RECORDS OF PROCEEDINGS

Sec. 1058.059. DISTRICT ADMINISTRATOR

Sec. 1058.060. GENERAL DUTIES OF DISTRICT

ADMINISTRATOR

Sec. 1058.061. ASSISTANT TO DISTRICT ADMINISTRATOR

Sec. 1058.062. LEGAL COUNSEL

Sec. 1058.063. RETIREMENT PROGRAM

1 Sec. 1058.064. MAINTENANCE OF RECORDS; PUBLIC
2 INSPECTION
3 Sec. 1058.065. SEAL
4 [Sections 1058.066-1058.100 reserved for expansion]
5 SUBCHAPTER C. POWERS AND DUTIES
6 Sec. 1058.101. DISTRICT RESPONSIBILITY
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26 SUBCHAPTER E. BONDS
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2 Sec. 1058.203. GENERAL OBLIGATION BOND ELECTION

3 Sec. 1058.204. MATURITY OF GENERAL OBLIGATION BONDS

4 Sec. 1058.205. EXECUTION OF GENERAL OBLIGATION BONDS

5 [Sections 1058.206-1058.250 reserved for expansion]

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7 Sec. 1058.251. IMPOSITION OF AD VALOREM TAX

8 Sec. 1058.252. TAX RATE

9 Sec. 1058.253. ASSESSMENT AND COLLECTION BY COUNTY TAX

10 ASSESSOR-COLLECTOR

11 Sec. 1058.254. ELECTION FOR SEPARATE TAX ASSESSOR AND

12 TAX COLLECTOR

13 Sec. 1058.255. APPOINTMENT OF SEPARATE TAX ASSESSOR

14 AND COLLECTOR

15 CHAPTER 1058. MCCAMEY COUNTY HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1058.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the
19 district.

20 (2) "Director" means a member of the board.

21 (3) "District" means the McCamey County Hospital
22 District. (New.)

23 Sec. 1058.002. AUTHORITY FOR CREATION. The McCamey County
24 Hospital District is created under the authority of Section 9,
25 Article IX, Texas Constitution, and has the rights, powers, and
26 duties provided by this chapter. (Acts 60th Leg., R.S., Ch. 183,
27 Sec. 1 (part).)

1 Sec. 1058.003. POLITICAL SUBDIVISION. The district is a
2 political subdivision of this state. (Acts 60th Leg., R.S., Ch.
3 183, Sec. 21 (part).)

4 Sec. 1058.004. DISTRICT TERRITORY. The boundaries of the
5 district are coextensive with the boundaries of the McCamey
6 Independent School District, as those boundaries existed on January
7 1, 1967. (Acts 60th Leg., R.S., Ch. 183, Sec. 1 (part).)

8 Sec. 1058.005. CONSOLIDATION OF DISTRICT AND RANKIN COUNTY
9 HOSPITAL DISTRICT. (a) The McCamey County Hospital District may be
10 consolidated into the Rankin County Hospital District as provided
11 by this section.

12 (b) On the request of 25 percent or more of the qualified
13 taxpaying voters of each hospital district, the commissioners court
14 of Upton County shall submit the consolidation proposal for vote.

15 (c) Consolidation of the district and the Rankin County
16 Hospital District must be separately approved by a two-thirds
17 majority of the voters voting in each hospital district at an
18 election ordered and held for that purpose.

19 (d) At the consolidation election, five directors shall be
20 elected to serve the consolidated district.

21 (e) Not more than one consolidation election may be held
22 after each general election.

23 (f) Refunding bonds may be issued by the consolidated
24 district to refund any outstanding bonds, including bonds issued by
25 the district on consolidation, original bonds, and refunding bonds.
26 Additional funding may be provided as authorized by this chapter.
27 (Acts 60th Leg., R.S., Ch. 183, Sec. 18.)

[Sections 1058.006-1058.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1058.051. BOARD ELECTION; TERM. (a) The board consists of five directors elected by the district voters.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code, directors serve staggered two-year terms with the terms of two or three directors expiring each year as appropriate. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

Sec. 1058.052. NOTICE OF ELECTION. At least 30 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in Upton County. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

Sec. 1058.053. QUALIFICATIONS FOR OFFICE. (a) To qualify for election to the board, a person must:

- (1) be at least 18 years of age;
- (2) have been a resident of the district for at least two years;
- (3) be a qualified voter; and
- (4) own taxable property in the district and have duly rendered that property for taxation.

(b) An elective or appointed officer of this state or a political subdivision, including Upton County, is not qualified for election to the board. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

Sec. 1058.054. BOND; RECORD OF BOND AND OATH. (a) Each director shall qualify by executing a good and sufficient commercial bond for \$1,000 that is:

1 (1) payable to the district; and

2 (2) conditioned on the faithful performance of the
3 director's duties.

4 (b) The district shall pay for a director's bond.

5 (c) Each director's bond and constitutional oath of office
6 must be deposited with the district's depository bank for
7 safekeeping. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

8 Sec. 1058.055. BOARD VACANCY. (a) The remaining directors
9 by appointment shall fill a vacancy in the office of director.

10 (b) An appointed replacement serves until the next election
11 for directors. An elected director serves only for the remainder of
12 the unexpired term. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

13 Sec. 1058.056. OFFICERS. (a) The board shall elect a
14 presiding officer.

15 (b) A presiding officer pro tem shall preside in the absence
16 of the presiding officer.

17 (c) The district administrator or any director may be
18 appointed secretary. (Acts 60th Leg., R.S., Ch. 183, Sec. 3
19 (part).)

20 Sec. 1058.057. VOTING REQUIREMENT. A concurrence of three
21 directors is sufficient in any matter relating to district
22 business. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

23 Sec. 1058.058. RECORDS OF PROCEEDINGS. (a) The board shall
24 require the board secretary to keep suitable records of all
25 proceedings of each board meeting.

26 (b) After each meeting:

27 (1) the member presiding at the meeting shall read and

1 sign the record; and

2 (2) the board secretary shall attest the record.
3 (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

4 Sec. 1058.059. DISTRICT ADMINISTRATOR. (a) The board
5 shall appoint a general manager to be known as the district
6 administrator.

7 (b) The district administrator must be a qualified
8 practitioner of medicine or be specifically trained for work of
9 that type. The district administrator may not be a director.

10 (c) The district administrator receives the compensation
11 determined by the board.

12 (d) The district administrator serves at the pleasure of the
13 board, and the board may remove the district administrator at any
14 time.

15 (e) Before assuming the duties of district administrator,
16 the administrator must execute a bond payable to the district in an
17 amount of not less than \$10,000 that:

18 (1) is conditioned on the administrator performing
19 well and faithfully the administrator's required duties; and

20 (2) contains any other condition the board requires.
21 (Acts 60th Leg., R.S., Ch. 183, Sec. 4 (part).)

22 Sec. 1058.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
23 Subject to any limitations prescribed by the board, the district
24 administrator shall:

25 (1) perform the duties required by the board;

26 (2) supervise the work and activities of the district;

27 and

1 (3) direct the affairs of the district. (Acts 60th
2 Leg., R.S., Ch. 183, Sec. 4 (part).)

3 Sec. 1058.061. ASSISTANT TO DISTRICT ADMINISTRATOR. (a)
4 The board may designate an assistant to the district administrator
5 to discharge a duty or function of the administrator in the event of
6 the administrator's incapacity, absence, or inability to discharge
7 the duty or function.

8 (b) The assistant shall post the bond required by board
9 order.

10 (c) The assistant is subject to any limitations prescribed
11 by board order. (Acts 60th Leg., R.S., Ch. 183, Sec. 5.)

12 Sec. 1058.062. LEGAL COUNSEL. The board may employ legal
13 counsel to represent the district in all legal matters. (Acts 60th
14 Leg., R.S., Ch. 183, Sec. 20.)

15 Sec. 1058.063. RETIREMENT PROGRAM. (a) With the approval
16 of the commissioners court of Upton County, the board may contract
17 with this state or the federal government as necessary to establish
18 or continue a retirement program for the benefit of district
19 employees.

20 (b) The board may establish other retirement programs for
21 the benefit of district employees as it considers necessary and
22 advisable. (Acts 60th Leg., R.S., Ch. 183, Sec. 4 (part).)

23 Sec. 1058.064. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.
24 All district records, including books, accounts, notices, and
25 minutes, and all other matters of the district and the operation of
26 its facilities shall be:

27 (1) maintained at the district office; and

1 (2) open to public inspection at the district office
2 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 183, Sec. 9
3 (part).)

4 Sec. 1058.065. SEAL. The board shall have a seal engraved
5 with the district's name to authenticate the board's acts. The
6 board secretary shall keep the seal. (Acts 60th Leg., R.S., Ch.
7 183, Sec. 3 (part).)

8 [Sections 1058.066-1058.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 1058.101. DISTRICT RESPONSIBILITY. The district has
11 full responsibility for providing medical and hospital care for the
12 district's needy and indigent residents. (Acts 60th Leg., R.S.,
13 Ch. 183, Sec. 11 (part).)

14 Sec. 1058.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION.
15 Any part of a county or a municipality, any part of which is in the
16 district, may not impose a tax for hospital purposes. (Acts 60th
17 Leg., R.S., Ch. 183, Sec. 11 (part).)

18 Sec. 1058.103. MANAGEMENT AND CONTROL OF DISTRICT. The
19 management and control of the district is vested in the board.
20 (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

21 Sec. 1058.104. EMINENT DOMAIN. (a) The district may
22 exercise the power of eminent domain to acquire a fee simple or
23 other interest in any type of property, real, personal, or mixed,
24 located in district territory if the interest is necessary or
25 convenient to exercise a right, power, privilege, or function
26 conferred on the district by this chapter.

27 (b) The district must exercise the power of eminent domain

1 in the manner provided by Chapter 21, Property Code, except the
2 district is not required to deposit in the trial court money or a
3 bond as provided by Section 21.021(a), Property Code.

4 (c) In a condemnation proceeding brought by the district,
5 the district is not required to:

6 (1) pay in advance or provide a bond otherwise
7 required for the issuance of a temporary restraining order or a
8 temporary injunction; or

9 (2) provide a bond for costs or a supersedeas bond on
10 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 183,
11 Sec. 17.)

12 Sec. 1058.105. GIFTS AND ENDOWMENTS. The board may accept
13 for the district a gift or endowment to be held in trust and
14 administered by the board for the purposes and under any
15 directions, limitations, or other provisions prescribed in writing
16 by the donor that are not inconsistent with the proper management
17 and objectives of the district. (Acts 60th Leg., R.S., Ch. 183,
18 Sec. 16.)

19 Sec. 1058.106. AWARD OF CERTAIN CONTRACTS. (a) The board,
20 on behalf of the district, may enter into a contract that exceeds
21 \$2,000 only with the lowest qualified bidder.

22 (b) Before awarding a contract under this section, notice
23 must be given by:

24 (1) advertising in one or more newspapers of general
25 circulation in this state, once a week for four weeks; and

26 (2) posting a notice for at least 25 days at four
27 public places in Upton County, including:

1 (A) at the courthouse door; and

2 (B) in at least two other places in the district.

3 (c) On application by a person who wants to bid on the
4 contract, the board shall provide to the person:

5 (1) a copy of the plans and specifications; or

6 (2) other data necessary to make the bid.

7 (d) A bid under this section must be in writing, sealed, and
8 delivered to the presiding officer of the board together with a
9 certified check for at least five percent of the total amount of the
10 bid.

11 (e) If the bidder's bid is accepted but the bidder refuses a
12 proper contract with the board, the certified check required by
13 Subsection (d) is forfeited to the district.

14 (f) The board may reject a bid under this section that the
15 board considers too high. (Acts 60th Leg., R.S., Ch. 183, Sec. 13
16 (part).)

17 Sec. 1058.107. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
18 CARE AND TREATMENT. With the approval of the commissioners court
19 of Upton County, the board may contract with:

20 (1) a county other than Upton County for the care and
21 treatment of sick or injured persons of that county; and

22 (2) this state or a federal agency for the care and
23 treatment of a sick or injured person for whom this state or the
24 federal government is responsible. (Acts 60th Leg., R.S., Ch. 183,
25 Sec. 4 (part).)

26 Sec. 1058.108. PAYMENT FOR TREATMENT; PROCEDURES. (a) When
27 a patient from the district is admitted to a district facility, the

1 district administrator shall have an inquiry made into the
2 circumstances of:

3 (1) the patient; and

4 (2) the patient's relatives legally liable for the
5 patient's support.

6 (b) If the district administrator determines that the
7 patient or those relatives cannot pay for all or part of the
8 patient's care and treatment in the hospital, the expense of that
9 care becomes a charge against the district.

10 (c) If the district administrator determines that the
11 patient or those relatives are liable to pay for all or part of the
12 patient's care and treatment, the patient or those relatives shall
13 be ordered to pay the district's treasurer a specified amount each
14 week for the patient's support. The amount ordered must be
15 proportionate to the financial ability and may not exceed the
16 actual per capita cost of maintenance.

17 (d) The district administrator may collect the amount from
18 the patient's estate, or from those relatives legally liable for
19 the patient's support, in the manner provided by law for the
20 collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute, or a doubt in the district
22 administrator's mind, as to the ability to pay, the board shall hold
23 a hearing and, after calling witnesses, shall:

24 (1) resolve the dispute or doubt; and

25 (2) issue any appropriate order.

26 (f) Either party to the dispute may appeal the district's
27 order to the district court. The appeal is by trial de novo as that

term is used in appeals from the justice courts to the county courts. (Acts 60th Leg., R.S., Ch. 183, Sec. 15.)

Sec. 1058.109. AUTHORITY TO SUE AND BE SUED. As a governmental agency, the district may sue and be sued in the district's own name in any court of this state. (Acts 60th Leg., R.S., Ch. 183, Sec. 21 (part).)

[Sections 1058.110-1058.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1058.151. BUDGET. The board annually shall require a budget to be prepared for the next fiscal year that includes:

- (1) proposed expenditures and disbursements;
- (2) estimated receipts and collections; and
- (3) the amount of taxes required to be imposed for the year. (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

Sec. 1058.152. PROPOSED BUDGET: NOTICE AND HEARING. (a) The board shall hold a public hearing on the proposed budget.

(b) Notice of the hearing must be published at least once in a newspaper of general circulation in Upton County not later than the 10th day before the date of the hearing.

(c) Any district taxpayer is entitled to:

- (1) appear at the time and place designated in the notice; and
- (2) be heard regarding any item included in the proposed budget. (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

Sec. 1058.153. FISCAL YEAR. The district's fiscal year begins on October 1 and ends on September 30. (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

1 Sec. 1058.154. ANNUAL AUDIT. (a) The board annually shall
2 have an independent audit made of the district's books and records
3 for the preceding fiscal year.

4 (b) Not later than December 31 of each year, the audit shall
5 be filed:

6 (1) with the county clerk of Upton County; and

7 (2) at the district office. (Acts 60th Leg., R.S., Ch.
8 183, Sec. 9 (part).)

9 Sec. 1058.155. FINANCIAL REPORT. (a) The board and the
10 district administrator shall annually prepare a report under oath
11 that includes:

12 (1) a complete statement of:

13 (A) all money and choses in action; and

14 (B) how the money and choses in action were
15 disbursed or otherwise disposed;

16 (2) the details of district operation during the
17 preceding fiscal year; and

18 (3) a full and complete list of all delinquent
19 accounts owing and due the district, including names and addresses
20 of delinquent debtors.

21 (b) The report shall be filed in:

22 (1) the district office; and

23 (2) the office of the county clerk of Upton County.
24 (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

25 Sec. 1058.156. DEPOSITORY. (a) The board shall designate
26 one or more banks in the district to serve as a depository for
27 district money.

1 (b) All district money shall be immediately deposited on
2 receipt with a depository bank, except that sufficient money must
3 be remitted to an appropriate bank to pay the principal of and
4 interest on the district's outstanding bonds, or other obligations
5 assumed by the district, on or before the maturity date of the
6 principal and interest.

7 (c) To the extent that money in a depository bank is not
8 insured by the Federal Deposit Insurance Corporation, the money
9 must be secured in the manner provided by law for the security of
10 county funds.

11 (d) Membership on the district's board of an officer or
12 director of a bank does not disqualify that bank from being
13 designated as depository. (Acts 60th Leg., R.S., Ch. 183, Secs. 6
14 (part), 10.)

15 [Sections 1058.157-1058.200 reserved for expansion]

16 SUBCHAPTER E. BONDS

17 Sec. 1058.201. GENERAL OBLIGATION BONDS. The board may
18 issue and sell general obligation bonds in the name and on the faith
19 and credit of the district for any purpose relating to the purchase,
20 construction, acquisition, repair, or renovation of buildings or
21 improvements and equipping buildings or improvements for hospital
22 purposes. (Acts 60th Leg., R.S., Ch. 183, Sec. 7 (part).)

23 Sec. 1058.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)
24 The board shall impose an ad valorem tax at a rate sufficient to
25 create an interest and sinking fund to pay the principal of and
26 interest on general obligation bonds issued under Section 1058.201
27 as the bonds mature.

1 (b) The tax required by this section together with any other
2 ad valorem tax imposed for the district may not in any year exceed
3 75 cents on each \$100 valuation of all taxable property in the
4 district. (Acts 60th Leg., R.S., Ch. 183, Secs. 6 (part), 7
5 (part).)

6 Sec. 1058.203. GENERAL OBLIGATION BOND ELECTION. (a) The
7 district may issue general obligation bonds only if the bonds are
8 authorized by a majority of the district voters voting at an
9 election held for that purpose.

10 (b) The board may order a bond election on its own motion.

11 (c) The order must specify:

- 12 (1) the location of the polling places;
13 (2) the presiding election officers;
14 (3) the purpose for which the bonds are to be issued;
15 (4) the amount of the bonds;
16 (5) the maximum interest rate of the bonds; and
17 (6) the maximum maturity date of the bonds.

18 (d) Notice of a bond election shall be given by publishing a
19 substantial copy of the order in a newspaper of general circulation
20 in the district once each week for two consecutive weeks before the
21 date of the election. The first publication must occur at least 20
22 days before the date set for the election. (Acts 60th Leg., R.S.,
23 Ch. 183, Sec. 7 (part).)

24 Sec. 1058.204. MATURITY OF GENERAL OBLIGATION BONDS.
25 District general obligation bonds must mature not later than 40
26 years after the date of issuance. (Acts 60th Leg., R.S., Ch. 183,
27 Sec. 7 (part).)

1 Sec. 1058.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)
2 The board's presiding officer shall execute the general obligation
3 bonds in the district's name.

4 (b) The board secretary shall countersign the bonds. (Acts
5 60th Leg., R.S., Ch. 183, Sec. 7 (part).)

6 [Sections 1058.206-1058.250 reserved for expansion]

7 SUBCHAPTER F. TAXES

8 Sec. 1058.251. IMPOSITION OF AD VALOREM TAX. (a) On final
9 approval of the budget, the board shall impose a tax on all taxable
10 property in the district subject to district taxation.

11 (b) The board shall impose the tax to:

12 (1) pay the interest on and create a sinking fund for
13 bonds issued or assumed by the district for hospital purposes as
14 provided by this chapter;

15 (2) provide for the maintenance and operation of the
16 hospital or hospital system;

17 (3) make improvements and additions to the district's
18 hospital system; and

19 (4) acquire necessary sites for the hospital system by
20 purchase, lease, or condemnation. (Acts 60th Leg., R.S., Ch. 183,
21 Secs. 6 (part), 9 (part).)

22 Sec. 1058.252. TAX RATE. The board shall impose the tax at
23 a rate not to exceed 75 cents on each \$100 valuation of all taxable
24 property in the district. (Acts 60th Leg., R.S., Ch. 183, Secs. 2
25 (part), 6 (part).)

26 Sec. 1058.253. ASSESSMENT AND COLLECTION BY COUNTY TAX
27 ASSESSOR-COLLECTOR. Unless an election is held under Section

1058.254, the tax assessor-collector of Upton County shall assess and collect taxes imposed by the district. (Acts 60th Leg., R.S., Ch. 183, Secs. 6 (part), 9 (part).)

Sec. 1058.254. ELECTION FOR SEPARATE TAX ASSESSOR AND TAX COLLECTOR. (a) On receipt of a petition signed by a number of district voters equal to at least five percent of the taxpaying voters of the district, the court may order an election to determine whether the district shall have a separate tax assessor and tax collector for the assessment and collection of district taxes.

(b) Notice of the election shall be given as required by Section 1058.052. (Acts 60th Leg., R.S., Ch. 183, Sec. 19 (part).)

Sec. 1058.255. APPOINTMENT OF SEPARATE TAX ASSESSOR AND COLLECTOR. If the appointment of a separate tax assessor and separate tax collector is approved by a two-thirds majority vote of the district voters voting at an election held under Section 1058.254, the board shall appoint:

(1) a suitable person as tax assessor; and

(2) a suitable person as tax collector. (Acts 60th Leg., R.S., Ch. 183, Sec. 19 (part).)

CHAPTER 1069. NACOGDOCHES COUNTY HOSPITAL DISTRICT

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Sec. 1069.001. DEFINITIONS

Sec. 1069.002. AUTHORITY FOR OPERATION

Sec. 1069.003. ESSENTIAL PUBLIC FUNCTION

Sec. 1069.004. DISTRICT TERRITORY

Sec. 1069.005. DISTRICT SUPPORT AND MAINTENANCE NOT

STATE OBLIGATION

1 Sec. 1069.006. RESTRICTION ON STATE FINANCIAL
2 ASSISTANCE
3 [Sections 1069.007-1069.050 reserved for expansion]
4 SUBCHAPTER B. DISTRICT ADMINISTRATION
5 Sec. 1069.051. BOARD ELECTION; TERM
6 Sec. 1069.052. NOTICE OF ELECTION
7 Sec. 1069.053. BALLOT PETITION
8 Sec. 1069.054. QUALIFICATIONS FOR OFFICE
9 Sec. 1069.055. BOARD VACANCY
10 Sec. 1069.056. OFFICERS
11 Sec. 1069.057. QUORUM; VOTING REQUIREMENT
12 Sec. 1069.058. DISTRICT ADMINISTRATOR; ASSISTANT
13 ADMINISTRATOR
14 Sec. 1069.059. GENERAL DUTIES OF DISTRICT
15 ADMINISTRATOR
16 Sec. 1069.060. APPOINTMENT OF STAFF AND EMPLOYEES
17 Sec. 1069.061. RETIREMENT BENEFITS
18 [Sections 1069.062-1069.100 reserved for expansion]
19 SUBCHAPTER C. POWERS AND DUTIES
20 Sec. 1069.101. DISTRICT RESPONSIBILITY
21 Sec. 1069.102. RESTRICTION ON POLITICAL SUBDIVISION
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23 Sec. 1069.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
24 Sec. 1069.104. HOSPITAL SYSTEM
25 Sec. 1069.105. RULES
26 Sec. 1069.106. PURCHASING AND ACCOUNTING PROCEDURES

1 Sec. 1069.107. DISTRICT PROPERTY, FACILITIES, AND
2 EQUIPMENT
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15 Sec. 1069.118. AUTHORITY TO SUE AND BE SUED
16 [Sections 1069.119-1069.150 reserved for expansion]
17 SUBCHAPTER D. CHANGE IN BOUNDARIES
18 Sec. 1069.151. PETITION TO EXPAND DISTRICT TERRITORY
19 Sec. 1069.152. HEARING
20 Sec. 1069.153. ORDER OF ANNEXATION
21 Sec. 1069.154. RATIFICATION ELECTION
22 Sec. 1069.155. ASSUMPTION OF DEBT AND TAXES
23 Sec. 1069.156. BALLOT
24 [Sections 1069.157-1069.200 reserved for expansion]
25 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
26 Sec. 1069.201. BUDGET
27 Sec. 1069.202. NOTICE; HEARING; APPROVAL OF BUDGET

1 Sec. 1069.203. AMENDMENTS TO BUDGET
2 Sec. 1069.204. RESTRICTION ON EXPENDITURES
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4 Sec. 1069.206. AUDIT
5 Sec. 1069.207. INSPECTION OF AUDIT AND DISTRICT
6 RECORDS
7 Sec. 1069.208. FINANCIAL REPORT
8 Sec. 1069.209. DEPOSITORY
9 Sec. 1069.210. SPENDING RESTRICTIONS
10 Sec. 1069.211. ECONOMIC DEVELOPMENT
11 Sec. 1069.212. AUTHORITY TO BORROW MONEY
12 [Sections 1069.213-1069.250 reserved for expansion]
13 SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS
14 Sec. 1069.251. GENERAL OBLIGATION BONDS
15 Sec. 1069.252. TAX TO PAY GENERAL OBLIGATION BONDS
16 Sec. 1069.253. GENERAL OBLIGATION BOND ELECTION
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23 SUBCHAPTER G. TAXES
24 Sec. 1069.301. IMPOSITION OF AD VALOREM TAX
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26 Sec. 1069.303. ASSESSMENT AND COLLECTION BY COUNTY TAX
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1 Sec. 1069.304. ASSESSMENT AND COLLECTION BY DISTRICT

2 TAX ASSESSOR-COLLECTOR

3 CHAPTER 1069. NACOGDOCHES COUNTY HOSPITAL DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 1069.001. DEFINITIONS. In this chapter:

6 (1) "Board" means the board of directors of the
7 district.

8 (2) "Director" means a member of the board.

9 (3) "District" means the Nacogdoches County Hospital
10 District. (New.)

11 Sec. 1069.002. AUTHORITY FOR OPERATION. The Nacogdoches
12 County Hospital District operates in accordance with Section 9,
13 Article IX, Texas Constitution, and has the rights, powers, and
14 duties provided by this chapter. (Acts 60th Leg., R.S., Ch. 431,
15 Sec. 1 (part).)

16 Sec. 1069.003. ESSENTIAL PUBLIC FUNCTION. The district
17 performs an essential public function in carrying out the purposes
18 of this chapter. (Acts 60th Leg., R.S., Ch. 431, Sec. 21 (part).)

19 Sec. 1069.004. DISTRICT TERRITORY. Unless the district's
20 boundaries are expanded under Subchapter D, the boundaries of the
21 district are coextensive with the boundaries of Nacogdoches County,
22 Texas. (Acts 60th Leg., R.S., Ch. 431, Sec. 1 (part); New.)

23 Sec. 1069.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE
24 OBLIGATION. The support and maintenance of the district may not
25 become a charge against or obligation of this state. (Acts 60th
26 Leg., R.S., Ch. 431, Sec. 20 (part).)

27 Sec. 1069.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.

The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility. (Acts 60th Leg., R.S., Ch. 431, Sec. 20 (part).)

[Sections 1069.007-1069.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1069.051. BOARD ELECTION; TERM. (a) The board consists of:

(1) one director elected from each commissioners precinct; and

(2) three directors elected from the district at large.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code:

(1) directors serve staggered two-year terms; and

(2) an election shall be held annually on the May uniform election date to elect the appropriate number of directors. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part); New.)

Sec. 1069.052. NOTICE OF ELECTION. At least 10 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in the county. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

Sec. 1069.053. BALLOT PETITION. (a) A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary a petition requesting that action. The petition must:

(1) be signed by not fewer than 25 qualified voters;

(2) be filed by the deadline imposed by Section

1 144.005, Election Code; and

2 (3) specify the commissioners precinct the person
3 wants to represent or specify that the person wants to represent the
4 district at large.

5 (b) The board secretary may accept the petition only if it
6 is accompanied by evidence showing that the candidate has the
7 qualifications required by Section 1069.054. (Acts 60th Leg., R.S.,
8 Ch. 431, Sec. 4 (part).)

9 Sec. 1069.054. QUALIFICATIONS FOR OFFICE. (a) To be
10 eligible to be a candidate for or to serve as a director, a person
11 must be:

12 (1) a resident of the district; and

13 (2) a qualified voter.

14 (b) A director elected or appointed to represent a
15 commissioners precinct must be a resident of that commissioners
16 precinct.

17 (c) A district employee may not serve as a director. (Acts
18 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

19 Sec. 1069.055. BOARD VACANCY. (a) If a vacancy occurs in
20 the office of director, the remaining directors shall appoint a
21 director for the unexpired term.

22 (b) If the number of directors is reduced to fewer than four
23 for any reason, the remaining directors shall immediately call a
24 special election to fill the vacancies. If the remaining directors
25 do not call the election, a district court, on application of a
26 district voter or taxpayer, may order the directors to hold the
27 election. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

1 Sec. 1069.056. OFFICERS. (a) The board shall elect:

2 (1) a president and a vice president from among its
3 members; and

4 (2) a secretary, who need not be a director.

5 (b) Each officer of the board serves a one-year term.

6 (c) The board shall fill a vacancy in a board office for the
7 unexpired term. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

8 Sec. 1069.057. QUORUM; VOTING REQUIREMENT. (a) Any four
9 directors constitute a quorum.

10 (b) A majority of the directors voting must concur in any
11 matter relating to district business. (Acts 60th Leg., R.S., Ch.
12 431, Sec. 4 (part).)

13 Sec. 1069.058. DISTRICT ADMINISTRATOR; ASSISTANT
14 ADMINISTRATOR. (a) The board shall appoint a qualified person as
15 district administrator.

16 (b) The board may appoint an assistant administrator.

17 (c) The district administrator and any assistant
18 administrator serve at the will of the board and receive the
19 compensation determined by the board.

20 (d) On assuming the duties of district administrator, the
21 administrator shall execute a bond payable to the district in an
22 amount set by the board of not less than \$5,000 that:

23 (1) is conditioned on the administrator performing the
24 administrator's duties; and

25 (2) contains any other condition the board requires.
26 (Acts 60th Leg., R.S., Ch. 431, Sec. 5 (part).)

27 Sec. 1069.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

1 Subject to any limitation prescribed by the board, the district
2 administrator shall:

3 (1) supervise the work and activities of the district;
4 and

5 (2) direct the affairs of the district. (Acts 60th
6 Leg., R.S., Ch. 431, Sec. 5 (part).)

7 Sec. 1069.060. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
8 board may appoint to the staff any doctors and employ any
9 technician, nurse, or other employee the board considers necessary
10 for the efficient operation of the district.

11 (b) The district may employ fiscal agents, accountants,
12 architects, and attorneys as the board considers proper.

13 (c) The board may provide that the district administrator
14 has the authority to employ district employees, including
15 technicians and nurses. (Acts 60th Leg., R.S., Ch. 431, Secs. 5
16 (part), 16.)

17 Sec. 1069.061. RETIREMENT BENEFITS. The board may provide
18 retirement benefits for district employees by:

19 (1) establishing or administering a retirement
20 program; or

21 (2) participating in:

22 (A) the Texas County and District Retirement
23 System; or

24 (B) another statewide retirement system in which
25 the district is eligible to participate. (Acts 60th Leg., R.S., Ch.
26 431, Sec. 16A.)

27 [Sections 1069.062-1069.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1069.101. DISTRICT RESPONSIBILITY. The district has full responsibility for operating all hospital facilities for providing medical and hospital care for the district's needy inhabitants. (Acts 60th Leg., R.S., Ch. 431, Sec. 19 (part).)

Sec. 1069.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision located within the district may not impose a tax or issue bonds or other obligations for hospital purposes or to provide medical care. (Acts 60th Leg., R.S., Ch. 431, Sec. 19 (part).)

Sec. 1069.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system. (Acts 60th Leg., R.S., Ch. 431, Sec. 5 (part).)

Sec. 1069.104. HOSPITAL SYSTEM. (a) The district shall provide for:

- (1) the establishment of a hospital system by:
 - (A) purchasing, constructing, acquiring, repairing, or renovating buildings and equipment; and
 - (B) equipping the buildings; and
- (2) the administration of the hospital system for hospital purposes.

- (b) The hospital system may include:
- (1) domiciliary care and treatment of the sick, injured, or geriatric;
 - (2) outpatient clinics;
 - (3) dispensaries;

1 (4) convalescent home facilities;
2 (5) necessary nurses;
3 (6) domiciliaries and training centers;
4 (7) blood banks;
5 (8) community mental health centers;
6 (9) research centers or laboratories; and
7 (10) any other facilities the board considers
8 necessary for hospital care. (Acts 60th Leg., R.S., Ch. 431, Secs.
9 2 (part), 9(c).)

10 Sec. 1069.105. RULES. The board may adopt rules for the
11 operation of the district, including rules governing:

12 (1) the operation of the hospital and hospital system;
13 (2) the duties, functions, and responsibilities of
14 district staff and employees; and
15 (3) the acquisition of goods or services. (Acts 60th
16 Leg., R.S., Ch. 431, Secs. 5 (part), 10(d) (part), 16B.)

17 Sec. 1069.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)
18 Except as provided by Section 1069.112, the board may prescribe:

19 (1) procedures for the acquisition of goods or
20 services, including the method and manner of making purchases and
21 expenditures by and for the district; and

22 (2) all accounting and control procedures.

23 (b) In making purchases, the board may determine the method
24 of purchase that provides the best value to the district,
25 including:

26 (1) competitive bidding;
27 (2) competitive sealed proposals;

1 (3) catalogue purchase;

2 (4) a group purchasing program; or

3 (5) an open market contract.

4 (c) In determining what is the best value to the district,
5 the board shall consider:

6 (1) the purchase price;

7 (2) the reputation of the vendor and of the vendor's
8 goods or services;

9 (3) the quality of the vendor's goods or services;

10 (4) the extent to which the goods or services meet the
11 district's needs;

12 (5) the vendor's past relationship with the district;

13 (6) the total long-term cost to the district of
14 acquiring the vendor's goods or services; and

15 (7) any other relevant factor that a private business
16 entity would consider in selecting a vendor.

17 (d) The state auditor may audit purchases of goods or
18 services by the district.

19 (e) To the extent of any conflict, this section prevails
20 over any other law relating to the purchasing of goods and services.

21 (f) Chapters 2151 and 2254, Government Code, do not apply to
22 purchases of goods and services made under this section.

23 (g) The board may incur an obligation, including a lease or
24 lease-purchase agreement for real property, facilities, or
25 equipment for use in the hospital system, payable from the pledged
26 sales and use tax revenue of the district. (Acts 60th Leg., R.S.,
27 Ch. 431, Secs. 10(a), (b), (c), (d) (part), (e), (f), (g).)

1 Sec. 1069.107. DISTRICT PROPERTY, FACILITIES, AND
2 EQUIPMENT. (a) The board shall determine:

3 (1) the type, number, and location of buildings
4 required to maintain an adequate hospital system; and

5 (2) the type of equipment necessary for hospital care.

6 (b) The board may:

7 (1) acquire real property, facilities, and equipment
8 for the district for use in the hospital system in the manner
9 determined by the board;

10 (2) lease to physicians, individuals, companies,
11 corporations, or other legal entities or acquire by lease or by
12 lease-purchase agreement real property, facilities, or equipment
13 for use in the hospital system on terms the board determines are in
14 the best interest of district residents; and

15 (3) sell or otherwise dispose of district real
16 property, facilities, or equipment on terms the board determines
17 are in the best interest of district residents.

18 (c) The district may acquire equipment for use in the
19 district's hospital system and mortgage or pledge the acquired
20 property as security for the payment of the purchase price. A
21 contract entered into under this subsection must provide that the
22 entire obligation be retired not later than the fifth anniversary
23 of the date of the contract. (Acts 60th Leg., R.S., Ch. 431, Secs.
24 9(a), (b), 10(j).)

25 Sec. 1069.108. EMINENT DOMAIN. (a) The district may
26 exercise the power of eminent domain to acquire a fee simple or
27 other interest in any type of property located in district

territory if the interest is necessary or convenient to a power, right, or privilege conferred by this chapter.

(b) The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, except that the district is not required to deposit in the trial court money or a bond as provided by Section 21.021(a), Property Code.

(c) In a condemnation proceeding brought by the district, the district is not required to:

(1) pay in advance or provide a bond or other security for costs in the trial court;

(2) provide a bond for the issuance of a temporary restraining order or a temporary injunction; or

(3) provide a bond for costs or a supersedeas bond on an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 431, Sec. 14.)

Sec. 1069.109. GIFTS AND ENDOWMENTS. The board may accept for the district a gift or endowment to be held in trust and administered by the board for the purposes and under any direction, limitation, or other provision prescribed in writing by the donor that are not inconsistent with the proper management and objectives of the district. (Acts 60th Leg., R.S., Ch. 431, Sec. 18(a).)

Sec. 1069.110. CHARITABLE ORGANIZATION. (a) In this section, "charitable organization" means an organization that is eligible for an exemption from federal income tax under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt organization by Section 501(c)(3) or (4) of that code.

(b) The board may facilitate the achievement of district

1 purposes by creating a charitable organization to:

2 (1) provide or arrange for hospital and health care
3 services;

4 (2) develop resources for hospital and health care
5 services; and

6 (3) provide ancillary support services for the
7 district.

8 (c) A charitable organization created under this section is
9 a unit of local government for purposes of Chapter 101, Civil
10 Practice and Remedies Code. (Acts 60th Leg., R.S., Ch. 431, Sec.
11 18(b).)

12 Sec. 1069.111. NONPROFIT CORPORATION. (a) The board, on
13 the district's behalf, may create and sponsor a nonprofit
14 corporation under the Business Organizations Code and may
15 contribute money to or solicit money for the corporation.

16 (b) The corporation may use money, other than money the
17 corporation pays to the district, only to provide health care or
18 other services the district is authorized to provide under this
19 chapter.

20 (c) The corporation may invest the corporation's money in
21 any manner in which the district may invest the district's money,
22 including investing money as authorized by Chapter 2256, Government
23 Code.

24 (d) The board shall establish adequate controls to ensure
25 that the corporation uses its money as required by this section.
26 (Acts 60th Leg., R.S., Ch. 431, Sec. 18(c).)

27 Sec. 1069.112. CONSTRUCTION OR EQUIPMENT PURCHASE

1 CONTRACTS. A contract for construction or the purchase of
2 equipment that involves the expenditure of more than \$25,000 may be
3 made only after advertising in the manner provided by Subchapter B,
4 Chapter 271, Local Government Code. (Acts 60th Leg., R.S., Ch. 431,
5 Sec. 10(i) (part).)

6 Sec. 1069.113. OPERATING AND MANAGEMENT CONTRACTS. The
7 district, through its board, may enter into an operating or
8 management contract relating to a district facility. (Acts 60th
9 Leg., R.S., Ch. 431, Sec. 9(d).)

10 Sec. 1069.114. CONTRACTS FOR CARE AND TREATMENT. (a) The
11 board may contract with a county or municipality located outside
12 the district's boundaries for the care and treatment of a sick or
13 injured person of that county or municipality.

14 (b) The board may contract with this state or a federal
15 agency for the treatment of a sick or injured person. (Acts 60th
16 Leg., R.S., Ch. 431, Sec. 5 (part).)

17 Sec. 1069.115. CONTRACTS WITH POLITICAL SUBDIVISION FOR
18 SERVICES. The board may contract with a political subdivision of
19 this state or with a state or federal agency for the district to:

- 20 (1) furnish a mobile emergency medical service;
21 (2) provide for the investigatory or welfare needs of
22 district inhabitants; or
23 (3) provide a rural health clinic to care for the
24 inhabitants of the contracting political subdivision. (Acts 60th
25 Leg., R.S., Ch. 431, Sec. 16C.)

26 Sec. 1069.116. PAYMENT FOR TREATMENT; PROCEDURES. (a)
27 When a patient who resides in the district is admitted to a district

1 facility, the district administrator may have an inquiry made into
2 the financial circumstances of:

- 3 (1) the patient; and
4 (2) the patient's relatives legally liable for the
5 patient's support.

6 (b) If the district administrator determines that the
7 patient or those relatives cannot pay for all or part of the
8 patient's care and treatment in the hospital, the amount that
9 cannot be paid becomes a charge against the district.

10 (c) If the district administrator determines that the
11 patient or those relatives can pay for all or part of the patient's
12 care and treatment, the administrator shall issue an order
13 directing the patient or those relatives to pay the district a
14 specified amount during an agreed term for the patient's care and
15 support. The amount ordered must be proportionate to their
16 financial ability.

17 (d) The district administrator may collect the amount from
18 the patient's estate, or from those relatives legally liable for
19 the patient's support, in the manner provided by law for the
20 collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute as to the ability to pay, or doubt
22 in the mind of the district administrator, the board shall hold a
23 hearing and, after calling witnesses, shall:

- 24 (1) resolve the dispute or doubt; and
25 (2) issue any appropriate order.

26 (f) The final order of the board may be appealed to the
27 district court. The substantial evidence rule applies to the

1 appeal. (Acts 60th Leg., R.S., Ch. 431, Secs. 17(b), (c), (d), (e),
2 (f).)

3 Sec. 1069.117. REIMBURSEMENT FOR SERVICE. (a) The board
4 shall require a county, municipality, or public hospital located
5 outside the district to reimburse the district for the district's
6 care and treatment of a sick or injured person of that county,
7 municipality, or public hospital as provided by Chapter 61, Health
8 and Safety Code.

9 (b) The board shall require the sheriff of a county or the
10 police chief of a municipality to reimburse the district for the
11 district's care and treatment of a person confined in a jail
12 facility of the county or municipality who is not a district
13 resident.

14 (c) The board may contract with the state or federal
15 government for that government to reimburse the district for
16 treatment of a sick or injured person. (Acts 60th Leg., R.S., Ch.
17 431, Sec. 16E.)

18 Sec. 1069.118. AUTHORITY TO SUE AND BE SUED. The district,
19 through the board, may sue and be sued. (Acts 60th Leg., R.S., Ch.
20 431, Sec. 5 (part).)

21 [Sections 1069.119-1069.150 reserved for expansion]

22 SUBCHAPTER D. CHANGE IN BOUNDARIES

23 Sec. 1069.151. PETITION TO EXPAND DISTRICT
24 TERRITORY. (a) Registered voters of a defined territory not
25 included in the district may file a petition with the board
26 secretary requesting inclusion of the territory in the district.

27 (b) The petition must be signed by at least 50 registered

1 voters of the territory or a majority of those voters, whichever is
2 fewer. (Acts 60th Leg., R.S., Ch. 431, Sec. 16D(a).)

3 Sec. 1069.152. HEARING. (a) The board by order shall set
4 a time and place to hold a hearing on a petition to include a defined
5 territory in the district.

6 (b) The board shall set a date for the hearing that is after
7 the 30th day after the date the board issues the order. (Acts 60th
8 Leg., R.S., Ch. 431, Sec. 16D(b).)

9 Sec. 1069.153. ORDER OF ANNEXATION. (a) If, after a
10 hearing under Section 1069.152, the board finds that annexation of
11 the defined territory into the district would be feasible and would
12 benefit the district, the board may approve the annexation by a
13 resolution entered in its minutes.

14 (b) The board is not required to include in the annexation
15 all territory described in the petition if the board finds that a
16 modification or change is necessary or desirable. (Acts 60th Leg.,
17 R.S., Ch. 431, Sec. 16D(c).)

18 Sec. 1069.154. RATIFICATION ELECTION. (a) Annexation of
19 territory is final when approved by a majority of the voters at:

- 20 (1) an election held in the district; and
21 (2) a separate election held in the territory proposed
22 to be annexed.

23 (b) The order calling the election shall provide for clerks
24 as in county elections and must specify:

- 25 (1) the date of the election;
26 (2) the location of the polling places;
27 (3) the form of the ballot; and

1 (4) the presiding and alternate election judges for
2 each polling place.

3 (c) Notice of the election shall be given by publishing a
4 substantial copy of the election order in a newspaper of general
5 circulation in the county once each week for two consecutive weeks.
6 The first publication must occur at least 30 days before the date of
7 the election.

8 (d) Section 41.001(a), Election Code, does not apply to an
9 election held under this section. (Acts 60th Leg., R.S., Ch. 431,
10 Secs. 3 (part), 16D(d) (part), (f) (part).)

11 Sec. 1069.155. ASSUMPTION OF DEBT AND TAXES. If the
12 district has outstanding debts or taxes, the voters in an election
13 to approve annexation under Section 1069.154 must determine whether
14 the annexed territory will assume its portion of the debts or taxes
15 on annexation. (Acts 60th Leg., R.S., Ch. 431, Sec. 16D(d) (part).)

16 Sec. 1069.156. BALLOT. The ballot for an election under
17 Section 1069.154 shall be printed to permit voting for or against
18 the following, as applicable:

19 (1) "Adding (description of territory to be added) to
20 the Nacogdoches County Hospital District."

21 (2) "(Description of territory to be added) assuming
22 its proportionate share of the outstanding debts and taxes of the
23 Nacogdoches County Hospital District, if it is added to the
24 district." (Acts 60th Leg., R.S., Ch. 431, Sec. 16D(e).)

25 [Sections 1069.157-1069.200 reserved for expansion]

26 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

27 Sec. 1069.201. BUDGET. (a) The district administrator

1 shall prepare an annual budget for approval by the board.

2 (b) The proposed budget must contain a complete financial
3 statement of:

4 (1) the outstanding obligations of the district;

5 (2) cash on hand to the credit of each district fund;

6 (3) money received by the district from all sources
7 during the previous year;

8 (4) money available to the district from all sources
9 during the ensuing year;

10 (5) the balances expected at the end of the year in
11 which the budget is being prepared;

12 (6) the estimated revenue and balances available to
13 cover the proposed budget; and

14 (7) the estimated tax rate required. (Acts 60th Leg.,
15 R.S., Ch. 431, Sec. 6 (part).)

16 Sec. 1069.202. NOTICE; HEARING; APPROVAL OF BUDGET. (a)
17 The board shall hold a public hearing on the proposed annual budget.

18 (b) Notice of the hearing must be published one time at
19 least 10 days before the date of the hearing.

20 (c) Any district resident is entitled to be present and
21 participate at the hearing.

22 (d) At the conclusion of the hearing, the board shall act on
23 the budget as proposed by the board president. The board may make
24 any changes in the proposed budget that the board judges to be in
25 the interest of the taxpayers and the law warrants. The budget must
26 be approved by the board. (Acts 60th Leg., R.S., Ch. 431, Sec. 6
27 (part).)

1 Sec. 1069.203. AMENDMENTS TO BUDGET. The annual budget may
2 be amended as required by circumstances. The board must approve all
3 amendments. (Acts 60th Leg., R.S., Ch. 431, Sec. 6 (part).)

4 Sec. 1069.204. RESTRICTION ON EXPENDITURES. Money may be
5 spent only for an expense included in the annual budget or an
6 amendment to the budget. (Acts 60th Leg., R.S., Ch. 431, Sec. 6
7 (part).)

8 Sec. 1069.205. FISCAL YEAR. The district operates
9 according to a fiscal year that begins on July 1 and ends on June 30.
10 (Acts 60th Leg., R.S., Ch. 431, Sec. 6 (part).)

11 Sec. 1069.206. AUDIT. The district shall have an audit made
12 of the district's financial condition. (Acts 60th Leg., R.S., Ch.
13 431, Sec. 6 (part).)

14 Sec. 1069.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.
15 The audit and other district records shall be open to inspection at
16 the district's principal office. (Acts 60th Leg., R.S., Ch. 431,
17 Sec. 6 (part).)

18 Sec. 1069.208. FINANCIAL REPORT. As soon as practicable
19 after the close of each fiscal year, the district administrator
20 shall prepare for the board:

21 (1) a complete sworn statement of all district money;
22 and

23 (2) a complete account of the disbursements of that
24 money. (Acts 60th Leg., R.S., Ch. 431, Sec. 6 (part).)

25 Sec. 1069.209. DEPOSITORY. (a) The board shall select one
26 or more banks in the district to serve as a depository for district
27 money.

1 (b) All district money shall be immediately deposited on
2 receipt with a depository bank, except that sufficient money must
3 be remitted to the place or places designated as agent for the
4 payment of principal of and interest on the district's outstanding
5 bonds or other obligations assumed by the district in time for the
6 agent to make that payment on or before the maturity date of the
7 principal and interest.

8 (c) To the extent that money in a depository bank is not
9 insured by the Federal Deposit Insurance Corporation, the money
10 must be secured in the manner provided by law for the security of
11 county funds.

12 (d) Membership on the district's board of an officer or
13 director of a bank does not disqualify the bank from being
14 designated as depository. (Acts 60th Leg., R.S., Ch. 431, Sec. 11.)

15 Sec. 1069.210. SPENDING RESTRICTIONS. Except as provided
16 by Sections 1069.106, 1069.107, and 1069.211 and by Subchapter F,
17 the district may not incur an obligation payable from district
18 revenue other than the revenue on hand or to be on hand in the
19 current and immediately following district fiscal years. (Acts
20 60th Leg., R.S., Ch. 431, Sec. 10(1).)

21 Sec. 1069.211. ECONOMIC DEVELOPMENT. The district may
22 allocate a portion of its annual sales and use tax revenue, not to
23 exceed one-fourth of one percent, to encourage economic development
24 in the district as described by Section 52-a, Article III, Texas
25 Constitution. (Acts 60th Leg., R.S., Ch. 431, Sec. 10(k).)

26 Sec. 1069.212. AUTHORITY TO BORROW MONEY. (a) Pending
27 receipt of accounts receivable, the board may borrow money for the

1 payment of maintenance and operating expenses of the district.

2 (b) A loan obtained by the district under this section must
3 be repaid not later than one year after the date on which the loan is
4 made. (Acts 60th Leg., R.S., Ch. 431, Sec. 10(h).)

5 [Sections 1069.213-1069.250 reserved for expansion]

6 SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS

7 Sec. 1069.251. GENERAL OBLIGATION BONDS. The board may
8 issue and sell general obligation bonds in the name and on the faith
9 and credit of the district for any purpose relating to the purchase,
10 construction, acquisition, repair, or renovation of buildings or
11 improvements and equipping of buildings or improvements for
12 hospital purposes. (Acts 60th Leg., R.S., Ch. 431, Sec. 7(a)
13 (part).)

14 Sec. 1069.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
15 the time general obligation bonds are issued by the district, the
16 board shall impose an ad valorem tax at a rate sufficient to create
17 an interest and sinking fund to pay the principal of and interest on
18 the bonds as the bonds mature.

19 (b) The tax required by this section together with any other
20 ad valorem tax imposed for the district may not in any year exceed
21 75 cents on each \$100 valuation of all taxable property in the
22 district subject to hospital district taxation. (Acts 60th Leg.,
23 R.S., Ch. 431, Sec. 7(a) (part).)

24 Sec. 1069.253. GENERAL OBLIGATION BOND ELECTION. (a) The
25 district may issue general obligation bonds only if the bonds are
26 authorized by a majority of the district voters voting at an
27 election held for that purpose.

1 (b) The order calling a bond election shall provide for
2 clerks as in county elections and must specify:

- 3 (1) the date of the election;
4 (2) the location of the polling places;
5 (3) the presiding and alternate election judges for
6 each polling place;
7 (4) the amount of the bonds to be authorized;
8 (5) the maximum interest rate of the bonds; and
9 (6) the maximum maturity of the bonds.

10 (c) Notice of a bond election shall be given as provided by
11 Section 1251.003, Government Code. (Acts 60th Leg., R.S., Ch. 431,
12 Sec. 7(a) (part).)

13 Sec. 1069.254. REFUNDING BONDS. (a) The board may, without
14 an election, issue refunding bonds to refund outstanding
15 indebtedness issued or assumed by the district.

16 (b) A refunding bond may be:

- 17 (1) sold, with the proceeds of the refunding bond
18 applied to the payment of outstanding indebtedness; or
19 (2) exchanged wholly or partly for not less than a
20 similar principal amount of outstanding indebtedness. (Acts 60th
21 Leg., R.S., Ch. 431, Secs. 7(a) (part), (b).)

22 Sec. 1069.255. MATURITY OF BONDS. District bonds must
23 mature not later than 40 years after the date of issuance. (Acts
24 60th Leg., R.S., Ch. 431, Sec. 7(c) (part).)

25 Sec. 1069.256. EXECUTION OF BONDS. District bonds shall be
26 executed in the manner provided by Chapter 618, Government Code.
27 (Acts 60th Leg., R.S., Ch. 431, Sec. 7(c) (part).)

1 Sec. 1069.257. OTHER OBLIGATIONS. Notwithstanding
2 Sections 1069.251 through 1069.256, the board may issue and sell
3 bonds, notes, or other obligations that are payable from the
4 district's sales and use tax revenues to:

- 5 (1) acquire land for the hospital system; or
6 (2) purchase, construct, acquire, repair, or renovate
7 buildings, improvements, or equipment related to the hospital
8 system. (Acts 60th Leg., R.S., Ch. 431, Sec. 7(d).)

9 Sec. 1069.258. BONDS EXEMPT FROM TAXATION. The following
10 are exempt from taxation by this state or a political subdivision of
11 this state:

- 12 (1) bonds issued by the district;
13 (2) the transfer and issuance of the bonds; and
14 (3) profits made in the sale of the bonds. (Acts 60th
15 Leg., R.S., Ch. 431, Sec. 21 (part).)

16 [Sections 1069.259-1069.300 reserved for expansion]

17 SUBCHAPTER G. TAXES

18 Sec. 1069.301. IMPOSITION OF AD VALOREM TAX. (a) The board
19 shall impose a tax on all taxable property in the district subject
20 to district taxation.

21 (b) The board shall impose the tax to pay:

- 22 (1) indebtedness issued or assumed by the district;
23 and
24 (2) the maintenance and operating expenses of the
25 district. (Acts 60th Leg., R.S., Ch. 431, Secs. 12 (part), 15
26 (part).)

27 Sec. 1069.302. TAX RATE. (a) The board may impose the tax

1 at a rate not to exceed 75 cents on each \$100 valuation of the
2 taxable property in the district subject to hospital district
3 taxation.

4 (b) In setting the tax rate, the board shall consider the
5 income of the district from sources other than taxation. (Acts 60th
6 Leg., R.S., Ch. 431, Secs. 3 (part), 12 (part).)

7 Sec. 1069.303. ASSESSMENT AND COLLECTION BY COUNTY TAX
8 ASSESSOR-COLLECTOR. Unless the board by majority vote elects to
9 have taxes assessed and collected under Section 1069.304, the tax
10 assessor-collector of the county in which the district is located
11 shall assess and collect taxes imposed by the district. (Acts 60th
12 Leg., R.S., Ch. 431, Secs. 15 (part), 15(a) (part).)

13 Sec. 1069.304. ASSESSMENT AND COLLECTION BY DISTRICT TAX
14 ASSESSOR-COLLECTOR. (a) The board may elect to have district taxes
15 assessed and collected by a tax assessor-collector appointed by the
16 board. An election under this subsection must be made by December 1
17 and governs the manner in which taxes are assessed and collected,
18 until changed by a similar resolution.

19 (b) The district tax assessor-collector must be a district
20 resident.

21 (c) The board shall prescribe for the district tax
22 assessor-collector the term of employment and compensation. (Acts
23 60th Leg., R.S., Ch. 431, Secs. 15 (part), 15(b) (part).)

24 CHAPTER 1074. COMANCHE COUNTY CONSOLIDATED HOSPITAL DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

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8 SUBCHAPTER B. DISTRICT ADMINISTRATION
9 Sec. 1074.051. BOARD ELECTION; TERM
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21 [Sections 1074.061-1074.100 reserved for expansion]
22 SUBCHAPTER C. POWERS AND DUTIES
23 Sec. 1074.101. DISTRICT RESPONSIBILITY
24 Sec. 1074.102. RESTRICTION ON POLITICAL SUBDIVISION
25 TAXATION AND DEBT
26 Sec. 1074.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
27 Sec. 1074.104. HOSPITAL SYSTEM

- 1 Sec. 1074.105. RULES
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- 4 EQUIPMENT
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- 6 Sec. 1074.109. GIFTS AND ENDOWMENTS
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- 8 Sec. 1074.111. OPERATING AND MANAGEMENT CONTRACTS
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- 10 FOR CARE AND TREATMENT
- 11 Sec. 1074.113. CONTRACTS WITH GOVERNMENTAL ENTITIES
- 12 FOR INVESTIGATORY OR OTHER SERVICES
- 13 Sec. 1074.114. PAYMENT FOR TREATMENT; PROCEDURES
- 14 Sec. 1074.115. AUTHORITY TO SUE AND BE SUED
- 15 [Sections 1074.116-1074.150 reserved for expansion]
- 16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 17 Sec. 1074.151. BUDGET
- 18 Sec. 1074.152. NOTICE; HEARING; APPROVAL OF BUDGET
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- 21 Sec. 1074.155. FISCAL YEAR
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- 23 Sec. 1074.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
- 24 RECORDS
- 25 Sec. 1074.158. FINANCIAL REPORT
- 26 Sec. 1074.159. DEPOSITORY
- 27 Sec. 1074.160. INVESTMENT RESTRICTIONS

Sec. 1074.161. AUTHORITY TO BORROW MONEY; SECURITY

[Sections 1074.162-1074.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 1074.201. GENERAL OBLIGATION BONDS

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Sec. 1074.203. REVENUE BONDS

Sec. 1074.204. REFUNDING BONDS

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Sec. 1074.206. MATURITY OF BONDS

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BONDS

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[Sections 1074.212-1074.250 reserved for expansion]

SUBCHAPTER F. TAXES

Sec. 1074.251. IMPOSITION OF AD VALOREM TAX

Sec. 1074.252. TAX RATE

Sec. 1074.253. TAX ASSESSOR-COLLECTOR

CHAPTER 1074. COMANCHE COUNTY CONSOLIDATED HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1074.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Comanche County Consolidated

1 Hospital District. (New.)

2 Sec. 1074.002. AUTHORITY FOR OPERATION. The Comanche
3 County Consolidated Hospital District operates and is administered
4 and financed in accordance with Section 9, Article IX, Texas
5 Constitution, and has the rights, powers, and duties provided by
6 this chapter. (Acts 74th Leg., R.S., Ch. 132, Secs. 3.01(a) (part),
7 (b) (part).)

8 Sec. 1074.003. ESSENTIAL PUBLIC FUNCTION. The district
9 performs an essential public function administering this chapter.
10 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.25 (part).)

11 Sec. 1074.004. DISTRICT TERRITORY. The boundaries of the
12 district are coextensive with the boundaries of Comanche County,
13 except that portion of Comanche County within the boundaries of the
14 South Eastland County Hospital District, as those boundaries
15 existed on June 15, 2001, is not included in the district. (Acts
16 74th Leg., R.S., Ch. 132, Sec. 3.01(a) (part).)

17 Sec. 1074.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE
18 OBLIGATION. The support and maintenance of the district may not
19 become a charge against or obligation of this state. (Acts 74th
20 Leg., R.S., Ch. 132, Sec. 3.24 (part).)

21 Sec. 1074.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.
22 The legislature may not make a direct appropriation for the
23 construction, maintenance, or improvement of a district facility.
24 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.24 (part).)

25 [Sections 1074.007-1074.050 reserved for expansion]

26 SUBCHAPTER B. DISTRICT ADMINISTRATION

27 Sec. 1074.051. BOARD ELECTION; TERM. (a) The board

1 consists of six directors elected from the district in accordance
2 with former Section 3.04(f), Chapter 132, Acts of the 74th
3 Legislature, Regular Session, 1995.

4 (b) Directors serve staggered three-year terms.

5 (c) A directors' election to elect two directors shall be
6 held annually on the May uniform election date. (Acts 74th Leg.,
7 R.S., Ch. 132, Sec. 3.05(a) (part).)

8 Sec. 1074.052. NOTICE OF ELECTION. Not earlier than the
9 30th day or later than the 10th day before the date of a directors'
10 election, notice of the election must be published one time in a
11 newspaper of general circulation in the district. (Acts 74th Leg.,
12 R.S., Ch. 132, Sec. 3.05(b) (part).)

13 Sec. 1074.053. QUALIFICATIONS FOR OFFICE. (a) A person may
14 not be elected or appointed as a director unless the person is:

15 (1) a resident of the district; and

16 (2) a qualified voter.

17 (b) A person is not eligible to serve as a director if the
18 person is:

19 (1) the district administrator; or

20 (2) a district employee. (Acts 74th Leg., R.S., Ch.
21 132, Sec. 3.06.)

22 Sec. 1074.054. BOARD VACANCY. If a vacancy occurs in the
23 office of director, the remaining directors shall fill the vacancy
24 for the unexpired term. (Acts 74th Leg., R.S., Ch. 132, Sec.
25 3.05(c).)

26 Sec. 1074.055. OFFICERS. (a) The board shall elect:

27 (1) a president and a vice president from among its

1 members; and

2 (2) a secretary, who need not be a director.

3 (b) Each officer of the board serves a one-year term.

4 (c) The board shall fill a vacancy in a board office for the
5 unexpired term. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.08(a).)

6 Sec. 1074.056. COMPENSATION; EXPENSES. A director or
7 officer serves without compensation but may be reimbursed for
8 actual expenses incurred in the performance of official duties.
9 The expenses must be:

10 (1) reported in the district's records; and

11 (2) approved by the board. (Acts 74th Leg., R.S., Ch.
12 132, Sec. 3.08(c).)

13 Sec. 1074.057. VOTING REQUIREMENT. A concurrence of a
14 majority of the directors voting is necessary in any matter
15 relating to district business. (Acts 74th Leg., R.S., Ch. 132, Sec.
16 3.08(b).)

17 Sec. 1074.058. DISTRICT ADMINISTRATOR; ASSISTANT
18 ADMINISTRATOR. (a) The board shall appoint a qualified person as
19 district administrator.

20 (b) The board may appoint an assistant administrator.

21 (c) The district administrator and any assistant
22 administrator serve at the will of the board and receive the
23 compensation determined by the board.

24 (d) On assuming the duties of district administrator, the
25 administrator shall execute a bond payable to the district in an
26 amount set by the board of not less than \$5,000 that:

27 (1) is conditioned on the administrator performing the

1 administrator's duties; and

2 (2) contains any other condition the board requires.

3 (e) The board may pay for the bond with district money.
4 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(c) (part).)

5 Sec. 1074.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
6 Subject to the limitations prescribed by the board, the district
7 administrator shall supervise the work and activities of the
8 district. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(c) (part).)

9 Sec. 1074.060. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
10 board may appoint to the staff any doctors the board considers
11 necessary for the efficient operation of the district if warranted.

12 (b) The board may employ, and may delegate to the district
13 administrator the authority to employ, technicians, nurses, fiscal
14 agents, accountants, architects, and other necessary employees for
15 the district. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(d).)

16 [Sections 1074.061-1074.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 1074.101. DISTRICT RESPONSIBILITY. The district has
19 full responsibility for operating all hospital facilities and
20 providing medical and hospital care for the district's needy
21 residents. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.23(b).)

22 Sec. 1074.102. RESTRICTION ON POLITICAL SUBDIVISION
23 TAXATION AND DEBT. A political subdivision located wholly or
24 partly in the district may not impose a tax or issue bonds or other
25 obligations for hospital purposes or to provide medical care for
26 district residents. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.23(a).)

27 Sec. 1074.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.

1 The board shall manage, control, and administer the hospital system
2 and the district's business, money, and resources. (Acts 74th
3 Leg., R.S., Ch. 132, Sec. 3.09(a) (part).)

4 Sec. 1074.104. HOSPITAL SYSTEM. (a) The district shall
5 provide for:

6 (1) the establishment of a hospital system by:

7 (A) purchasing, constructing, acquiring,
8 repairing, or renovating buildings and equipment; and

9 (B) equipping the buildings; and

10 (2) the administration of the district for hospital
11 purposes.

12 (b) The hospital system may include:

13 (1) domiciliary care and treatment of the sick,
14 injured, or geriatric;

15 (2) outpatient clinics;

16 (3) dispensaries;

17 (4) convalescent home facilities;

18 (5) necessary nurses;

19 (6) domiciliaries and training centers;

20 (7) blood banks;

21 (8) community mental health centers;

22 (9) research centers;

23 (10) laboratories; and

24 (11) any other facilities the board considers
25 necessary for hospital care. (Acts 74th Leg., R.S., Ch. 132, Secs.
26 3.07(a) (part), 3.15(a) (part).)

27 Sec. 1074.105. RULES. The board may adopt rules governing

1 the operation of the hospital, the hospital system, and the
2 district's staff and employees. (Acts 74th Leg., R.S., Ch. 132,
3 Sec. 3.09(b) (part).)

4 Sec. 1074.106. PURCHASING AND ACCOUNTING PROCEDURES. The
5 board may prescribe:

6 (1) the method and manner of making purchases and
7 expenditures by and for the district; and

8 (2) all accounting and control procedures. (Acts 74th
9 Leg., R.S., Ch. 132, Sec. 3.15(d).)

10 Sec. 1074.107. DISTRICT PROPERTY, FACILITIES, AND
11 EQUIPMENT. (a) The board shall determine:

12 (1) the type, number, and location of buildings
13 required to maintain an adequate hospital system; and

14 (2) the type of equipment necessary for hospital care.

15 (b) The board may lease all or part of the district's
16 buildings and other facilities on terms considered to be in the best
17 interest of district residents. The term of the lease may not
18 exceed 25 years.

19 (c) The district may:

20 (1) acquire property, including facilities and
21 equipment, for use in the district's hospital system; and

22 (2) mortgage or pledge the property as security for
23 the payment of the purchase price.

24 (d) The district may sell or otherwise dispose of any
25 property, including equipment, on terms the board finds are in the
26 best interest of district residents. (Acts 74th Leg., R.S., Ch.
27 132, Secs. 3.15(a) (part), (b) (part), (c), (g).)

1 Sec. 1074.108. EMINENT DOMAIN. (a) The district may
2 exercise the power of eminent domain to acquire a fee simple or
3 other interest in any type of property located in district
4 territory if the interest is necessary to exercise a right or
5 authority conferred by this chapter.

6 (b) The district must exercise the power of eminent domain
7 in the manner provided by Chapter 21, Property Code, except the
8 district is not required to deposit in the trial court money or a
9 bond as provided by Section 21.021, Property Code.

10 (c) In a condemnation proceeding brought by the district,
11 the district is not required to:

12 (1) pay in advance or provide a bond or other security
13 for costs in the trial court;

14 (2) provide a bond for the issuance of a temporary
15 restraining order or a temporary injunction; or

16 (3) provide a bond for costs or a supersedeas bond on
17 an appeal or petition for review. (Acts 74th Leg., R.S., Ch. 132,
18 Sec. 3.18.)

19 Sec. 1074.109. GIFTS AND ENDOWMENTS. The board may accept
20 for the district a gift or endowment to be held in trust and
21 administered by the board for the purposes and under the
22 directions, limitations, or other provisions prescribed in writing
23 by the donor that are not inconsistent with the proper management of
24 the district. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.21.)

25 Sec. 1074.110. CONSTRUCTION CONTRACTS. A construction
26 contract that involves the expenditure of more than the amount
27 provided by Section 271.024, Local Government Code, may be made

1 only after competitive bidding as provided by Subchapter B, Chapter
2 271, Local Government Code. (Acts 74th Leg., R.S., Ch. 132, Sec.
3 3.15(e).)

4 Sec. 1074.111. OPERATING AND MANAGEMENT CONTRACTS. The
5 board may enter into an operating or management contract relating
6 to a district facility. (Acts 74th Leg., R.S., Ch. 132, Sec.
7 3.15(b) (part).)

8 Sec. 1074.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
9 CARE AND TREATMENT. (a) The district may contract with a county or
10 municipality located outside the district's boundaries for the care
11 and treatment of a sick or injured person of that county or
12 municipality.

13 (b) The district may contract with this state or a federal
14 agency to reimburse the district for treatment of a sick or injured
15 person. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(e) (part).)

16 Sec. 1074.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
17 INVESTIGATORY OR OTHER SERVICES. The board may contract with a
18 political subdivision or governmental agency for the district to
19 provide investigatory or other services for the medical, hospital,
20 or welfare needs of district residents. (Acts 74th Leg., R.S., Ch.
21 132, Sec. 3.09(e) (part).)

22 Sec. 1074.114. PAYMENT FOR TREATMENT; PROCEDURES. (a) The
23 district shall provide without charge to a patient residing in the
24 district the care and treatment that the patient or a relative of
25 the patient who is legally responsible for the patient's support
26 cannot pay.

27 (b) When a patient who resides in the district is admitted

1 to a district facility, the district administrator may have an
2 inquiry made into the circumstances of:

- 3 (1) the patient; and
4 (2) the patient's relatives legally responsible for
5 the patient's support.

6 (c) If the district administrator determines that the
7 patient or relative can pay for all or part of the costs of the
8 patient's care and treatment, the district administrator shall
9 report that finding to the board and the board shall order the
10 patient or relative to pay the district a specified amount each week
11 for the patient's care and support. The amount ordered must be an
12 amount the individual is able to pay.

13 (d) The district administrator may collect amounts under
14 Subsection (c) from the patient's estate, or from a relative
15 legally responsible for the patient's support, in the manner
16 provided by law for the collection of expenses of the last illness
17 of a deceased person.

18 (e) If there is a dispute as to the ability to pay, the board
19 shall:

- 20 (1) call witnesses;
21 (2) hear and resolve the dispute; and
22 (3) issue a final order.

23 (f) The final order may be appealed to the district court in
24 Comanche County. The substantial evidence rule applies to the
25 appeal. (Acts 74th Leg., R.S., Ch. 132, Secs. 3.20(a), (c), (d).)

26 Sec. 1074.115. AUTHORITY TO SUE AND BE SUED. The district,
27 through the board, may sue and be sued. (Acts 74th Leg., R.S., Ch.

132, Sec. 3.09(b) (part).)

[Sections 1074.116-1074.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1074.151. BUDGET. (a) The district administrator shall prepare an annual budget for approval by the board.

(b) The proposed budget must contain a complete financial statement of:

(1) the outstanding obligations of the district;

(2) the cash on hand to the credit of each district fund;

(3) the money received by the district from all sources during the previous year;

(4) the money available to the district from all sources during the ensuing year;

(5) the balances expected at the end of the year in which the budget is being prepared;

(6) the estimated revenues and balances available to cover the proposed budget; and

(7) the estimated tax rate required. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(c).)

Sec. 1074.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a) The board shall hold a public hearing on the proposed annual budget.

(b) At least 10 days before the date of the hearing, notice of the hearing must be published one time in a newspaper of general circulation in the district.

(c) Any district resident is entitled to be present and participate at the hearing.

1 (d) The board shall act on the budget proposed by the
2 district administrator. The board may make any changes in the
3 proposed budget that the board determines the law warrants and are
4 in the interests of the taxpayers. The board must approve the
5 budget. (Acts 74th Leg., R.S., Ch. 132, Secs. 3.10(d), (e), (g)
6 (part).)

7 Sec. 1074.153. AMENDMENTS TO BUDGET. The budget may be
8 amended as required by circumstances. The board must approve all
9 amendments. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(g) (part).)

10 Sec. 1074.154. RESTRICTION ON EXPENDITURES. Money may be
11 spent only for an expense included in the budget or an amendment to
12 the budget. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(f).)

13 Sec. 1074.155. FISCAL YEAR. (a) The district operates
14 according to a fiscal year established by the board.

15 (b) The fiscal year may not be changed:

16 (1) during a period that revenue bonds of the district
17 are outstanding; or

18 (2) more than once in a 24-month period. (Acts 74th
19 Leg., R.S., Ch. 132, Sec. 3.10(a).)

20 Sec. 1074.156. ANNUAL AUDIT. The board annually shall have
21 an audit made of the district's financial condition. (Acts 74th
22 Leg., R.S., Ch. 132, Sec. 3.10(b) (part).)

23 Sec. 1074.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
24 RECORDS. The annual audit and other district records shall be open
25 to inspection at the district's principal office. (Acts 74th Leg.,
26 R.S., Ch. 132, Sec. 3.10(b) (part).)

27 Sec. 1074.158. FINANCIAL REPORT. As soon as practicable

1 after the close of each fiscal year, the district administrator
2 shall prepare for the board:

3 (1) a complete sworn statement of all district money;
4 and

5 (2) a complete account of the disbursements of that
6 money. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(h).)

7 Sec. 1074.159. DEPOSITORY. (a) The board shall select one
8 or more banks to serve as a depository for district money.

9 (b) All district money, other than money invested as
10 provided by Section 1074.160 and money transmitted to a bank for
11 payment of bonds or obligations issued or assumed by the district,
12 shall be deposited as received with the depository bank and shall
13 remain on deposit.

14 (c) This section does not limit the power of the board to
15 place a part of district money on time deposit or to purchase
16 certificates of deposit. (Acts 74th Leg., R.S., Ch. 132, Sec.
17 3.15(h).)

18 Sec. 1074.160. INVESTMENT RESTRICTIONS. The board may
19 invest operating, depreciation, or building reserves only in funds
20 or securities specified by Chapter 2256, Government Code. (Acts
21 74th Leg., R.S., Ch. 132, Sec. 3.09(a) (part).)

22 Sec. 1074.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)
23 The board may borrow money at a rate not to exceed the maximum
24 annual percentage rate allowed by law for authorized district
25 obligations at the time the loan is made if the board declares that:

26 (1) money is not available to meet authorized
27 obligations of the district; and

1 (2) an emergency exists.

2 (b) To secure a loan, the board may pledge:

3 (1) district revenue that is not pledged to pay the
4 district's bonded indebtedness;

5 (2) district taxes to be imposed by the district in the
6 12-month period following the date of the pledge that are not
7 pledged to pay the principal of or interest on district bonds; or

8 (3) district bonds that have been authorized but not
9 sold.

10 (c) A loan for which taxes or bonds are pledged must mature
11 not later than the first anniversary of the date the loan is made. A
12 loan for which district revenue is pledged must mature not later
13 than the fifth anniversary of the date the loan is made.

14 (d) Money obtained from a loan under this section may be
15 spent only for:

16 (1) a purpose for which the board declared an
17 emergency; and

18 (2) if district taxes or bonds are pledged to pay the
19 loan, the purposes for which the pledged taxes were imposed or the
20 bonds were authorized. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.22.)

21 [Sections 1074.162-1074.200 reserved for expansion]

22 SUBCHAPTER E. BONDS

23 Sec. 1074.201. GENERAL OBLIGATION BONDS. The board may
24 issue and sell general obligation bonds in the name and on the faith
25 and credit of the district for:

26 (1) the purchase, construction, acquisition, repair,
27 or renovation of buildings or improvements;

1 (2) equipping buildings or improvements for hospital
2 purposes; or

3 (3) acquiring and operating a mobile emergency
4 service. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.11(a).)

5 Sec. 1074.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
6 the time general obligation bonds are issued by the district, the
7 board shall impose an ad valorem tax at a rate sufficient to create
8 an interest and sinking fund and to pay the principal of and
9 interest on the bonds as the bonds mature.

10 (b) The tax required by this section together with any other
11 tax imposed for the district may not in any year exceed the limit
12 approved by the voters at the election authorizing the imposition
13 of the tax. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.11(b).)

14 Sec. 1074.203. REVENUE BONDS. (a) The board may issue
15 revenue bonds to:

16 (1) purchase, construct, acquire, repair, equip, or
17 renovate a building or improvement for hospital purposes;

18 (2) acquire a site for hospital purposes; or

19 (3) acquire and operate a mobile emergency service to
20 assist the district in carrying out its hospital purposes.

21 (b) The bonds must be payable from and secured by a pledge of
22 all or part of district revenue derived from the operation of the
23 district's hospital system.

24 (c) The bonds may be additionally secured by a mortgage or
25 deed of trust lien on all or any part of district property.

26 (d) The bonds must be issued in the manner and in accordance
27 with the procedures and requirements prescribed by Chapter 264,

1 Health and Safety Code, for the issuance of revenue bonds by a
2 county hospital authority. (Acts 74th Leg., R.S., Ch. 132, Secs.
3 3.14(a) (part), (b), (c).)

4 Sec. 1074.204. REFUNDING BONDS. (a) The board may, without
5 an election, issue refunding bonds to refund outstanding
6 indebtedness issued or assumed by the district.

7 (b) A refunding bond may be:

8 (1) sold, with the proceeds of the refunding bond
9 applied to the payment of outstanding indebtedness; or

10 (2) exchanged wholly or partly for not less than a
11 similar principal amount of the outstanding indebtedness. (Acts
12 74th Leg., R.S., Ch. 132, Secs. 3.12(a), (b), 3.14(a) (part).)

13 Sec. 1074.205. BOND ELECTION. (a) The district may issue
14 bonds, other than refunding bonds, to be wholly or partly secured by
15 an ad valorem tax only if the bonds are authorized by a majority of
16 the district voters at an election that is held in the district.

17 (b) The bond election order must specify:

18 (1) the nature and date of the election;

19 (2) the location of the polling places;

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

21 (4) the amount of the bonds to be authorized; and

22 (5) the maximum maturity of the bonds.

23 (c) Notice of a bond election shall be given as provided by
24 Section 1251.003, Government Code. (Acts 74th Leg., R.S., Ch. 132,
25 Secs. 3.11(c), (d), (e), 3.14A(b).)

26 Sec. 1074.206. MATURITY OF BONDS. District bonds must
27 mature not later than the 40th anniversary of the date of issuance.

(Acts 74th Leg., R.S., Ch. 132, Sec. 3.13(a) (part).)

Sec. 1074.207. EXECUTION OF BONDS. The board president shall execute the district's bonds in the district's name, and the board secretary shall countersign the bonds in the manner provided by Chapter 618, Government Code. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.13(a) (part).)

Sec. 1074.208. ADDITIONAL MEANS OF SECURING PAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this subchapter, 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 1074.202 and revenue and other sources as authorized by Section 1074.203. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.14A(a).)

Sec. 1074.209. USE OF BOND PROCEEDS. The district may 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

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

(4) costs related to the financing of the bond funds,

1 including debt service reserve and contingency funds;

2 (5) costs related to the issuance of the bonds;

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

6 (7) construction costs of a project or facility to be
7 provided through the bonds, including the payment of related
8 professional services and expenses. (Acts 74th Leg., R.S., Ch.
9 132, Sec. 3.14B.)

10 Sec. 1074.210. BONDS EXEMPT FROM TAXATION. The following
11 are exempt from taxation by this state or a political subdivision of
12 this state:

13 (1) bonds issued by the district;

14 (2) the transfer and issuance from the bonds; or

15 (3) any profits made in the sale of the bonds. (Acts
16 74th Leg., R.S., Ch. 132, Sec. 3.25 (part).)

17 Sec. 1074.211. SECURITY OF CERTAIN BONDS. Bonds authorized
18 at an election held in the district before May 20, 2003, may be
19 payable from and secured by:

20 (1) taxes as authorized by the election; or

21 (2) a pledge of a combination of ad valorem taxes,
22 revenues, and other sources as authorized by Section 1074.208.
23 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.14A(c).)

24 [Sections 1074.212-1074.250 reserved for expansion]

25 SUBCHAPTER F. TAXES

26 Sec. 1074.251. IMPOSITION OF AD VALOREM TAX. (a) The board
27 shall annually impose a tax to pay:

(1) indebtedness issued or assumed by the district;
and

(2) district maintenance and operating expenses.

(b) The district may not impose a tax to pay the principal of
or interest on revenue bonds issued under Section 1074.203. (Acts
74th Leg., R.S., Ch. 132, Secs. 3.16(a) (part), (b).)

Sec. 1074.252. TAX RATE. (a) The board may impose the tax
at a rate not to exceed the limit approved by the voters.

(b) In setting the tax rate, the board shall consider the
income of the district from sources other than taxation. (Acts 74th
Leg., R.S., Ch. 132, Secs. 3.16(a) (part), (c) (part).)

Sec. 1074.253. TAX ASSESSOR-COLLECTOR. The board may
provide for the appointment of a tax assessor-collector for the
district or may contract for the assessment and collection of taxes
as provided by the Tax Code. (Acts 74th Leg., R.S., Ch. 132, Sec.
3.19(c).)

CHAPTER 1086. CROSBY COUNTY HOSPITAL DISTRICT

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15 ATTORNEY

16 Sec. 1086.063. APPOINTMENT OF STAFF AND EMPLOYEES

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18 [Sections 1086.065-1086.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 1086.101. DISTRICT RESPONSIBILITY

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- Sec. 1086.201. GENERAL OBLIGATION BONDS
- Sec. 1086.202. TAX TO PAY GENERAL OBLIGATION BONDS
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- Sec. 1086.206. MATURITY OF BONDS
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- Sec. 1086.251. IMPOSITION OF AD VALOREM TAX
- Sec. 1086.252. TAX RATE
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CHAPTER 1086. CROSBY COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1086.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Crosby County Hospital District. (Acts 71st Leg., R.S., Ch. 548, Sec. 1.01.)

Sec. 1086.002. AUTHORITY FOR OPERATION. The Crosby County Hospital District operates and is financed as provided by Section 9, Article IX, Texas Constitution, and by this chapter. (Acts 71st Leg., R.S., Ch. 548, Sec. 1.02.)

Sec. 1086.003. ESSENTIAL PUBLIC FUNCTION. The district is

1 a public entity performing an essential public function. (Acts
2 71st Leg., R.S., Ch. 548, Sec. 7.11 (part).)

3 Sec. 1086.004. DISTRICT TERRITORY. The boundaries of the
4 district are coextensive with the boundaries of Crosby County,
5 Texas. (Acts 71st Leg., R.S., Ch. 548, Sec. 1.03.)

6 Sec. 1086.005. DISTRICT SUPPORT OR MAINTENANCE NOT STATE
7 OBLIGATION. This state may not become obligated for the support or
8 maintenance of the district. (Acts 71st Leg., R.S., Ch. 548, Sec.
9 9.01 (part).)

10 Sec. 1086.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.
11 The legislature may not make a direct appropriation for the
12 construction, maintenance, or improvement of a district facility.
13 (Acts 71st Leg., R.S., Ch. 548, Sec. 9.01 (part).)

14 [Sections 1086.007-1086.050 reserved for expansion]

15 SUBCHAPTER B. DISTRICT ADMINISTRATION

16 Sec. 1086.051. BOARD ELECTION AND APPOINTMENT; TERM. (a)
17 The district is governed by a board of 12 directors as follows:

18 (1) two directors elected from each commissioners
19 precinct; and

20 (2) four directors appointed by the Crosby County
21 Commissioners Court.

22 (b) Directors serve staggered two-year terms.

23 (c) A directors' election shall be held annually on the May
24 uniform election date to elect the appropriate number of directors.

25 (d) The commissioners court shall annually within 10 days of
26 the date that elected directors are elected appoint the appropriate
27 number of directors. (Acts 71st Leg., R.S., Ch. 548, Secs. 4.01(a),

1 4.03(a), (d).)

2 Sec. 1086.052. NOTICE OF ELECTION. Not later than the 35th
3 day before the date of a directors' election, notice of the election
4 must be published one time in a newspaper with general circulation
5 in the district. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.04.)

6 Sec. 1086.053. BALLOT PETITION. A person who wants to have
7 the person's name printed on the ballot as a candidate for a
8 position as an elected director must file with the board secretary a
9 petition requesting that action. The petition must:

10 (1) be signed by at least 10 registered voters of the
11 district, as determined by the most recent official list of
12 registered voters;

13 (2) be filed by the deadline imposed by Section
14 144.005, Election Code; and

15 (3) specify the commissioners precinct the candidate
16 wants to represent. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.05.)

17 Sec. 1086.054. QUALIFICATIONS FOR OFFICE. (a) To be
18 eligible to be a candidate for an elected position or to serve as an
19 elected director, a person must be:

20 (1) a resident of the district; and

21 (2) a registered voter.

22 (b) To be eligible to serve as an appointed director, a
23 person must be a registered voter.

24 (c) In addition to the qualifications required by
25 Subsection (a), a person who is elected from a commissioners
26 precinct or who is appointed to fill a vacancy for a commissioners
27 precinct must be a resident of that commissioners precinct.

1 (d) A district employee may not serve as a director. (Acts
2 71st Leg., R.S., Ch. 548, Sec. 4.06.)

3 Sec. 1086.055. BOND; RECORD OF BOND. (a) Before assuming
4 the duties of office, each director must execute a bond for \$5,000
5 that is:

6 (1) payable to the district; and

7 (2) conditioned on the faithful performance of the
8 director's duties.

9 (b) The board may pay for directors' bonds with district
10 money.

11 (c) Each director's bond shall be kept in the district's
12 permanent records. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.07.)

13 Sec. 1086.056. BOARD VACANCY. If a vacancy occurs in the
14 office of director, the remaining directors shall appoint a
15 director for the unexpired term. (Acts 71st Leg., R.S., Ch. 548,
16 Sec. 4.08.)

17 Sec. 1086.057. OFFICERS. (a) The board shall elect from
18 among its members a president and a vice president.

19 (b) The board shall appoint a secretary, who need not be a
20 director.

21 (c) The president may vote only to break a tie vote.

22 (d) Each officer of the board serves a one-year term.

23 (e) The board shall fill a vacancy in a board office for the
24 unexpired term. (Acts 71st Leg., R.S., Ch. 548, Secs. 4.09, 4.10.)

25 Sec. 1086.058. COMPENSATION; EXPENSES. A director or
26 officer serves without compensation but may be reimbursed for
27 actual expenses incurred in the performance of official duties.

1 The expenses must be:

2 (1) reported in the district's records; and

3 (2) approved by the board. (Acts 71st Leg., R.S., Ch.
4 548, Sec. 4.11.)

5 Sec. 1086.059. VOTING REQUIREMENT. A concurrence of a
6 majority of the directors voting is necessary in any matter
7 relating to district business. (Acts 71st Leg., R.S., Ch. 548, Sec.
8 4.12.)

9 Sec. 1086.060. DISTRICT ADMINISTRATOR. (a) The board may
10 appoint a qualified person as district administrator.

11 (b) The district administrator serves at the will of the
12 board and is entitled to compensation as determined by the board.

13 (c) Before assuming the duties of district administrator,
14 the administrator must execute a bond in an amount determined by the
15 board of not less than \$5,000 that is:

16 (1) payable to the district; and

17 (2) conditioned on the faithful performance of the
18 administrator's duties under this chapter.

19 (d) The board may pay for the bond with district money.
20 (Acts 71st Leg., R.S., Ch. 548, Secs. 4.13(a) (part), (b) (part),
21 (c) (part), (d).)

22 Sec. 1086.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
23 Subject to the limitations prescribed by the board, the district
24 administrator shall:

25 (1) supervise the work and activities of the district;
26 and

27 (2) direct the general affairs of the district. (Acts

1 71st Leg., R.S., Ch. 548, Sec. 4.16.)

2 Sec. 1086.062. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

3 (a) The board may appoint qualified persons as:

4 (1) the assistant district administrator; and

5 (2) the attorney for the district.

6 (b) The assistant district administrator and the attorney
7 for the district serve at the will of the board and are entitled to
8 compensation as determined by the board. (Acts 71st Leg., R.S., Ch.
9 548, Secs. 4.13(a) (part), (b) (part), (c) (part).)

10 Sec. 1086.063. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
11 board may appoint to the staff any doctors the board considers
12 necessary for the efficient operation of the district and may make
13 temporary appointments as considered necessary.

14 (b) The district may employ technicians, nurses, fiscal
15 agents, accountants, architects, additional attorneys, and other
16 necessary employees.

17 (c) The board may delegate to the district administrator the
18 authority to employ persons for the district. (Acts 71st Leg.,
19 R.S., Ch. 548, Secs. 4.14, 4.15.)

20 Sec. 1086.064. RETIREMENT BENEFITS. The board may provide
21 retirement benefits for district employees by:

22 (1) establishing or administering a retirement
23 program; or

24 (2) participating in:

25 (A) the Texas County and District Retirement
26 System; or

27 (B) another statewide retirement system in which

the district is eligible to participate. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.17.)

[Sections 1086.065-1086.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1086.101. DISTRICT RESPONSIBILITY. The district has full responsibility for operating hospital facilities and for providing medical and hospital care for the district's needy inhabitants. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.02 (part).)

Sec. 1086.102. RESTRICTION ON GOVERNMENTAL ENTITY TAXATION AND DEBT. Crosby County, the City of Ralls, Crosbyton, or Lorenzo, or any other governmental entity in which the district is located may not impose a tax or issue bonds or other obligations for hospital purposes or to provide medical care for district residents. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.01(b).)

Sec. 1086.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the hospital system and the district's money and resources. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.03.)

Sec. 1086.104. RULES. The board may adopt rules governing:

(1) the operation of the hospital and hospital system; and

(2) the duties, functions, and responsibilities of district staff and employees. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.04.)

Sec. 1086.105. PURCHASING AND ACCOUNTING PROCEDURES. The board may prescribe:

(1) the method of making purchases and expenditures by

1 and for the district; and

2 (2) accounting and control procedures for the
3 district. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.05.)

4 Sec. 1086.106. MOBILE EMERGENCY MEDICAL SERVICE. The
5 district may operate or provide for the operation of a mobile
6 emergency medical service. (Acts 71st Leg., R.S., Ch. 548, Sec.
7 5.02 (part).)

8 Sec. 1086.107. DISTRICT PROPERTY, FACILITIES, AND
9 EQUIPMENT. (a) The board shall determine:

10 (1) the type, number, and location of buildings
11 required to maintain an adequate hospital system; and

12 (2) the type of equipment necessary for hospital care.

13 (b) The board may:

14 (1) acquire property, including facilities and
15 equipment, for the district for use in the hospital system; and

16 (2) mortgage or pledge the property as security for
17 the payment of the purchase price.

18 (c) The board may lease hospital facilities for the
19 district.

20 (d) The board may sell or otherwise dispose of property,
21 including facilities or equipment, for the district. (Acts 71st
22 Leg., R.S., Ch. 548, Sec. 5.06.)

23 Sec. 1086.108. EMINENT DOMAIN. (a) The district may
24 exercise the power of eminent domain to acquire a fee simple or
25 other interest in property located in district territory if the
26 interest is necessary to exercise a right or authority conferred by
27 this chapter.

1 (b) The district must exercise the power of eminent domain
2 in the manner provided by Chapter 21, Property Code, except the
3 district is not required to deposit in the trial court money or a
4 bond as provided by Section 21.021(a), Property Code.

5 (c) In a condemnation proceeding brought by the district,
6 the district is not required to:

7 (1) pay in advance or provide a bond or other security
8 for costs in the trial court;

9 (2) provide a bond for the issuance of a temporary
10 restraining order or a temporary injunction; or

11 (3) provide a bond for costs or a supersedeas bond on
12 an appeal or petition for review. (Acts 71st Leg., R.S., Ch. 548,
13 Sec. 5.09.)

14 Sec. 1086.109. COST OF RELOCATING OR ALTERING PROPERTY. In
15 exercising the power of eminent domain, if the board requires
16 relocating, raising, lowering, rerouting, changing the grade, or
17 altering the construction of any railroad, highway, pipeline, or
18 electric transmission and electric distribution, telegraph, or
19 telephone line, conduit, pole, or facility, the district must bear
20 the actual cost of relocating, raising, lowering, rerouting,
21 changing the grade, or altering the construction to provide
22 comparable replacement without enhancement of facilities, after
23 deducting the net salvage value derived from the old facility.
24 (Acts 71st Leg., R.S., Ch. 548, Sec. 5.10.)

25 Sec. 1086.110. GIFTS AND ENDOWMENTS. The board may accept
26 for the district a gift or endowment to be held in trust for any
27 purpose and under any direction, limitation, or other provision

1 prescribed in writing by the donor that is consistent with the
2 proper management of the district. (Acts 71st Leg., R.S., Ch. 548,
3 Sec. 5.14.)

4 Sec. 1086.111. CONSTRUCTION CONTRACTS. (a) The board may
5 enter into construction contracts for the district.

6 (b) The board may enter into a construction contract that
7 involves the expenditure of more than the amount provided by
8 Section 271.024, Local Government Code, only after competitive
9 bidding as provided by Subchapter B, Chapter 271, Local Government
10 Code. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.07(a).)

11 Sec. 1086.112. OPERATING AND MANAGEMENT CONTRACTS. The
12 board may enter into an operating or management contract relating
13 to a hospital facility for the district. (Acts 71st Leg., R.S., Ch.
14 548, Sec. 5.08.)

15 Sec. 1086.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
16 SERVICES. The board may contract with a political subdivision of
17 this state or with a state or federal agency for the district to:

18 (1) furnish a mobile emergency medical service; or
19 (2) provide for the investigatory or welfare needs of
20 district inhabitants. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.13.)

21 Sec. 1086.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)
22 When a patient who resides in the district is admitted to a district
23 facility, the district administrator may have an inquiry made into
24 the financial circumstances of:

25 (1) the patient; or
26 (2) a relative of the patient legally responsible for
27 the patient's support.

1 (b) The district without charge shall provide to a patient
2 who resides in the district the care and treatment that the patient
3 or a relative of the patient legally responsible for the patient's
4 support cannot pay.

5 (c) On determining that the patient or a relative legally
6 responsible for the patient's support can pay for all or part of the
7 care and treatment provided by the district, the district
8 administrator shall report that determination to the board, and the
9 board shall issue an order directing the patient or the relative to
10 pay the district a specified amount each week. The amount must be
11 based on the individual's ability to pay.

12 (d) The district administrator may collect money owed to the
13 district from the patient's estate or from that of a relative
14 legally responsible for the patient's support in the manner
15 provided by law for collection of expenses of the last illness of a
16 deceased person.

17 (e) If there is a dispute relating to an individual's
18 ability to pay or if the district administrator has any doubt
19 concerning an individual's ability to pay, the board shall:

- 20 (1) call witnesses;
21 (2) hear and resolve the question; and
22 (3) issue a final order.

23 (f) The final order of the board may be appealed to a
24 district court in Crosby County. The substantial evidence rule
25 applies to the appeal. (Acts 71st Leg., R.S., Ch. 548, Secs.
26 5.11(a), (c), (d), (e), (f).)

27 Sec. 1086.115. REIMBURSEMENT FOR SERVICES. (a) The board

1 shall require a county, municipality, or public hospital located
2 outside the district to reimburse the district for the district's
3 care and treatment of a sick or injured person of that county,
4 municipality, or public hospital as provided by Chapter 61, Health
5 and Safety Code.

6 (b) The board shall require the sheriff of Crosby County or
7 the police chief of the City of Crosbyton, Ralls, or Lorenzo, as
8 appropriate, to reimburse the district for the district's care and
9 treatment of a person confined in a jail facility of Crosby County
10 or the City of Crosbyton, Ralls, or Lorenzo, as appropriate, who is
11 not a district resident.

12 (c) The board may contract with the state or federal
13 government for that government to reimburse the district for
14 treatment of a sick or injured person. (Acts 71st Leg., R.S., Ch.
15 548, Sec. 5.12.)

16 Sec. 1086.116. AUTHORITY TO SUE AND BE SUED. The board may
17 sue and be sued on behalf of the district. (Acts 71st Leg., R.S.,
18 Ch. 548, Sec. 5.15.)

19 [Sections 1086.117-1086.150 reserved for expansion]

20 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

21 Sec. 1086.151. BUDGET. (a) The district administrator
22 shall prepare a proposed annual budget for the district.

23 (b) The proposed budget must contain a complete financial
24 statement, including a statement of:

- 25 (1) the outstanding obligations of the district;
26 (2) the amount of cash on hand to the credit of each
27 district fund;

1 (3) the amount of money received by the district from
2 all sources during the previous year;

3 (4) the amount of money available to the district from
4 all sources during the ensuing year;

5 (5) the amount of the balances expected at the end of
6 the year in which the budget is being prepared;

7 (6) the estimated amount of revenue and balances
8 available to cover the proposed budget; and

9 (7) the estimated tax rate to be required. (Acts 71st
10 Leg., R.S., Ch. 548, Sec. 6.04.)

11 Sec. 1086.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)
12 The board shall hold a public hearing on the proposed annual budget.

13 (b) The board shall publish notice of the hearing in a
14 newspaper of general circulation in the district not later than the
15 10th day before the date of the hearing.

16 (c) Any district resident is entitled to be present and
17 participate at the hearing.

18 (d) At the conclusion of the hearing, the board shall adopt
19 a budget by acting on the budget proposed by the district
20 administrator. The board may make any changes in the proposed
21 budget that the board judges to be in the interests of the
22 taxpayers.

23 (e) The budget is effective only after adoption by the
24 board. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.05.)

25 Sec. 1086.153. AMENDMENTS TO BUDGET. After the annual
26 budget is adopted, the budget may be amended on the board's
27 approval. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.06.)

1 Sec. 1086.154. RESTRICTION ON EXPENDITURES. Money may be
2 spent only for an expense included in the annual budget or an
3 amendment to the budget. (Acts 71st Leg., R.S., Ch. 548, Sec.
4 6.07.)

5 Sec. 1086.155. FISCAL YEAR. (a) The district operates
6 according to a fiscal year established by the board.

7 (b) The fiscal year may not be changed:

8 (1) during a period that revenue bonds of the district
9 are outstanding; or

10 (2) more than once in a 24-month period. (Acts 71st
11 Leg., R.S., Ch. 548, Sec. 6.01.)

12 Sec. 1086.156. ANNUAL AUDIT. The board annually shall have
13 an audit made of the district's financial condition. (Acts 71st
14 Leg., R.S., Ch. 548, Sec. 6.02.)

15 Sec. 1086.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
16 RECORDS. The annual audit and other district records are open to
17 inspection during regular business hours at the district's
18 principal office. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.03.)

19 Sec. 1086.158. FINANCIAL REPORT. As soon as practicable
20 after the close of the fiscal year, the district administrator
21 shall prepare for the board:

22 (1) a sworn statement of the amount of district money;
23 and

24 (2) an account of the disbursements of that money.
25 (Acts 71st Leg., R.S., Ch. 548, Sec. 6.08.)

26 Sec. 1086.159. DEPOSITORY. (a) The board shall select at
27 least one bank to serve as a depository for district money.

1 (b) District money, other than money invested as provided by
2 Section 1086.160(b) and money transmitted to a bank of payment as a
3 trustee for bonds or obligations issued or assumed by the district,
4 shall be deposited as received with the depository bank and shall
5 remain on deposit. This subsection does not limit the power of the
6 board to:

7 (1) place a portion of district money on time deposit;
8 or

9 (2) purchase certificates of deposit.

10 (c) The district may not deposit money with a bank in an
11 amount that exceeds the maximum amount secured by the Federal
12 Deposit Insurance Corporation unless the bank first executes a bond
13 or other security in an amount sufficient to secure from loss the
14 district money that exceeds the amount secured by the Federal
15 Deposit Insurance Corporation. (Acts 71st Leg., R.S., Ch. 548,
16 Sec. 6.10.)

17 Sec. 1086.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)
18 Except as provided by Sections 1086.111, 1086.201, 1086.204, and
19 1086.205, the district may not incur a debt payable from district
20 revenue other than the revenue on hand or to be on hand in the
21 current and immediately following district fiscal years.

22 (b) The board may invest operating, depreciation, or
23 building reserves only in funds or securities specified by Chapter
24 2256, Government Code. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.09.)

25 [Sections 1086.161-1086.200 reserved for expansion]

26 SUBCHAPTER E. BONDS

27 Sec. 1086.201. GENERAL OBLIGATION BONDS. If authorized by

1 an election, the board may issue and sell general obligation bonds
2 in the name and on the faith and credit of the district to:

3 (1) purchase, construct, acquire, repair, or renovate
4 buildings or improvements;

5 (2) equip buildings or improvements for hospital
6 purposes; or

7 (3) acquire and operate a mobile emergency medical
8 service. (Acts 71st Leg., R.S., Ch. 548, Sec. 7.01.)

9 Sec. 1086.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
10 the time general obligation bonds are issued by the district, the
11 board shall impose an ad valorem tax at a rate sufficient to create
12 an interest and sinking fund to pay the principal of and interest on
13 the bonds as the bonds mature.

14 (b) The tax required by this section together with any other
15 ad valorem tax the district imposes may not in any year exceed the
16 limit approved by the voters at the election authorizing the
17 imposition of the tax. (Acts 71st Leg., R.S., Ch. 548, Sec. 7.02.)

18 Sec. 1086.203. GENERAL OBLIGATION BOND ELECTION. (a) The
19 district may issue general obligation bonds only if the bonds are
20 authorized by a majority of the district voters voting at an
21 election held for that purpose.

22 (b) The board may order a bond election.

23 (c) The order calling the election must specify:

24 (1) the nature and date of the election;

25 (2) the hours during which the polls will be open;

26 (3) the location of the polling places;

27 (4) the amount of the bonds to be authorized; and

1 (5) the maximum maturity of the bonds.

2 (d) Notice of a bond election shall be given as provided by
3 Section 1251.003, Government Code.

4 (e) The board shall declare the results of the election.
5 (Acts 71st Leg., R.S., Ch. 548, Sec. 7.03.)

6 Sec. 1086.204. REVENUE BONDS. (a) The board may issue
7 revenue bonds to:

8 (1) purchase, construct, acquire, repair, equip, or
9 renovate buildings or improvements for hospital purposes;

10 (2) acquire sites to be used for hospital purposes; or

11 (3) acquire and operate a mobile emergency medical
12 service to assist the district in carrying out its hospital
13 purposes.

14 (b) The bonds must be payable from and secured by a pledge of
15 all or part of the revenue derived from the operation of the
16 district's hospital system.

17 (c) The bonds may be additionally secured by a mortgage or
18 deed of trust lien on all or part of district property.

19 (d) The bonds must be issued in the manner provided by
20 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,
21 Health and Safety Code, for issuance of revenue bonds by a county
22 hospital authority. (Acts 71st Leg., R.S., Ch. 548, Sec. 7.04.)

23 Sec. 1086.205. REFUNDING BONDS. (a) District refunding
24 bonds may be issued to refund outstanding indebtedness issued or
25 assumed by the district.

26 (b) A refunding bond may be:

27 (1) sold, with the proceeds of the refunding bond

1 applied to the payment of outstanding indebtedness; or

2 (2) exchanged wholly or partly for not less than a
3 similar principal amount of outstanding indebtedness. (Acts 71st
4 Leg., R.S., Ch. 548, Secs. 7.05(a), (c) (part).)

5 Sec. 1086.206. MATURITY OF BONDS. District bonds must
6 mature not later than 50 years after the date of issuance. (Acts
7 71st Leg., R.S., Ch. 548, Sec. 7.06 (part).)

8 Sec. 1086.207. EXECUTION OF BONDS. The board president
9 shall execute the district's bonds in the district's name, and the
10 board secretary shall countersign the bonds in the manner provided
11 by Chapter 618, Government Code. (Acts 71st Leg., R.S., Ch. 548,
12 Sec. 7.07.)

13 Sec. 1086.208. BONDS EXEMPT FROM TAXATION. The following
14 are exempt from taxation by this state or a political subdivision of
15 this state:

- 16 (1) bonds issued by the district;
17 (2) any transaction relating to the bonds; and
18 (3) profits made in the sale of the bonds. (Acts 71st
19 Leg., R.S., Ch. 548, Sec. 7.11 (part).)

20 [Sections 1086.209-1086.250 reserved for expansion]

21 SUBCHAPTER F. TAXES

22 Sec. 1086.251. IMPOSITION OF AD VALOREM TAX. (a) The board
23 may impose a tax on all property in the district subject to district
24 taxation.

25 (b) The tax may be used to pay:

- 26 (1) indebtedness issued or assumed by the district;
27 and

(2) district maintenance and operating expenses.

(c) The district may not impose a tax to pay the principal of or interest on revenue bonds issued under this chapter. (Acts 71st Leg., R.S., Ch. 548, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

Sec. 1086.252. TAX RATE. (a) The board may impose the tax at a rate not to exceed the limit approved by the voters at the election authorizing the imposition of the tax.

(b) The tax rate for all purposes may not exceed 75 cents on each \$100 valuation of all taxable property in the district.

(c) In setting the tax rate, the board shall consider the income of the district from sources other than taxation.

(d) An appointed director may not vote on the adoption of the tax rate to be set by the board. (Acts 71st Leg., R.S., Ch. 548, Secs. 8.01(a) (part), (b), 8.03 (part).)

Sec. 1086.253. TAX ASSESSOR-COLLECTOR. The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by the Tax Code. (Acts 71st Leg., R.S., Ch. 548, Sec. 8.04(b).)

CHAPTER 1098. STONEWALL COUNTY HOSPITAL DISTRICT

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4 CHAPTER 1098. STONEWALL COUNTY HOSPITAL DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 1098.001. DEFINITIONS. In this chapter:

7 (1) "Board" means the board of directors of the
8 district.

9 (2) "Director" means a member of the board.

10 (3) "District" means the Stonewall County Hospital
11 District. (New.)

12 Sec. 1098.002. AUTHORITY FOR OPERATION. The Stonewall
13 County Hospital District operates in accordance with Section 9,
14 Article IX, Texas Constitution, and has the rights, powers, and
15 duties provided by this chapter. (Acts 58th Leg., R.S., Ch. 54,
16 Sec. 1 (part).)

17 Sec. 1098.003. POLITICAL SUBDIVISION. The district is a
18 political subdivision of this state. (Acts 58th Leg., R.S., Ch. 54,
19 Sec. 14 (part).)

20 Sec. 1098.004. DISTRICT TERRITORY. The boundaries of the
21 district are coextensive with the boundaries of Stonewall County,
22 Texas. (Acts 58th Leg., R.S., Ch. 54, Sec. 1 (part).)

23 Sec. 1098.005. CORRECTION OF INVALID PROCEDURES. If a
24 court holds that any procedure under this chapter violates the
25 constitution of this state or of the United States, the district by
26 resolution may provide an alternative procedure that conforms with
27 the constitution. (Acts 58th Leg., R.S., Ch. 54, Sec. 17 (part).)

1 Sec. 1098.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE
2 OBLIGATION. This state may not become obligated for the support or
3 maintenance of the district. (Acts 58th Leg., R.S., Ch. 54, Sec. 16
4 (part).)

5 Sec. 1098.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.
6 The legislature may not make a direct appropriation for the
7 construction, maintenance, or improvement of a district facility.
8 (Acts 58th Leg., R.S., Ch. 54, Sec. 16 (part).)

9 [Sections 1098.008-1098.050 reserved for expansion]

10 SUBCHAPTER B. DISTRICT ADMINISTRATION

11 Sec. 1098.051. BOARD ELECTION; TERM. (a) The district is
12 governed by a board of five directors elected from the district at
13 large by place.

14 (b) Directors serve staggered three-year terms.

15 (c) A directors' election shall be held annually on the May
16 uniform election date prescribed by Section 41.001, Election Code.
17 (Acts 58th Leg., R.S., Ch. 54, Secs. 3(a) (part), (c) (part).)

18 Sec. 1098.052. NOTICE OF ELECTION. Notice of a directors'
19 election shall be published in a newspaper of general circulation
20 in the district in accordance with Section 4.003, Election Code.
21 (Acts 58th Leg., R.S., Ch. 54, Sec. 3(c) (part).)

22 Sec. 1098.053. QUALIFICATIONS FOR OFFICE. (a) To be
23 eligible to be a candidate for or to serve as a director, a person
24 must be:

25 (1) a resident of the district; and

26 (2) a qualified voter.

27 (b) A district employee may not serve as a director. (Acts

1 58th Leg., R.S., Ch. 54, Sec. 3(d).)

2 Sec. 1098.054. BOARD VACANCY. (a) If a vacancy occurs in
3 the office of director, the remaining directors by majority vote
4 shall fill the vacancy for the unexpired term.

5 (b) If the number of directors is reduced to fewer than
6 three for any reason, the remaining directors shall immediately
7 call a special election to fill the vacancies. If the remaining
8 directors do not call the election, a district court, on
9 application of a qualified voter or taxpayer of the district, may
10 order the directors to hold the election. (Acts 58th Leg., R.S.,
11 Ch. 54, Sec. 3(b) (part).)

12 Sec. 1098.055. OFFICERS. (a) The board shall elect:

13 (1) a president and vice president from among its
14 members; and

15 (2) a secretary and treasurer who is not required to be
16 a director.

17 (b) Each officer of the board serves a one-year term. (Acts
18 58th Leg., R.S., Ch. 54, Sec. 3(b) (part).)

19 Sec. 1098.056. COMPENSATION; EXPENSES. A director serves
20 without compensation but may be reimbursed for actual expenses
21 incurred in the performance of the director's official duties. The
22 expenses must be:

23 (1) reported in the district's minutes; and

24 (2) approved by the board. (Acts 58th Leg., R.S., Ch.
25 54, Sec. 4(a) (part).)

26 Sec. 1098.057. VOTING REQUIREMENT. A concurrence of three
27 directors is sufficient in any matter relating to district

business. (Acts 58th Leg., R.S., Ch. 54, Sec. 3(b) (part).)

Sec. 1098.058. DISTRICT ADMINISTRATOR; ASSISTANT ADMINISTRATOR. (a) The board shall appoint a qualified person as district administrator.

(b) The board may appoint an assistant administrator.

(c) The district administrator and any assistant administrator serve at the will of the board and are entitled to compensation as determined by the board.

(d) Before assuming the duties of district administrator, the administrator shall execute a bond payable to the district in an amount set by the board of not less than \$5,000 that:

(1) is conditioned on the faithful performance of the administrator's duties under this chapter; and

(2) contains any other condition the board requires.

(e) The board may pay for the bond with district money. (Acts 58th Leg., R.S., Ch. 54, Sec. 4(b).)

Sec. 1098.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to the limitations prescribed by the board, the district administrator shall:

(1) supervise the work and activities of the district; and

(2) direct the general affairs of the district. (Acts 58th Leg., R.S., Ch. 54, Sec. 4(c).)

Sec. 1098.060. STAFF AND EMPLOYEES; RECRUITMENT OF PERSONNEL. (a) The district may:

(1) appoint physicians to the district's staff; and

(2) employ technicians, nurses, fiscal agents,

1 accountants, architects, attorneys, and other necessary employees.

2 (b) The board may delegate to the district administrator the
3 authority to employ persons for the district.

4 (c) The board may spend district money to recruit
5 physicians, nurses, and other trained medical personnel. (Acts
6 58th Leg., R.S., Ch. 54, Secs. 4(d), (j).)

7 Sec. 1098.061. EDUCATIONAL PROGRAMS; COURSES. The board
8 may provide or contract for the provision of educational programs
9 or courses for district employees and medical staff. (Acts 58th
10 Leg., R.S., Ch. 54, Sec. 4(1).)

11 Sec. 1098.062. RETIREMENT BENEFITS. The board may provide
12 retirement benefits for district employees by:

13 (1) establishing or administering a retirement
14 program; or

15 (2) participating in:

16 (A) the Texas County and District Retirement
17 System; or

18 (B) another statewide retirement system in which
19 the district is eligible to participate. (Acts 58th Leg., R.S., Ch.
20 54, Sec. 4(i).)

21 Sec. 1098.063. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.
22 All district records, including books, accounts, notices, and
23 minutes, and all other matters of the district and the operation of
24 its facilities, shall be:

25 (1) maintained at the district's office; and

26 (2) open to public inspection at the district's office
27 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(b).)

1 Sec. 1098.064. SEAL. The board may adopt a seal for the
2 district. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(a) (part).)

3 [Sections 1098.065-1098.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 1098.101. DISTRICT RESPONSIBILITY. The district has
6 full responsibility for providing medical and hospital care for the
7 district's needy inhabitants. (Acts 58th Leg., R.S., Ch. 54, Sec. 2
8 (part).)

9 Sec. 1098.102. RESTRICTION ON TAXATION AND DEBT. Stonewall
10 County or another governmental entity in which the district is
11 located may not impose a tax or issue bonds or other obligations for
12 hospital purposes or to provide medical care for district
13 residents. (Acts 58th Leg., R.S., Ch. 54, Sec. 2A.)

14 Sec. 1098.103. MANAGEMENT AND CONTROL OF DISTRICT. The
15 management and control of the district is vested in the board.
16 (Acts 58th Leg., R.S., Ch. 54, Sec. 4(a) (part).)

17 Sec. 1098.104. HOSPITAL SYSTEM. The district shall provide
18 for:

19 (1) the establishment of a hospital system to provide
20 medical and hospital care for district residents by:

21 (A) purchasing, constructing, acquiring,
22 repairing, or renovating buildings and improvements; and

23 (B) equipping the buildings and improvements;
24 and

25 (2) the administration of the hospital system for
26 hospital purposes. (Acts 58th Leg., R.S., Ch. 54, Sec. 2 (part).)

27 Sec. 1098.105. RULES. (a) The board may adopt rules

governing the operation of the district and district facilities.

(b) The rules may, on approval by the board, be published in booklet form at district expense and made available to any taxpayer on request. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(c).)

Sec. 1098.106. PURCHASING AND ACCOUNTING PROCEDURES. (a) The board may prescribe the method and manner of making purchases and expenditures by and for the district.

(b) The board shall prescribe:

(1) all accounting and control procedures; and

(2) the method of purchasing necessary supplies, materials, and equipment. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(a) (part).)

Sec. 1098.107. DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a) The board shall determine:

(1) the type, number, and location of buildings required to maintain an adequate hospital system; and

(2) the type of equipment necessary for hospital care.

(b) The board may:

(1) establish and equip a clinic as part of the hospital system;

(2) acquire property, including facilities and equipment, for the district for use in the hospital system; and

(3) mortgage or pledge the property as security for payment of the purchase price.

(c) The board may lease district hospital facilities to or from individuals, companies, corporations, or other legal entities.

1 (d) The board may sell or otherwise dispose of property,
2 including facilities or equipment. (Acts 58th Leg., R.S., Ch. 54,
3 Secs. 4(f), (g).)

4 Sec. 1098.108. EMINENT DOMAIN. (a) The district may
5 exercise the power of eminent domain to acquire a fee simple or
6 other interest in any type of property, real, personal, or mixed,
7 located in district territory, if the interest is necessary or
8 convenient to exercise a right, power, privilege, or function
9 conferred on the district by this chapter.

10 (b) The district must exercise the power of eminent domain
11 in the manner provided by Chapter 21, Property Code, except the
12 district is not required to deposit in the trial court money or a
13 bond as provided by Section 21.021, Property Code.

14 (c) In a condemnation proceeding brought by the district,
15 the district is not required to:

16 (1) pay in advance or provide a bond or other security
17 for costs in the trial court;

18 (2) provide a bond for the issuance of a temporary
19 restraining order or a temporary injunction; or

20 (3) provide a bond for costs or a supersedeas bond on
21 an appeal or petition for review. (Acts 58th Leg., R.S., Ch. 54,
22 Sec. 9.)

23 Sec. 1098.109. GIFTS AND ENDOWMENTS. The board may accept
24 for the district a gift or endowment to be held in trust and
25 administered by the board for the purposes and under the
26 directions, limitations, or other provisions prescribed in writing
27 by the donor that are not inconsistent with the proper management

1 and objectives of the district. (Acts 58th Leg., R.S., Ch. 54, Sec.
2 12.)

3 Sec. 1098.110. BIDDING REQUIREMENTS. The district shall
4 comply with the bidding requirements prescribed by Chapter 271,
5 Local Government Code. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(a)
6 (part).)

7 Sec. 1098.111. OPERATING AND MANAGEMENT CONTRACTS. The
8 board may enter into an operating or management contract relating
9 to a hospital facility. The term of the contract may not exceed 25
10 years. (Acts 58th Leg., R.S., Ch. 54, Sec. 4(h).)

11 Sec. 1098.112. CONTRACTS FOR HEALTH CARE. The board may
12 contract with any public or private entity, including the federal
13 government, this state, a political subdivision, or a charitable
14 organization, to provide health care or related services inside or
15 outside the district. (Acts 58th Leg., R.S., Ch. 54, Sec. 4(e).)

16 Sec. 1098.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)
17 When a patient who resides in the district is admitted to a district
18 facility, the district administrator shall have an inquiry made
19 into the circumstances of:

20 (1) the patient; and

21 (2) the patient's relatives legally liable for the
22 patient's support.

23 (b) If the district administrator determines that the
24 patient or those relatives cannot pay for all or part of the
25 patient's care and treatment in the hospital, the amount that
26 cannot be paid becomes a charge against the district.

27 (c) If the district administrator determines that the

1 patient or those relatives are liable to pay for all or part of the
2 patient's care and treatment, the patient or those relatives shall
3 be ordered to pay the district treasurer a specified amount each
4 week for the patient's support. The amount ordered must be
5 proportionate to their financial ability.

6 (d) The district administrator may collect the amount from
7 the patient's estate, or from those relatives legally liable for
8 the patient's support, in the manner provided by law for the
9 collection of expenses of the last illness of a deceased person.

10 (e) The board may institute a suit to collect an amount owed
11 to the district by a patient who has not been determined to be
12 unable to pay under this section.

13 (f) If there is a dispute as to the ability to pay, or doubt
14 in the mind of the district administrator, the board shall hold a
15 hearing and, after calling witnesses, shall:

16 (1) resolve the dispute or doubt; and

17 (2) issue an appropriate order.

18 (g) Either party to the dispute may appeal the order to the
19 district court. (Acts 58th Leg., R.S., Ch. 54, Secs. 4(m), 11.)

20 Sec. 1098.114. AUTHORITY TO SUE AND BE SUED. As a
21 governmental agency, the district may sue and be sued in the
22 district's own name in any court of this state. (Acts 58th Leg.,
23 R.S., Ch. 54, Sec. 14 (part).)

24 [Sections 1098.115-1098.150 reserved for expansion]

25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26 Sec. 1098.151. BUDGET. The board annually shall require a
27 budget to be prepared for the next fiscal year that includes:

- 1 (1) proposed expenditures and disbursements;
- 2 (2) estimated receipts and collections; and
- 3 (3) the amount of taxes required to be imposed for the
- 4 year. (Acts 58th Leg., R.S., Ch. 54, Secs. 8(b) (part), (c)
- 5 (part).)

6 Sec. 1098.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a)

7 The board shall hold a public hearing on the proposed budget.

8 (b) Notice of the hearing must be published at least once in

9 a newspaper of general circulation in Stonewall County not later

10 than the 10th day before the date of the hearing.

11 (c) Any district taxpayer is entitled to:

12 (1) appear at the time and place designated in the

13 notice; and

14 (2) be heard regarding any item included in the

15 proposed budget.

16 (d) The annual budget must be approved by the board of

17 directors. (Acts 58th Leg., R.S., Ch. 54, Secs. 8(b) (part), (c)

18 (part).)

19 Sec. 1098.153. AMENDMENTS TO BUDGET. The annual budget may

20 be amended on the board's approval. (Acts 58th Leg., R.S., Ch. 54,

21 Sec. 8(b) (part).)

22 Sec. 1098.154. SPENDING RESTRICTIONS. (a) Except as

23 otherwise provided by this chapter, the district may not incur an

24 obligation payable from district revenue other than revenue held by

25 the district or to be held by the district in the current district

26 fiscal year.

27 (b) Money may be spent only for an expense included in the

1 budget or an amendment to the budget. (Acts 58th Leg., R.S., Ch.
2 54, Secs. 7(a) (part), 8(b) (part).)

3 Sec. 1098.155. FISCAL YEAR. (a) The district operates
4 according to a fiscal year established by the board.

5 (b) The fiscal year may not be changed:

6 (1) if revenue bonds of the district are outstanding;

7 or

8 (2) more than once in a 24-month period. (Acts 58th
9 Leg., R.S., Ch. 54, Sec. 8(a) (part).)

10 Sec. 1098.156. ANNUAL AUDIT. The board annually shall have
11 an audit made of the district's books and records for the fiscal
12 year. (Acts 58th Leg., R.S., Ch. 54, Sec. 8(a) (part).)

13 Sec. 1098.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
14 RECORDS. The annual audit and other district records are open to
15 inspection during regular business hours at the district's
16 principal office. (Acts 58th Leg., R.S., Ch. 54, Sec. 8(a) (part).)

17 Sec. 1098.158. FINANCIAL REPORT. As soon as practicable
18 after the close of each fiscal year, the district administrator
19 shall prepare for the board:

20 (1) a complete sworn statement of all district money;

21 and

22 (2) a complete account of the disbursements of that
23 money. (Acts 58th Leg., R.S., Ch. 54, Sec. 8(b) (part).)

24 Sec. 1098.159. DEPOSITORY OR TREASURER. (a) The board by
25 resolution shall designate one or more banks to serve as the
26 district's depository or treasurer.

27 (b) District money shall be deposited on receipt with a

1 depository bank, except that sufficient money must be remitted to
2 an appropriate bank to pay the principal of and interest on the
3 district's outstanding bonds, or other obligations assumed by the
4 district, on or before the maturity date of the principal and
5 interest.

6 (c) Money in the depository bank or banks that is not
7 insured by the Federal Deposit Insurance Corporation must be
8 secured in the manner provided by law for security of county money.

9 (d) Membership on the district's board of an officer or
10 director of a bank does not disqualify that bank from being
11 designated as depository. (Acts 58th Leg., R.S., Ch. 54, Sec. 10.)

12 Sec. 1098.160. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

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

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

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

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

22 (3) district bonds that have been authorized but not
23 sold.

24 (c) A loan for which taxes or bonds are pledged must mature
25 not later than the third anniversary of the date the loan is made. A
26 loan for which district revenue is pledged must mature not later
27 than the fifth anniversary of the date the loan is made. (Acts 58th

1 Leg., R.S., Ch. 54, Sec. 15A.)

2 Sec. 1098.161. AUTHORITY TO BORROW MONEY IN EMERGENCY;
3 SECURITY. (a) The board may borrow money at a rate not to exceed
4 the maximum annual percentage rate allowed by law for district
5 obligations at the time the loan is made if the board determines
6 that:

7 (1) money is not available to meet a lawful obligation
8 of the district; and

9 (2) an emergency exists.

10 (b) To secure a loan, the board may pledge:

11 (1) district revenue that is not pledged to pay the
12 district's bond indebtedness;

13 (2) tax revenue to be collected by the district during
14 the 12-month period following the date of the pledge that has not
15 been pledged to pay the principal of or interest on district bonds;
16 or

17 (3) district bonds that have been authorized but not
18 sold.

19 (c) A loan for which tax revenue or bonds are pledged must
20 mature not later than the third anniversary of the date the loan is
21 made. A loan for which other district revenue is pledged must
22 mature not later than the fifth anniversary of the date the loan is
23 made.

24 (d) The board may not spend loan proceeds obtained under
25 this section for a purpose other than:

26 (1) the purpose for which the board determined the
27 emergency existed; and

1 (2) if tax revenue or bonds are pledged to pay the
2 loan, the purpose for which the taxes were imposed or the bonds were
3 authorized. (Acts 58th Leg., R.S., Ch. 54, Sec. 15.)

4 [Sections 1098.162-1098.200 reserved for expansion]

5 SUBCHAPTER E. BONDS

6 Sec. 1098.201. GENERAL OBLIGATION BONDS. The board may
7 issue and sell general obligation bonds authorized by an election
8 in the name and on the faith and credit of the district to:

9 (1) purchase, construct, acquire, repair, or renovate
10 buildings or improvements;

11 (2) equip buildings or improvements for hospital
12 purposes; or

13 (3) acquire and operate a mobile emergency medical or
14 air ambulance service. (Acts 58th Leg., R.S., Ch. 54, Sec. 6(a).)

15 Sec. 1098.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
16 the time general obligation bonds are issued by the district, the
17 board shall impose an ad valorem tax at a rate sufficient to create
18 an interest and sinking fund to pay the principal of and interest on
19 the bonds as the bonds mature.

20 (b) The tax required by this section together with any other
21 ad valorem tax the district imposes may not in any year exceed the
22 limit approved by the voters at the election authorizing the
23 imposition of taxes. (Acts 58th Leg., R.S., Ch. 54, Sec. 6(b).)

24 Sec. 1098.203. GENERAL OBLIGATION BOND ELECTION. (a) The
25 district may issue general obligation bonds only if the bonds are
26 authorized by a majority of the district voters voting at an
27 election held for that purpose.

1 (b) The board may order a bond election.

2 (c) The election must be conducted in accordance with
3 Chapter 1251, Government Code. (Acts 58th Leg., R.S., Ch. 54, Secs.
4 6(c), (d).)

5 Sec. 1098.204. MATURITY OF GENERAL OBLIGATION BONDS.
6 District general obligation bonds must mature not later than 40
7 years after the date of issuance. (Acts 58th Leg., R.S., Ch. 54,
8 Sec. 6(e) (part).)

9 Sec. 1098.205. EXECUTION OF GENERAL OBLIGATION BONDS. The
10 board president shall execute the general obligation bonds in the
11 district's name and the board secretary shall countersign the bonds
12 in the manner provided by Chapter 618, Government Code. (Acts 58th
13 Leg., R.S., Ch. 54, Sec. 6(e) (part).)

14 Sec. 1098.206. REVENUE BONDS. (a) The board may issue
15 revenue bonds to:

16 (1) purchase, construct, acquire, repair, equip, or
17 renovate buildings or improvements for hospital purposes;

18 (2) acquiresites to be used for hospital purposes; or

19 (3) acquire and operate a mobile emergency medical or
20 air ambulance service to assist the district in carrying out its
21 hospital purposes.

22 (b) The bonds must be payable from and secured by a pledge of
23 all or part of the revenue derived from the operation of the
24 district's hospital system.

25 (c) The bonds may be additionally secured by a mortgage or
26 deed of trust lien on all or part of district property.

27 (d) The bonds must be issued in the manner provided by

Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health and Safety Code, for the issuance of revenue bonds by a county hospital authority. (Acts 58th Leg., R.S., Ch. 54, Sec. 6A.)

[Sections 1098.207-1098.250 reserved for expansion]

SUBCHAPTER F. TAXES

Sec. 1098.251. IMPOSITION OF AD VALOREM TAX. (a) On final approval of the budget, the board shall impose a tax on all property in the district subject to district taxation.

(b) The tax may be used to:

(1) pay the indebtedness assumed or issued by the district;

(2) provide for the maintenance and operation of the district and hospital system;

(3) make improvements and additions to the hospital system; and

(4) acquire necessary sites for the hospital system by purchase, lease, or condemnation.

(c) The district may not impose a tax to pay the principal of or interest on revenue bonds issued by the district. (Acts 58th Leg., R.S., Ch. 54, Secs. 5(a) (part), (b), 8(c) (part).)

Sec. 1098.252. TAX RATE. (a) The board may impose the tax at a rate not to exceed the limit approved by the voters.

(b) The tax rate for all purposes may not exceed 75 cents on each \$100 valuation of all taxable property in the district. (Acts 58th Leg., R.S., Ch. 54, Sec. 5(a) (part).)

Sec. 1098.253. TAX ASSESSOR-COLLECTOR. (a) Except as provided by Subsection (b), the tax assessor-collector of Stonewall

County shall assess and collect taxes imposed by the district.

(b) The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by the Tax Code. (Acts 58th Leg., R.S., Ch. 54, Secs. 5(c) (part), 8(c) (part).)

[Sections 1098.254-1098.300 reserved for expansion]

SUBCHAPTER G. DISSOLUTION

Sec. 1098.301. DISSOLUTION; ELECTION. (a) The district may be dissolved only on approval of a majority of the district voters voting in an election held for that purpose.

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

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

(d) The order calling the election must state:

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

(2) the date of the election;

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

(4) the location of the polling places.

(e) Section 41.001(a), Election Code, does not apply to an election ordered under this section. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(a), (b), (c) (part).)

Sec. 1098.302. NOTICE OF ELECTION. (a) The board shall

1 give notice of an election under this subchapter by publishing the
2 election order in a newspaper with general circulation in the
3 district once a week for two consecutive weeks.

4 (b) The first publication of the notice must appear not
5 later than the 35th day before the date set for the election. (Acts
6 58th Leg., R.S., Ch. 54, Sec. 15B(d) (part).)

7 Sec. 1098.303. BALLOT. The ballot for an election under
8 this subchapter must be printed to permit voting for or against the
9 proposition: "The dissolution of the Stonewall County Hospital
10 District." (Acts 58th Leg., R.S., Ch. 54, Sec. 15B(d) (part).)

11 Sec. 1098.304. ELECTION RESULTS. (a) If a majority of the
12 votes in an election under this subchapter favor dissolution, the
13 board shall find that the district is dissolved.

14 (b) If a majority of the votes in the election do not favor
15 dissolution, the board shall continue to administer the district
16 and another election on the question of dissolution may not be held
17 before the first anniversary of the date of the most recent election
18 to dissolve the district. (Acts 58th Leg., R.S., Ch. 54, Sec.
19 15B(e).)

20 Sec. 1098.305. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS.

21 (a) If a majority of the votes in an election held under this
22 subchapter favor dissolution, the board shall:

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

26 (2) sell the assets and liabilities to another person;

27 or

1 (3) administer the property, assets, and debts until
2 all money has been disposed of and all district debts have been paid
3 or settled.

4 (b) If the board makes the transfer under Subsection (a)(1),
5 the county or entity assumes all debts and obligations of the
6 district at the time of the transfer, and the district is dissolved.
7 (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(f), (g).)

8 Sec. 1098.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

9 (a) The district may not be dissolved unless the board provides for
10 the sale or transfer of the district's assets and liabilities to
11 another person.

12 (b) The dissolution of the district and the sale or transfer
13 of the district's assets and liabilities may not contravene a trust
14 indenture or bond resolution relating to the district's outstanding
15 bonds. The dissolution and sale or transfer does not diminish or
16 impair the rights of a holder of an outstanding bond, warrant, or
17 other obligation of the district.

18 (c) The sale or transfer of the district's assets and
19 liabilities must satisfy the debt and bond obligations of the
20 district in a manner that protects the interests of district
21 residents, including the residents' collective property rights in
22 the district's assets.

23 (d) The district may not transfer or dispose of the
24 district's assets except for due compensation unless:

25 (1) the transfer is made to another governmental
26 agency that serves the district; and

27 (2) the transferred assets are to be used for the

benefit of district residents.

(e) A grant from federal funds is an obligation to be repaid in satisfaction. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(m), (n).)

Sec. 1098.307. IMPOSITION OF TAX AND RETURN OF SURPLUS TAXES. (a) After the board finds that the district is dissolved, the board shall:

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

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

(b) On the payment of all outstanding debts and obligations of the district, the board shall order the board secretary to return to each district taxpayer the taxpayer's pro rata share of all unused tax money.

(c) A taxpayer may request that the taxpayer's share of surplus tax money be credited to the taxpayer's county taxes. If a taxpayer requests the credit, the board shall direct the board secretary to transmit the money to the county tax assessor-collector. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(h), (i), (j).)

Sec. 1098.308. REPORT; DISSOLUTION ORDER. (a) After the district has paid all district debts and has disposed of all district money and other assets as prescribed by this subchapter, the board shall file a written report with the Commissioners Court of Stonewall County summarizing the board's actions in dissolving the district.

(b) Not later than the 10th day after the date the

Commissioners Court of Stonewall County receives the report and determines that the requirements of this subchapter have been fulfilled, the commissioners court shall enter an order dissolving the district and releasing the board from any further duty or obligation. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(k), (l).)

CHAPTER 1099. STRATFORD HOSPITAL DISTRICT

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5 [Sections 1099.259-1099.300 reserved for expansion]

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7 Sec. 1099.301. IMPOSITION OF TAX

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9 Sec. 1099.303. ASSESSMENT AND COLLECTION BY COUNTY TAX

10 ASSESSOR-COLLECTOR

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12 TAX ASSESSOR-COLLECTOR

13 CHAPTER 1099. STRATFORD HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1099.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the
17 district.

18 (2) "Director" means a member of the board.

19 (3) "District" means the Stratford Hospital District.

20 (New.)

21 Sec. 1099.002. AUTHORITY FOR OPERATION. The Stratford
22 Hospital District operates in accordance with Section 9, Article
23 IX, Texas Constitution, and has the rights, powers, and duties
24 provided by this chapter. (Acts 61st Leg., R.S., Ch. 470, Sec. 1
25 (part).)

26 Sec. 1099.003. ESSENTIAL PUBLIC FUNCTION. The district
27 performs an essential public function in carrying out the purposes

of this chapter. (Acts 61st Leg., R.S., Ch. 470, Sec. 21 (part).)

Sec. 1099.004. DISTRICT TERRITORY. Unless the district's boundaries are expanded under Subchapter D, the district is composed of the territory in the boundaries of that part of the Stratford Independent School District located in Sherman County, as those school district boundaries existed on January 1, 1969. (Acts 61st Leg., R.S., Ch. 470, Secs. 1 (part), 1(a) (part).)

Sec. 1099.005. CORRECTION OF INVALID PROCEDURES. If a court holds that any procedure under this chapter violates the constitution of this state or of the United States, the district by resolution may provide an alternative procedure that conforms with that constitution. (Acts 61st Leg., R.S., Ch. 470, Sec. 22 (part).)

Sec. 1099.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The support and maintenance of the district may not become a charge against or obligation of this state. (Acts 61st Leg., R.S., Ch. 470, Sec. 20 (part).)

Sec. 1099.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility. (Acts 61st Leg., R.S., Ch. 470, Sec. 20 (part).)

[Sections 1099.008-1099.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1099.051. BOARD ELECTION; TERM. (a) The board consists of five directors elected from the district at large.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code:

(1) directors serve staggered two-year terms with the

terms of two or three directors expiring each year as appropriate;
and

(2) a directors' election shall be held annually on the
May uniform election date to elect the appropriate number of
directors. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(c) (part).)

Sec. 1099.052. NOTICE OF ELECTION. At least 30 days before
the date of a directors' election, notice of the election must be
published one time in a newspaper or newspapers that individually
or collectively have general circulation in the district. (Acts
61st Leg., R.S., Ch. 470, Sec. 4(c) (part).)

Sec. 1099.053. QUALIFICATIONS FOR OFFICE. (a) A person may
not be appointed or elected as a director unless the person is:

- (1) a resident of the district;
- (2) a freeholder; and
- (3) a qualified voter.

(b) A person is not eligible to serve as a director if the
person is:

- (1) the district manager;
- (2) a district employee; or
- (3) a member of the hospital staff. (Acts 61st Leg.,

R.S., Ch. 470, Sec. 4(d).)

Sec. 1099.054. BOND. (a) Each director shall execute a
good and sufficient bond for \$1,000 that is:

- (1) payable to the district; and
- (2) conditioned on the faithful performance of the
director's duties.

(b) The district shall pay for the directors' bonds. (Acts

1 61st Leg., R.S., Ch. 470, Sec. 4(c) (part).)

2 Sec. 1099.055. BOARD VACANCY. If a vacancy occurs in the
3 office of director, the remaining directors shall fill the vacancy
4 for the unexpired term. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(c)
5 (part).)

6 Sec. 1099.056. OFFICERS. (a) The board shall elect:

7 (1) a president and a vice president from among its
8 members; and

9 (2) a secretary, who need not be a director.

10 (b) Each officer of the board serves a one-year term.

11 (c) The board shall fill a vacancy in a board office for the
12 unexpired term. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(e) (part).)

13 Sec. 1099.057. COMPENSATION; EXPENSES. A director or
14 officer serves without compensation but may be reimbursed for
15 actual expenses incurred in the performance of official duties.
16 The expenses must be:

17 (1) reported in the district's records; and

18 (2) approved by the board. (Acts 61st Leg., R.S., Ch.
19 470, Sec. 4(e) (part).)

20 Sec. 1099.058. VOTING REQUIREMENT. A concurrence of three
21 directors is sufficient in any matter relating to district
22 business. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(e) (part).)

23 Sec. 1099.059. DISTRICT MANAGER; ASSISTANT MANAGER. (a)
24 The board shall appoint a qualified person as district manager.

25 (b) The board may appoint one or more assistant managers.

26 (c) The manager and any assistant manager serve at the will
27 of the board and receive the compensation determined by the board.

(d) On assuming the duties of district manager, the manager shall execute a bond payable to the district in an amount set by the board of not less than \$5,000 that:

(1) is conditioned on the manager performing the manager's required duties; and

(2) contains any other condition the board requires. (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

Sec. 1099.060. GENERAL DUTIES OF DISTRICT MANAGER. Subject to the limitations prescribed by the board, the district manager shall:

(1) supervise the work and activities of the district; and

(2) direct the affairs of the district. (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

Sec. 1099.061. APPOINTMENT AND DISMISSAL OF STAFF AND EMPLOYEES. (a) The board may appoint to or dismiss from the staff any doctor the board considers necessary for the efficient operation of the district and may make temporary appointments to the staff if warranted.

(b) The district may employ fiscal agents, accountants, architects, and attorneys as the board considers proper.

(c) The board may delegate to the district manager the authority to employ district employees, including technicians and nurses. (Acts 61st Leg., R.S., Ch. 470, Secs. 5 (part), 16.)

Sec. 1099.062. SENIORITY; RETIREMENT BENEFITS. The board may adopt rules relating to the seniority of district employees, including rules for a retirement plan based on seniority. (Acts

61st Leg., R.S., Ch. 470, Sec. 5 (part).)

[Sections 1099.063-1099.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1099.101. DISTRICT RESPONSIBILITY. The district has full responsibility for operating all hospital facilities for providing medical and hospital care for the district's needy inhabitants. (Acts 61st Leg., R.S., Ch. 470, Sec. 19 (part).)

Sec. 1099.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision located within the district or that has the same boundaries as the district may not impose a tax or issue bonds or other obligations for hospital purposes or to provide medical care. (Acts 61st Leg., R.S., Ch. 470, Sec. 19 (part).)

Sec. 1099.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the hospital system and the district's money and resources. (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

Sec. 1099.104. HOSPITAL SYSTEM. (a) The district shall provide for:

(1) the establishment of a hospital system by:

(A) purchasing, constructing, acquiring, repairing, or renovating buildings and equipment; and

(B) equipping the buildings; and

(2) the administration of the hospital system for hospital purposes.

(b) The hospital system may include:

(1) facilities for domiciliary care of the sick,

1 injured, or geriatric;

2 (2) facilities for outpatient clinics;

3 (3) dispensaries;

4 (4) convalescent home facilities;

5 (5) necessary nurses domiciliaries and training
6 centers;

7 (6) blood banks;

8 (7) community mental health centers;

9 (8) research centers or laboratories; and

10 (9) any other facilities the board considers necessary
11 for hospital care. (Acts 61st Leg., R.S., Ch. 470, Secs. 2 (part),
12 9 (part).)

13 Sec. 1099.105. RULES. The board may adopt rules governing
14 the operation of the hospital, the hospital system, and the
15 district's staff and employees. (Acts 61st Leg., R.S., Ch. 470,
16 Sec. 5 (part).)

17 Sec. 1099.106. PURCHASING AND ACCOUNTING PROCEDURES. The
18 board may prescribe:

19 (1) the method and manner of making purchases and
20 expenditures by and for the district; and

21 (2) all accounting and control procedures. (Acts 61st
22 Leg., R.S., Ch. 470, Sec. 10 (part).)

23 Sec. 1099.107. DISTRICT PROPERTY, FACILITIES, AND
24 EQUIPMENT. (a) The board shall determine the type, number, and
25 location of buildings required to maintain an adequate hospital
26 system.

27 (b) The board may lease all or part of the district's

1 buildings and other facilities on terms considered to be in the best
2 interest of the district's inhabitants. The term of the lease may
3 not exceed 25 years.

4 (c) The district may acquire equipment for use in the
5 district's hospital system and mortgage or pledge the property as
6 security for the payment of the purchase price. A contract entered
7 into under this subsection must provide that the entire obligation
8 be retired not later than the fifth anniversary of the date of the
9 contract.

10 (d) The district may sell or otherwise dispose of any
11 property, including equipment, on terms the board finds are in the
12 best interest of the district's inhabitants. (Acts 61st Leg.,
13 R.S., Ch. 470, Secs. 9 (part), 10 (part).)

14 Sec. 1099.108. EMINENT DOMAIN. (a) The district may
15 exercise the power of eminent domain to acquire a fee simple or
16 other interest in any type of property located in district
17 territory if the interest is necessary to a power, right, or
18 privilege conferred by this chapter.

19 (b) The district must exercise the power of eminent domain
20 in the manner provided by Chapter 21, Property Code, except the
21 district is not required to deposit in the trial court money or a
22 bond as provided by Section 21.021(a), Property Code.

23 (c) In a condemnation proceeding brought by the district,
24 the district is not required to:

25 (1) pay in advance or provide a bond or other security
26 for costs in the trial court;

27 (2) provide a bond for the issuance of a temporary

1 restraining order or a temporary injunction; or

2 (3) provide a bond for costs or a supersedeas bond on
3 an appeal or petition for review. (Acts 61st Leg., R.S., Ch. 470,
4 Sec. 14.)

5 Sec. 1099.109. GIFTS AND ENDOWMENTS. The board may accept
6 for the district a gift or endowment to be held in trust and
7 administered by the board for the purposes and under any
8 directions, limitations, or other provisions prescribed in writing
9 by the donor that are not inconsistent with the proper management
10 and objectives of the district. (Acts 61st Leg., R.S., Ch. 470,
11 Sec. 18.)

12 Sec. 1099.110. CONSTRUCTION AND PURCHASE CONTRACTS. A
13 construction or purchase contract that involves the expenditure of
14 more than \$15,000 may be made only after advertising in the manner
15 provided by Chapter 252, Local Government Code. (Acts 61st Leg.,
16 R.S., Ch. 470, Sec. 10 (part).)

17 Sec. 1099.111. OPERATING AND MANAGEMENT CONTRACTS. The
18 board may enter into an operating or management contract relating
19 to a district facility. (Acts 61st Leg., R.S., Ch. 470, Sec. 9
20 (part).)

21 Sec. 1099.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
22 HOSPITALIZATION AND TREATMENT. (a) The board may contract with a
23 county or municipality located outside the district's boundaries
24 for the hospitalization of a sick or injured person of that county
25 or municipality.

26 (b) The board may contract with this state or a federal
27 agency for the hospital treatment of a sick or injured person.

(Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

Sec. 1099.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR INVESTIGATORY OR OTHER SERVICES. The board may contract with another political subdivision or a governmental agency for the district to provide investigatory or other services for the hospital or welfare needs of district inhabitants. (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

Sec. 1099.114. PAYMENT FOR TREATMENT; PROCEDURES. (a) When a patient who resides in the district is admitted to a district facility, the district manager may have an inquiry made into the circumstances of:

(1) the patient; and

(2) the patient's relatives legally liable for the patient's support.

(b) If the district manager determines that the patient or those relatives cannot pay for all or part of the patient's care and treatment in the hospital, the amount that cannot be paid becomes a charge against the district.

(c) If the district manager determines that the patient or those relatives can pay for all or part of the patient's care and treatment, the patient or those relatives shall be ordered to pay the district a specified amount each week for the patient's care and support. The amount ordered must be proportionate to their financial ability.

(d) The district manager may collect the amount from the patient's estate, or from those relatives legally liable for the patient's support, in the manner provided by law for the collection

of expenses of the last illness of a deceased person.

(e) If there is a dispute as to the ability to pay, or doubt in the mind of the district manager, the board shall hold a hearing and, after calling witnesses, shall:

(1) resolve the dispute or doubt; and

(2) issue any appropriate orders.

(f) The final order of the board may be appealed to the district court. The substantial evidence rule applies to the appeal. (Acts 61st Leg., R.S., Ch. 470, Sec. 17.)

Sec. 1099.115. AUTHORITY TO SUE AND BE SUED. (a) The district, through the board, may sue and be sued.

(b) The district is entitled to all causes of action and defenses to which similar authorities are entitled. (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

[Sections 1099.116-1099.150 reserved for expansion]

SUBCHAPTER D. CHANGE IN BOUNDARIES

Sec. 1099.151. TERRITORY THAT MAY BE ANNEXED. (a) The district may annex territory that is not located in:

(1) Sherman County;

(2) the boundaries of another hospital district; or

(3) the proposed boundaries of another hospital district authorized by the legislature under Section 9, Article IX, Texas Constitution.

(b) Territory may be annexed in one or more tracts. Each tract must be contiguous to:

(1) the district; or

(2) territory proposed to be annexed to the district.

(Acts 61st Leg., R.S., Ch. 470, Sec. 1(a) (part).)

Sec. 1099.152. PETITION TO ANNEX TERRITORY. (a) A petition requesting that territory be annexed to the district may be presented to the board. The petition must:

(1) describe the tract or tracts of land to be annexed; and

(2) be signed by 50 or a majority of the registered voters who:

(A) reside in the territory to be annexed; and

(B) own property duly rendered for taxation on the applicable county tax rolls that will be subject to district taxation.

(b) This subchapter does not prohibit simultaneous action on several petitions for annexation. A ballot proposition must be submitted for each different territory proposed to be annexed, and an election held in each territory represented by an approved petition.

(c) If the board receives two or more petitions for annexation that include all or part of the same territory to be annexed to the district, the petition filed first with the board shall be considered and another petition that includes any of the same territory has no effect.

(d) The board may consider all petitions for annexation presented to it and may approve or reject each petition. The board may not partly approve or partly reject any petition. (Acts 61st Leg., R.S., Ch. 470, Sec. 1(a) (part).)

Sec. 1099.153. ELECTION ORDER. (a) If, on receipt of a

petition under Section 1099.152, the board finds that annexing the territory is in the district's best interest, the board shall within 90 days of the board's finding:

(1) approve the petition; and

(2) order an election on the question of annexing the territory to the district.

(b) The election order shall provide for a separate election in:

(1) the territory proposed to be annexed; and

(2) the district.

(c) The election order shall provide for clerks as in county elections and must specify:

(1) the date of the election;

(2) the location of the polling places;

(3) the form of ballot; and

(4) the presiding judge and alternate judge for each polling place.

(d) The election order may provide that:

(1) the entire district is one election precinct; or

(2) the county election precincts be combined for the election. (Acts 61st Leg., R.S., Ch. 470, Secs. 1(a) (part), 3(a) (part).)

Sec. 1099.154. BALLOT. The ballot for the election shall be printed to permit voting for or against the proposition: "The establishment of the Hospital District with extended boundaries and establishment of a hospital district tax at a rate not to exceed 40 cents on the \$100 valuation." (Acts 61st Leg., R.S., Ch. 470, Sec.

1 1(a) (part).)

2 Sec. 1099.155. NOTICE OF ELECTION. (a) Notice of the
3 election shall be given by publishing once a week for two
4 consecutive weeks a substantial copy of the election order in a
5 newspaper or newspapers that individually or collectively have
6 general circulation in the county or district.

7 (b) The first publication must appear at least 30 days
8 before the date of the election. (Acts 61st Leg., R.S., Ch. 470,
9 Secs. 1(a) (part), 3(a) (part).)

10 Sec. 1099.156. ELECTION RESULTS. (a) Territory may not be
11 annexed to the district unless:

12 (1) an election is held in accordance with this
13 subchapter; and

14 (2) the annexation is approved by a majority of the
15 voters voting in the election in:

16 (A) the district; and

17 (B) the territory proposed to be annexed.

18 (b) If the territory is annexed to the district, a certified
19 copy of the order canvassing the returns of the election shall be
20 filed and recorded in the deed records.

21 (c) The failure of an election under this subchapter does
22 not prohibit subsequent elections for the same purpose. A
23 confirmation election may not be held under this subchapter before
24 the first anniversary of the date of an election previously held
25 under this subchapter. (Acts 61st Leg., R.S., Ch. 470, Secs. 1(a)
26 (part), 3(a) (part).)

27 Sec. 1099.157. EFFECT OF ANNEXATION. (a) Territory

annexed to the district is part of the board for all purposes.

(b) The annexation of territory to the district does not change the manner in which the board or board officers are selected. (Acts 61st Leg., R.S., Ch. 470, Sec. 1(a) (part).)

[Sections 1099.158-1099.200 reserved for expansion]

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 1099.201. BUDGET. (a) The district manager shall prepare an annual budget for approval by the board.

(b) The proposed budget must contain a complete financial statement of:

- (1) the outstanding obligations of the district;
- (2) the cash on hand to the credit of each district fund;
- (3) the money received by the district from all sources during the previous year;
- (4) the money available to the district from all sources during the ensuing year;
- (5) the balances expected at the end of the year in which the budget is being prepared;
- (6) the estimated revenue and balances available to cover the proposed budget;
- (7) the estimated tax rate required; and
- (8) the proposed expenditures and disbursements and the estimated receipts and collections for the following fiscal year. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

Sec. 1099.202. NOTICE; HEARING; APPROVAL OF BUDGET.

(a) The board shall hold a public hearing on the annual budget.

1 (b) At least 10 days before the date of the hearing, notice
2 of the hearing shall be published one time in a newspaper or
3 newspapers that individually or collectively have general
4 circulation in the district.

5 (c) Any property taxpayer of the district is entitled to be
6 present and participate at the hearing.

7 (d) At the conclusion of the hearing, the board shall act on
8 the budget proposed by the district manager. The board may make any
9 changes in the proposed budget that the board judges to be in the
10 interests of the taxpayers and the law warrants. The board must
11 approve the annual budget. (Acts 61st Leg., R.S., Ch. 470, Sec. 6
12 (part).)

13 Sec. 1099.203. AMENDMENTS TO BUDGET. The budget may be
14 amended as required by circumstances. The board must approve all
15 amendments. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

16 Sec. 1099.204. RESTRICTION ON EXPENDITURES. Money may be
17 spent only for an expense included in the budget or an amendment to
18 the budget. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

19 Sec. 1099.205. FISCAL YEAR. The district shall operate on a
20 fiscal year that begins on September 1 and ends on August 31. (Acts
21 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

22 Sec. 1099.206. AUDIT. (a) The district shall have an
23 independent audit made of the district's financial condition for
24 each fiscal year.

25 (b) As soon as the audit is completed, the audit shall be
26 filed at the district's office. (Acts 61st Leg., R.S., Ch. 470,
27 Sec. 6 (part).)

1 Sec. 1099.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.

2 The audit and other district records shall be open to inspection at
3 the district's principal office. (Acts 61st Leg., R.S., Ch. 470,
4 Sec. 6 (part).)

5 Sec. 1099.208. FINANCIAL REPORT. As soon as practicable
6 after the close of each fiscal year, the district manager shall
7 prepare for the board:

8 (1) a complete sworn statement of all district money;
9 and

10 (2) a complete account of the disbursements of that
11 money. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

12 Sec. 1099.209. DEPOSITORY. (a) The board shall select one
13 or more banks in the district to serve as a depository for district
14 money.

15 (b) All district money, other than money invested as
16 provided by Section 1099.210(b), and money transmitted to a bank
17 for payment of bonds or obligations issued by the district, shall be
18 deposited as received with the depository bank and shall remain on
19 deposit.

20 (c) This chapter, including Subsection (b), does not limit
21 the power of the board to:

22 (1) place a part of district money on time deposit; or
23 (2) purchase certificates of deposit. (Acts 61st
24 Leg., R.S., Ch. 470, Sec. 11.)

25 Sec. 1099.210. SPENDING AND INVESTMENT RESTRICTIONS. (a)
26 Except as otherwise provided by Section 1099.107(c) and by
27 Subchapter F, the district may not incur an obligation payable from

1 district revenue other than the revenue on hand or to be on hand in
2 the current and following district fiscal years.

3 (b) The board may invest operating, depreciation, or
4 building reserves only in funds or securities specified by Chapter
5 2256, Government Code. (Acts 61st Leg., R.S., Ch. 470, Secs. 5
6 (part), 10 (part).)

7 [Sections 1099.211-1099.250 reserved for expansion]

8 SUBCHAPTER F. BONDS

9 Sec. 1099.251. GENERAL OBLIGATION BONDS. The board may
10 issue and sell general obligation bonds in the name and on the faith
11 and credit of the district for any purpose relating to the purchase,
12 construction, acquisition, repair, or renovation of buildings or
13 improvements and equipping the buildings or improvements for
14 hospital purposes. (Acts 61st Leg., R.S., Ch. 470, Sec. 7(a)
15 (part).)

16 Sec. 1099.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
17 the time general obligation bonds are issued by the district, the
18 board shall impose an ad valorem tax at a rate sufficient to create
19 an interest and sinking fund to pay the principal of and interest on
20 the bonds as the bonds mature.

21 (b) The tax required by this section together with any other
22 ad valorem tax imposed for the district may not exceed the tax rate
23 approved by the voters at the election authorizing the imposition
24 of the tax. (Acts 61st Leg., R.S., Ch. 470, Sec. 7(a) (part).)

25 Sec. 1099.253. GENERAL OBLIGATION BOND ELECTION. (a) The
26 district may issue general obligation bonds only if the bonds are
27 authorized by a majority of the district voters voting at an

1 election held for that purpose.

2 (b) The order calling the bond election shall provide for
3 clerks as in county elections and must specify:

4 (1) the date of the election;

5 (2) the location of the polling places;

6 (3) the presiding and alternate election judges for
7 each polling place;

8 (4) the amount of the bonds to be authorized; and

9 (5) the maximum interest rate of the bonds.

10 (c) Notice of a bond election shall be given as provided by
11 Section 1251.003, Government Code. (Acts 61st Leg., R.S., Ch. 470,
12 Sec. 7(a) (part).)

13 Sec. 1099.254. MATURITY OF GENERAL OBLIGATION BONDS.
14 District general obligation bonds must mature not later than 40
15 years after the date of issuance. (Acts 61st Leg., R.S., Ch. 470,
16 Sec. 7(d) (part).)

17 Sec. 1099.255. EXECUTION OF GENERAL OBLIGATION BONDS. The
18 board president shall execute the general obligation bonds in the
19 district's name and the board secretary shall countersign the bonds
20 in the manner provided by Chapter 618, Government Code. (Acts 61st
21 Leg., R.S., Ch. 470, Sec. 7(d) (part).)

22 Sec. 1099.256. REVENUE BONDS. (a) The board may issue
23 revenue bonds to:

24 (1) purchase, construct, acquire, repair, renovate,
25 or equip buildings or improvements for hospital purposes; or

26 (2) acquire sites to be used for hospital purposes.

27 (b) The bonds must be payable from and secured by a pledge of

1 all or part of district revenue derived from the operation of the
2 district's hospitals.

3 (c) The bonds may be additionally secured by a mortgage or
4 deed of trust lien on all or part of district property.

5 (d) The bonds must be issued in the manner and in accordance
6 with the procedures and requirements prescribed by Sections
7 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health
8 and Safety Code, for issuance of revenue bonds by a county hospital
9 authority. (Acts 61st Leg., R.S., Ch. 470, Sec. 8 (part).)

10 Sec. 1099.257. REFUNDING BONDS. (a) The board may, without
11 an election, issue refunding bonds to refund outstanding
12 indebtedness issued by the district.

13 (b) A refunding bond may be:

14 (1) sold, with the proceeds of the refunding bond
15 applied to the payment of outstanding indebtedness; or

16 (2) exchanged wholly or partly for not less than a
17 similar principal amount of the outstanding indebtedness. (Acts
18 61st Leg., R.S., Ch. 470, Secs. 7(a) (part), (c) (part), 8 (part).)

19 Sec. 1099.258. BONDS EXEMPT FROM TAXATION. The following
20 are exempt from taxation by this state or a political subdivision of
21 this state:

22 (1) any bonds issued by the district;

23 (2) the transfer and issuance of the bonds; and

24 (3) any profits made in the sale of the bonds. (Acts
25 61st Leg., R.S., Ch. 470, Sec. 21 (part).)

26 [Sections 1099.259-1099.300 reserved for expansion]

SUBCHAPTER G. TAXES

Sec. 1099.301. IMPOSITION OF TAX. (a) The board shall impose a tax on all taxable property in the district subject to district taxation.

(b) The board shall impose the tax to:

(1) pay the interest on and create a sinking fund for bonds or other obligations issued by the district for hospital purposes as provided by this chapter;

(2) provide for the maintenance and operation of the district and hospital system;

(3) make improvements and additions to the hospital system; and

(4) acquire necessary sites for the hospital system by purchase, lease, or condemnation. (Acts 61st Leg., R.S., Ch. 470, Secs. 3(b) (part), 12 (part).)

Sec. 1099.302. TAX RATE. (a) The board may impose the tax at a rate not to exceed 40 cents on each \$100 valuation of taxable property in the district.

(b) In setting the tax rate, the board shall consider the income of the district from sources other than taxation. (Acts 61st Leg., R.S., Ch. 470, Secs. 3(b) (part), 12 (part).)

Sec. 1099.303. ASSESSMENT AND COLLECTION BY COUNTY TAX ASSESSOR-COLLECTOR. Unless the board by majority vote elects to have taxes assessed and collected under Section 1099.304, the tax assessor-collector of the county in which the district is located shall assess and collect taxes imposed by and for the district. (Acts 61st Leg., R.S., Ch. 470, Sec. 15 (part).)

1 Sec. 1099.304. ASSESSMENT AND COLLECTION BY DISTRICT TAX
2 ASSESSOR-COLLECTOR. (a) The board, by majority vote, may elect to
3 have district taxes assessed and collected by a tax
4 assessor-collector appointed by the board. An election under this
5 subsection must be made before December 1 and governs the manner in
6 which taxes are assessed and collected, until changed by a similar
7 resolution.

8 (b) The district tax assessor-collector must:

9 (1) reside in the district; and

10 (2) own real property subject to district taxation.

11 (c) The board shall prescribe the district tax
12 assessor-collector's term of employment and compensation. (Acts
13 61st Leg., R.S., Ch. 470, Sec. 15 (part).)

14 CHAPTER 1100. SOUTH RANDALL COUNTY HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1100.001. DEFINITIONS

17 Sec. 1100.002. AUTHORITY FOR OPERATION

18 Sec. 1100.003. ESSENTIAL PUBLIC FUNCTION

19 Sec. 1100.004. DISTRICT TERRITORY

20 Sec. 1100.005. CORRECTION OF INVALID PROCEDURES

21 Sec. 1100.006. DISTRICT SUPPORT AND MAINTENANCE NOT

22 STATE OBLIGATION

23 Sec. 1100.007. RESTRICTION ON STATE FINANCIAL

24 ASSISTANCE

25 [Sections 1100.008-1100.050 reserved for expansion]

26 SUBCHAPTER B. DISTRICT ADMINISTRATION

27 Sec. 1100.051. BOARD ELECTION; TERM

1 Sec. 1100.052. NOTICE OF ELECTION
2 Sec. 1100.053. BALLOT PETITION
3 Sec. 1100.054. QUALIFICATIONS FOR OFFICE
4 Sec. 1100.055. BOARD VACANCY
5 Sec. 1100.056. OFFICERS
6 Sec. 1100.057. QUORUM; VOTING REQUIREMENT
7 Sec. 1100.058. EXPENSES
8 Sec. 1100.059. PAYMENT FOR ATTENDANCE AT MEETINGS
9 Sec. 1100.060. PETITION TO CHANGE NUMBER OF DIRECTORS
10 Sec. 1100.061. DISTRICT ADMINISTRATOR; ASSISTANT
11 ADMINISTRATOR
12 Sec. 1100.062. GENERAL DUTIES OF DISTRICT
13 ADMINISTRATOR
14 Sec. 1100.063. APPOINTMENT OF STAFF AND EMPLOYEES
15 Sec. 1100.064. RECRUITMENT OF MEDICAL STAFF
16 Sec. 1100.065. CONTINUING EDUCATION; RETRAINING
17 [Sections 1100.066-1100.100 reserved for expansion]
18 SUBCHAPTER C. POWERS AND DUTIES
19 Sec. 1100.101. DISTRICT RESPONSIBILITY
20 Sec. 1100.102. RESTRICTION ON POLITICAL SUBDIVISION
21 TAXATION AND DEBT
22 Sec. 1100.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
23 Sec. 1100.104. HOSPITAL SYSTEM
24 Sec. 1100.105. RULES
25 Sec. 1100.106. PURCHASING AND ACCOUNTING PROCEDURES
26 Sec. 1100.107. DISTRICT PROPERTY, FACILITIES, AND
27 EQUIPMENT

1 Sec. 1100.108. EMINENT DOMAIN
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3 Sec. 1100.110. CONSTRUCTION CONTRACTS
4 Sec. 1100.111. OPERATING AND MANAGEMENT CONTRACTS
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6 FOR CARE AND TREATMENT
7 Sec. 1100.113. CONTRACTS WITH GOVERNMENTAL ENTITIES
8 FOR INVESTIGATORY OR OTHER SERVICES
9 Sec. 1100.114. PAYMENT FOR TREATMENT; PROCEDURES
10 Sec. 1100.115. REIMBURSEMENT FOR SERVICES
11 Sec. 1100.116. AUTHORITY TO SUE AND BE SUED
12 [Sections 1100.117-1100.150 reserved for expansion]
13 SUBCHAPTER D. CHANGE IN BOUNDARIES
14 Sec. 1100.151. EXPANSION OF TERRITORY; ELECTION
15 Sec. 1100.152. BALLOT
16 [Sections 1100.153-1100.200 reserved for expansion]
17 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
18 Sec. 1100.201. BUDGET
19 Sec. 1100.202. NOTICE; HEARING; APPROVAL OF BUDGET
20 Sec. 1100.203. AMENDMENTS TO BUDGET
21 Sec. 1100.204. RESTRICTION ON EXPENDITURES
22 Sec. 1100.205. FISCAL YEAR
23 Sec. 1100.206. AUDIT
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27 CHAPTER 1100. SOUTH RANDALL COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1100.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the South Randall County Hospital District. (New.)

Sec. 1100.002. AUTHORITY FOR OPERATION. The South Randall County Hospital District operates in accordance with Section 9, Article IX, Texas Constitution, and has the rights, powers, and duties provided by this chapter. (Acts 62nd Leg., R.S., Ch. 200, Sec. 1 (part).)

Sec. 1100.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function in carrying out the purposes of this chapter. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21 (part).)

Sec. 1100.004. DISTRICT TERRITORY. Unless the district's boundaries are expanded under Subchapter D, the boundaries of the district are coextensive with the boundaries of County Commissioners Precinct Number 3 of Randall County, Texas, as the boundaries of that precinct existed on January 1, 1971. (Acts 62nd Leg., R.S., Ch. 200, Sec. 1 (part).)

Sec. 1100.005. CORRECTION OF INVALID PROCEDURES. If a court holds that any procedure under this chapter violates the constitution of this state or of the United States, the district by resolution may provide an alternative procedure that conforms with the constitution. (Acts 62nd Leg., R.S., Ch. 200, Sec. 23 (part).)

Sec. 1100.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

OBLIGATION. The support and maintenance of the district may not become a charge against or obligation of this state. (Acts 62nd Leg., R.S., Ch. 200, Sec. 20 (part).)

Sec. 1100.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility. (Acts 62nd Leg., R.S., Ch. 200, Sec. 20 (part).)

[Sections 1100.008-1100.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1100.051. BOARD ELECTION; TERM. (a) Unless the number of directors is increased or decreased in accordance with Section 1100.060, the board consists of seven directors elected from the district at large.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code:

(1) directors serve staggered two-year terms; and

(2) an election shall be held annually on the May uniform election date to elect the appropriate number of directors. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c) (part).)

Sec. 1100.052. NOTICE OF ELECTION. At least 30 days before the date of a directors' election, notice of the election must be published one time in a newspaper or newspapers that individually or collectively have general circulation in the district. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c) (part).)

Sec. 1100.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary a petition requesting that

1 action. The petition must be:

2 (1) signed by at least 10 registered taxpaying voters;
3 and

4 (2) filed by the deadline imposed by Section 144.005,
5 Election Code. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c) (part).)

6 Sec. 1100.054. QUALIFICATIONS FOR OFFICE. (a) A person may
7 not be elected or appointed as a director unless the person is:

8 (1) a resident of the district; and

9 (2) a qualified voter.

10 (b) A person is not eligible to serve as a director if the
11 person is:

12 (1) the district administrator;

13 (2) a district employee; or

14 (3) a member of the hospital staff. (Acts 62nd Leg.,
15 R.S., Ch. 200, Sec. 4(d).)

16 Sec. 1100.055. BOARD VACANCY. If a vacancy occurs in the
17 office of director, the remaining directors shall fill the vacancy
18 for the unexpired term. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c)
19 (part).)

20 Sec. 1100.056. OFFICERS. (a) The board shall elect:

21 (1) a president and a vice president from among its
22 members; and

23 (2) a secretary, who need not be a director.

24 (b) Each officer of the board serves a one-year term.

25 (c) The board shall fill a vacancy in a board office for the
26 unexpired term. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(e) (part).)

27 Sec. 1100.057. QUORUM; VOTING REQUIREMENT. (a) Any four

1 directors constitute a quorum.

2 (b) A concurrence of four directors is sufficient in any
3 matter relating to district business. (Acts 62nd Leg., R.S., Ch.
4 200, Sec. 4(e) (part).)

5 Sec. 1100.058. EXPENSES. A director or officer may be
6 reimbursed for actual expenses incurred in the performance of
7 official duties. The expenses must be:

8 (1) reported in the district's records; and

9 (2) approved by the board. (Acts 62nd Leg., R.S., Ch.
10 200, Sec. 4(e) (part).)

11 Sec. 1100.059. PAYMENT FOR ATTENDANCE AT MEETINGS. The
12 board may establish a system of payments set at a reasonable amount
13 determined by the board for attending board or committee meetings
14 related to the performance of official duties. (Acts 62nd Leg.,
15 R.S., Ch. 200, Sec. 4(e) (part).)

16 Sec. 1100.060. PETITION TO CHANGE NUMBER OF DIRECTORS. (a)
17 A petition to increase or decrease the number of directors by one or
18 two directors may be presented to the board at any time.

19 (b) A petition to increase or decrease the number of
20 directors must:

21 (1) be executed by at least 100 registered voters of
22 the district; and

23 (2) suggest the number of directors the petitioners
24 believe are required for the orderly administration of district
25 affairs.

26 (c) Not later than the 90th day after the date a proper
27 petition is presented to the board, the board shall order an

1 election on the question of changing the number of directors to a
2 number not to exceed the number suggested by the petition.

3 (d) The order calling the election shall provide for
4 election officials as in county elections and must specify:

5 (1) the date of the election; and

6 (2) the location of the polling places.

7 (e) Notice of the election shall be published as provided by
8 Section 1251.003, Government Code.

9 (f) The ballot for the election shall be printed to permit
10 voting for or against the proposition: "Providing for an increase
11 (decrease) in the number of directors of the South Randall County
12 Hospital District."

13 (g) If a proposition to increase the number of directors is
14 approved by a majority of the voters participating in the election:

15 (1) each director in office shall continue to serve
16 for the term for which the director was elected or appointed; and

17 (2) the board shall appoint any additional directors
18 to serve until the next regular election of directors, at which time
19 a successor shall be elected.

20 (h) If a proposition to decrease the number of directors is
21 approved by a majority of the voters participating in the election:

22 (1) the reduction takes effect at the next regular
23 election or election of directors; and

24 (2) not more than one position may be deleted at each
25 election.

26 (i) Notwithstanding Subsection (c), another election for
27 the same purpose may not be held before the third anniversary of the

1 date of an election under this section. (Acts 62nd Leg., R.S., Ch.
2 200, Sec. 4(f) (part).)

3 Sec. 1100.061. DISTRICT ADMINISTRATOR; ASSISTANT
4 ADMINISTRATOR. (a) The board shall appoint a qualified person as
5 district administrator.

6 (b) The district administrator may appoint an assistant
7 administrator.

8 (c) The district administrator shall serve at the will of
9 the board and shall receive the compensation determined by the
10 board.

11 (d) On assuming the duties of district administrator, the
12 administrator shall execute a bond payable to the district in an
13 amount set by the board of not less than \$5,000 that:

14 (1) is conditioned on the administrator performing the
15 administrator's duties; and

16 (2) contains any other condition the board requires.
17 (Acts 62nd Leg., R.S., Ch. 200, Sec. 5 (part).)

18 Sec. 1100.062. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
19 Subject to any limitation prescribed by the board, the district
20 administrator shall:

21 (1) supervise the work and activities of the district;
22 and

23 (2) direct the affairs of the district. (Acts 62nd
24 Leg., R.S., Ch. 200, Sec. 5 (part).)

25 Sec. 1100.063. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
26 board may appoint to the staff any doctors the board considers
27 necessary for the efficient operation of the district and may make

temporary appointments if warranted.

(b) The district may employ fiscal agents, accountants, architects, and attorneys as the board considers proper.

(c) The board may delegate to the district administrator the authority to employ district employees, including technicians and nurses. (Acts 62nd Leg., R.S., Ch. 200, Secs. 5 (part), 16.)

Sec. 1100.064. RECRUITMENT OF MEDICAL STAFF. (a) The district may spend district money to recruit physicians, nurses, or other trained medical personnel.

(b) The district may pay the tuition or other costs or expenses of a full-time medical or nursing student who:

(1) is enrolled in and is in good standing at an accredited school, college, or university; and

(2) contractually agrees to become a district employee in return for that assistance. (Acts 62nd Leg., R.S., Ch. 200, Secs. 5A(a), (b).)

Sec. 1100.065. CONTINUING EDUCATION; RETRAINING. The board may spend district money for continuing education and retraining of employees. (Acts 62nd Leg., R.S., Ch. 200, Sec. 5A(c).)

[Sections 1100.066-1100.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1100.101. DISTRICT RESPONSIBILITY. The district has full responsibility for operating all hospital facilities for providing hospital care for the district's needy inhabitants. (Acts 62nd Leg., R.S., Ch. 200, Sec. 19 (part).)

Sec. 1100.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision located within the

1 district may not impose a tax or issue bonds or other obligations
2 for hospital purposes or to provide medical care for district
3 inhabitants. (Acts 62nd Leg., R.S., Ch. 200, Sec. 19 (part).)

4 Sec. 1100.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.
5 The board shall manage, control, and administer the hospital system
6 and the district's money and resources. (Acts 62nd Leg., R.S., Ch.
7 200, Sec. 5 (part).)

8 Sec. 1100.104. HOSPITAL SYSTEM. (a) The district shall
9 provide for:

- 10 (1) the establishment of a hospital system by:
- 11 (A) purchasing, constructing, acquiring,
12 repairing, or renovating buildings and equipment; and
- 13 (B) equipping the buildings; and
- 14 (2) the administration of the hospital system for
15 hospital purposes.

- 16 (b) The hospital system may include:
- 17 (1) domiciliary care and treatment of the sick,
18 injured, or geriatric;
- 19 (2) outpatient clinics;
- 20 (3) dispensaries;
- 21 (4) convalescent home facilities;
- 22 (5) necessary nurses;
- 23 (6) domiciliaries and training centers;
- 24 (7) blood banks;
- 25 (8) community mental health centers;
- 26 (9) research centers or laboratories; and
- 27 (10) any other facilities the board considers

1 necessary for hospital care. (Acts 62nd Leg., R.S., Ch. 200, Secs.
2 2 (part), 10(a) (part).)

3 Sec. 1100.105. RULES. The board may adopt rules governing
4 the operation of the hospital, the hospital system, and the
5 district's staff and employees. (Acts 62nd Leg., R.S., Ch. 200,
6 Sec. 5 (part).)

7 Sec. 1100.106. PURCHASING AND ACCOUNTING PROCEDURES. The
8 board may prescribe:

9 (1) the method and manner of making purchases and
10 expenditures by and for the district; and

11 (2) all accounting and control procedures. (Acts 62nd
12 Leg., R.S., Ch. 200, Sec. 10(b) (part).)

13 Sec. 1100.107. DISTRICT PROPERTY, FACILITIES, AND
14 EQUIPMENT. (a) The board shall determine the type, number, and
15 location of buildings required to maintain an adequate hospital
16 system.

17 (b) The board may lease all or part of the district's
18 buildings and other facilities on terms considered to be in the best
19 interest of the district's inhabitants. The term of the lease may
20 not exceed 25 years.

21 (c) The district may acquire or lease equipment for use in
22 the district's hospital system and mortgage or pledge the property
23 as security for the payment of the purchase price. A contract
24 entered into under this subsection must provide that the entire
25 obligation be retired not later than the fifth anniversary of the
26 date of the contract.

27 (d) The district may borrow money to purchase equipment or

1 for other purposes authorized by the board. The board may pledge all
2 or part of the district's tax revenue to the payment of the amounts
3 borrowed. Section 1100.211(c) does not apply to amounts borrowed
4 under this subsection.

5 (e) The district may sell or otherwise dispose of any
6 property, including equipment, on terms the board finds are in the
7 best interest of the district's inhabitants. (Acts 62nd Leg.,
8 R.S., Ch. 200, Secs. 10(a) (part), (b) (part).)

9 Sec. 1100.108. EMINENT DOMAIN. (a) The district may
10 exercise the power of eminent domain to acquire a fee simple or
11 other interest in any type of property located in district
12 territory if the interest is necessary or convenient to a power,
13 right, or privilege conferred by this chapter.

14 (b) The district must exercise the power of eminent domain
15 in the manner provided by Chapter 21, Property Code, except the
16 district is not required to deposit in the trial court money or a
17 bond as provided by Section 21.021(a), Property Code.

18 (c) In a condemnation proceeding brought by the district,
19 the district is not required to:

20 (1) pay in advance or provide a bond or other security
21 for costs in the trial court;

22 (2) provide a bond for the issuance of a temporary
23 restraining order or a temporary injunction; or

24 (3) provide a bond for costs or a supersedeas bond on
25 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 200,
26 Sec. 14.)

27 Sec. 1100.109. GIFTS AND ENDOWMENTS. The board may accept

1 for the district a gift or endowment to be held in trust and
2 administered by the board for the purposes and under the
3 directions, limitations, or other provisions prescribed in writing
4 by the donor that are not inconsistent with the proper management
5 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 200,
6 Sec. 18.)

7 Sec. 1100.110. CONSTRUCTION CONTRACTS. A construction
8 contract that involves the expenditure of more than \$15,000 may be
9 made only after advertising in the manner provided by Subchapter B,
10 Chapter 271, Local Government Code. (Acts 62nd Leg., R.S., Ch. 200,
11 Sec. 10(b) (part).)

12 Sec. 1100.111. OPERATING AND MANAGEMENT CONTRACTS. The
13 board may enter into an operating or management contract relating
14 to a district facility. (Acts 62nd Leg., R.S., Ch. 200, Sec. 10(a)
15 (part).)

16 Sec. 1100.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
17 CARE AND TREATMENT. (a) The board may contract with a county or
18 municipality located outside the district's boundaries for the care
19 and treatment of a sick or injured person of that county or
20 municipality.

21 (b) The board may contract with this state or a federal
22 agency for the state or federal government to reimburse the
23 district for treatment of a sick or injured person. (Acts 62nd
24 Leg., R.S., Ch. 200, Sec. 5 (part).)

25 Sec. 1100.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
26 INVESTIGATORY OR OTHER SERVICES. The board may contract with
27 another political subdivision or governmental agency for the

1 district to provide investigatory or other services for the
2 medical, hospital, or welfare needs of district inhabitants. (Acts
3 62nd Leg., R.S., Ch. 200, Sec. 5 (part).)

4 Sec. 1100.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)
5 When a patient who resides in the district is admitted to a district
6 facility, the district administrator may have an inquiry made into
7 the circumstances of:

8 (1) the patient; and

9 (2) the patient's relatives legally liable for the
10 patient's support.

11 (b) If the district administrator determines that the
12 patient or those relatives cannot pay for all or part of the
13 patient's care and treatment in the hospital, the amount that
14 cannot be paid becomes a charge against the district.

15 (c) If the district administrator determines that the
16 patient or those relatives can pay for all or part of the patient's
17 care and treatment, the patient or those relatives shall be ordered
18 to pay the district a specified amount each week for the patient's
19 care and support. The amount ordered must be proportionate to their
20 financial ability.

21 (d) The district administrator may collect the amount from
22 the patient's estate, or from those relatives legally liable for
23 the patient's support, in the manner provided by law for the
24 collection of expenses of the last illness of a deceased person.

25 (e) If there is a dispute as to the ability to pay, or doubt
26 in the mind of the district administrator, the board shall hold a
27 hearing and, after calling witnesses, shall:

1 (1) resolve the dispute or doubt; and

2 (2) issue any appropriate order.

3 (f) The final order of the board may be appealed to the
4 district court. The substantial evidence rule applies to the
5 appeal. (Acts 62nd Leg., R.S., Ch. 200, Sec. 17.)

6 Sec. 1100.115. REIMBURSEMENT FOR SERVICES. (a) The board
7 shall require the sheriff of Randall County or the police chief of a
8 municipality located in Randall County, as appropriate, to
9 reimburse the district for the district's care and treatment of a
10 person confined in a jail facility of Randall County or a
11 municipality located in Randall County who is not a district
12 resident.

13 (b) A person confined in a jail facility of Randall County
14 or a municipality located in Randall County, as appropriate, is not
15 considered a district resident unless the person meets the
16 qualifications for residency notwithstanding the confinement, the
17 length of confinement, or the facts surrounding the confinement.
18 (Acts 62nd Leg., R.S., Ch. 200, Sec. 5 (part).)

19 Sec. 1100.116. AUTHORITY TO SUE AND BE SUED. The district,
20 through the board, may sue and be sued. (Acts 62nd Leg., R.S., Ch.
21 200, Sec. 5 (part).)

22 [Sections 1100.117-1100.150 reserved for expansion]

23 SUBCHAPTER D. CHANGE IN BOUNDARIES

24 Sec. 1100.151. EXPANSION OF TERRITORY; ELECTION. (a) The
25 board may order an election on the question of:

26 (1) expanding the district's boundaries to include all
27 of the territory in Randall County that is not included in the City

1 of Amarillo Hospital District;

2 (2) the assumption by the additional territory of a
3 proportionate share of district debt; and

4 (3) the imposition of taxes in the territory to be
5 added to that district.

6 (b) The district may not be expanded unless the expansion,
7 assumption of debt, and imposition of taxes are approved by a
8 majority of the voters at:

9 (1) an election held in the district; and

10 (2) a separate election held in the territory to be
11 added.

12 (c) The election in the district and the election in the
13 territory to be added must be held on the same day.

14 (d) Section 41.001(a), Election Code, does not apply to an
15 election ordered under this section. (Acts 62nd Leg., R.S., Ch.
16 200, Secs. 1A(a), (c), (d), (e) (part).)

17 Sec. 1100.152. BALLOT. The ballot for the election must be
18 printed to permit voting for or against the proposition:
19 "Expanding the South Randall County Hospital District to include
20 all of the territory in Randall County that is not included in the
21 City of Amarillo Hospital District, the assumption by the
22 additional territory of its proportionate share of the district's
23 outstanding debt, and the imposition of a tax not to exceed 75 cents
24 on each \$100 of valuation on all taxable property in the expanded
25 area of the district." (Acts 62nd Leg., R.S., Ch. 200, Sec. 1A(b).)

26 [Sections 1100.153-1100.200 reserved for expansion]

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 1100.201. BUDGET. (a) The district administrator shall prepare an annual budget for approval by the board.

(b) The proposed budget must contain a complete financial statement of:

(1) the outstanding obligations of the district;

(2) the cash on hand to the credit of each district fund;

(3) the money received by the district from all sources during the previous year;

(4) the money available to the district from all sources during the ensuing year;

(5) the balances expected at the end of the year in which the budget is being prepared;

(6) the estimated revenue and balances available to cover the proposed budget; and

(7) the estimated tax rate required. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

Sec. 1100.202. NOTICE; HEARING; APPROVAL OF BUDGET. (a) The board shall hold a public hearing on the proposed annual budget.

(b) At least 10 days before the date of the hearing, notice of the hearing shall be published one time.

(c) Any district taxpayer is entitled to be present and participate at the hearing.

(d) At the conclusion of the hearing, the board shall act on the budget proposed by the district administrator. The board may make any changes in the proposed budget that the board judges to be

1 in the interest of the taxpayers and the law warrants. (Acts 62nd
2 Leg., R.S., Ch. 200, Sec. 6 (part).)

3 Sec. 1100.203. AMENDMENTS TO BUDGET. The annual budget may
4 be amended as required by circumstances. The board must approve all
5 amendments. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

6 Sec. 1100.204. RESTRICTION ON EXPENDITURES. Money may be
7 spent only for an expense included in the annual budget or an
8 amendment to the budget. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6
9 (part).)

10 Sec. 1100.205. FISCAL YEAR. (a) The district operates
11 according to a fiscal year established by the board.

12 (b) The fiscal year may not be changed more than once in a
13 24-month period. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

14 Sec. 1100.206. AUDIT. The board shall have an audit made of
15 the district's financial condition. (Acts 62nd Leg., R.S., Ch.
16 200, Sec. 6 (part).)

17 Sec. 1100.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.
18 The audit and other district records shall be open to inspection at
19 the district's principal office. (Acts 62nd Leg., R.S., Ch. 200,
20 Sec. 6 (part).)

21 Sec. 1100.208. FINANCIAL REPORT. As soon as practicable
22 after the close of each fiscal year, the district administrator
23 shall prepare for the board:

24 (1) a complete sworn statement of all district money;
25 and

26 (2) a complete account of the disbursements of that
27 money. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

1 Sec. 1100.209. DEPOSITORY. (a) The board shall select one
2 or more banks or other federally insured financial institutions
3 inside or outside the district to serve as a depository for district
4 money.

5 (b) District money, other than money invested as provided by
6 Section 1100.210(b), and money transmitted to a bank for payment of
7 bonds or obligations issued or assumed by the district, shall be
8 deposited as received with the depository and shall remain on
9 deposit.

10 (c) This chapter, including Subsection (b), does not limit
11 the power of the board to:

12 (1) place a portion of district money on time deposit;
13 or

14 (2) purchase certificates of deposit. (Acts 62nd
15 Leg., R.S., Ch. 200, Sec. 11.)

16 Sec. 1100.210. SPENDING AND INVESTMENT RESTRICTIONS. (a)
17 Except as otherwise provided by Sections 1100.104(b), 1100.107,
18 1100.110, 1100.111, and 1100.211 and Subchapter F, the district may
19 not incur an obligation payable from district revenue other than
20 the revenue on hand or to be on hand in the current and following
21 district fiscal years.

22 (b) The board may invest district money in funds and
23 securities as prescribed by Chapter 2256, Government Code. (Acts
24 62nd Leg., R.S., Ch. 200, Secs. 5 (part), 10(b) (part).)

25 Sec. 1100.211. AUTHORITY TO BORROW MONEY; SECURITY. (a)
26 The board may borrow money at a rate not to exceed the maximum
27 annual percentage rate allowed by law for district obligations at

the time the loan is made if the board declares that:

(1) money is not available to meet authorized district obligations; and

(2) an emergency exists.

(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 that is not pledged to pay the principal of or interest on district bonds; or

(3) district bonds that have been authorized but not 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.

(d) The board may not spend money obtained from a loan under this section for any purpose other than:

(1) the purpose for which the board declared an emergency; and

(2) if district taxes or bonds are pledged to pay the loan, the purposes for which the pledged taxes were imposed or the pledged bonds were authorized. (Acts 62nd Leg., R.S., Ch. 200, Sec. 9A.)

[Sections 1100.212-1100.250 reserved for expansion]

SUBCHAPTER F. BONDS

Sec. 1100.251. GENERAL OBLIGATION BONDS. The board may

1 issue and sell general obligation bonds in the name and on the faith
2 and credit of the district for any purpose relating to:

3 (1) the purchase, construction, acquisition, repair,
4 or renovation of buildings or improvements; and

5 (2) equipping buildings or improvements for hospital
6 purposes. (Acts 62nd Leg., R.S., Ch. 200, Sec. 7 (part).)

7 Sec. 1100.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
8 the time general obligation bonds are issued by the district, the
9 board shall impose an ad valorem tax at a rate sufficient to create
10 an interest and sinking fund to pay the principal of and interest on
11 the bonds as the bonds mature.

12 (b) The tax required by this section may not in any year
13 exceed 75 cents on each \$100 valuation of all taxable property in
14 the district subject to hospital district taxation. (Acts 62nd
15 Leg., R.S., Ch. 200, Sec. 7 (part).)

16 Sec. 1100.253. GENERAL OBLIGATION BOND ELECTION. (a) The
17 district may issue general obligation bonds only if the bonds are
18 authorized by a majority of the district voters voting at an
19 election held for that purpose.

20 (b) The order calling a bond election must provide for
21 clerks as in county elections and must specify:

22 (1) the date of the election;

23 (2) the location of the polling places;

24 (3) the presiding and alternate election judges for
25 each polling place;

26 (4) the amount of the bonds to be authorized; and

27 (5) the maximum maturity of the bonds.

1 (c) Notice of a bond election shall be published as provided
2 by Section 1251.003, Government Code. (Acts 62nd Leg., R.S., Ch.
3 200, Sec. 7 (part).)

4 Sec. 1100.254. MATURITY OF GENERAL OBLIGATION BONDS.
5 District general obligation bonds must mature not later than 40
6 years after the date of issuance. (Acts 62nd Leg., R.S., Ch. 200,
7 Sec. 7 (part).)

8 Sec. 1100.255. EXECUTION OF GENERAL OBLIGATION BONDS. The
9 board president shall execute the district's general obligation
10 bonds in the district's name, and the board secretary shall
11 countersign the general obligation bonds in the manner provided by
12 Chapter 618, Government Code. (Acts 62nd Leg., R.S., Ch. 200, Sec.
13 7 (part).)

14 Sec. 1100.256. REVENUE BONDS. (a) The board may issue
15 revenue bonds to:

16 (1) purchase, construct, acquire, repair, renovate,
17 or equip buildings or improvements for hospital purposes; or

18 (2) acquiresites to be used for hospital purposes.

19 (b) The bonds must be payable from and secured by a pledge of
20 all or part of the revenue derived from the operation of the
21 district's hospitals.

22 (c) The bonds may be additionally secured by a mortgage or
23 deed of trust lien on all or part of district property.

24 (d) The bonds must be issued in the manner and in accordance
25 with the procedures and requirements prescribed by Sections
26 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health
27 and Safety Code, for issuance of revenue bonds by a county hospital

1 authority. (Acts 62nd Leg., R.S., Ch. 200, Sec. 9 (part).)

2 Sec. 1100.257. REFUNDING BONDS. (a) The board may, without
3 an election, issue refunding bonds to refund outstanding
4 indebtedness issued or assumed by the district.

5 (b) A refunding bond may be:

6 (1) sold, with the proceeds of the refunding bond
7 applied to the payment of outstanding indebtedness; or

8 (2) exchanged wholly or partly for not less than a
9 similar principal amount of outstanding indebtedness. (Acts 62nd
10 Leg., R.S., Ch. 200, Secs. 7 (part), 9 (part).)

11 Sec. 1100.258. BONDS EXEMPT FROM TAXATION. The following
12 are exempt from taxation by this state or a political subdivision of
13 this state:

14 (1) bonds issued by the district;

15 (2) the transfer and issuance of the bonds; and

16 (3) any profits made in the sale of the bonds. (Acts
17 62nd Leg., R.S., Ch. 200, Sec. 21 (part).)

18 [Sections 1100.259-1100.300 reserved for expansion]

19 SUBCHAPTER G. TAXES

20 Sec. 1100.301. IMPOSITION OF AD VALOREM TAX. (a) The board
21 shall impose a tax on all taxable property in the district subject
22 to district taxation.

23 (b) The board shall impose the tax to pay:

24 (1) the district's indebtedness, including
25 obligations created or assumed by the district; and

26 (2) the district's maintenance and operating expenses.
27 (Acts 62nd Leg., R.S., Ch. 200, Secs. 7 (part), 12 (part).)

1 Sec. 1100.302. TAX RATE. (a) The board may impose the tax
2 at a rate not to exceed 75 cents on each \$100 valuation of all
3 taxable property in the district.

4 (b) In setting the tax rate, the board shall consider the
5 income of the district from sources other than taxation. (Acts 62nd
6 Leg., R.S., Ch. 200, Secs. 7 (part), 12 (part).)

7 Sec. 1100.303. TAX ASSESSOR-COLLECTOR. The board may
8 provide for the appointment of a tax assessor-collector for the
9 district or may contract for the assessment and collection of taxes
10 as provided by the Tax Code. (Acts 62nd Leg., R.S., Ch. 200, Sec.
11 15(c).)

12 [Sections 1100.304-1100.350 reserved for expansion]

13 SUBCHAPTER H. DISSOLUTION

14 Sec. 1100.351. DISSOLUTION; ELECTION. (a) The district
15 may be dissolved as provided by this subchapter.

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 30
21 registered voters in the district.

22 (d) Section 41.001(a), Election Code, does not apply to an
23 election ordered under this section. (Acts 62nd Leg., R.S., Ch.
24 200, Secs. 21A(a), (b), (c) (part).)

25 Sec. 1100.352. BALLOT. The ballot for the election under
26 this subchapter must be printed to permit voting for or against the
27 proposition: "The dissolution of the South Randall County Hospital

District." (Acts 62nd Leg., R.S., Ch. 200, Sec. 21A(d) (part).)

Sec. 1100.353. ELECTION RESULTS. (a) If a majority of the votes in the election under this subchapter favor dissolution, the board shall find that the district is dissolved.

(b) If a majority of the votes in the election do not favor dissolution, the board shall continue to administer the district and another election on the question of dissolution may not be held before the first anniversary of the date of the most recent election to dissolve the district. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21A(e).)

Sec. 1100.354. TRANSFER OR ADMINISTRATION OF ASSETS. (a) If a majority of the votes in the election held under this subchapter favor dissolution, the board shall:

(1) transfer to Randall County the land, buildings, improvements, equipment, and other assets that belong to the district; or

(2) administer the property, assets, and debts in accordance with this subchapter.

(b) If the board makes the transfer under Subsection (a)(1), the county assumes all debts and obligations of the district at the time of the transfer, and the district is dissolved.

(c) If the board does not make the transfer under Subsection (a)(1), the board shall continue to control and administer the property, debts, and assets of the district under Subsection (a)(2) until all money has been disposed of and all district debts have been paid or settled. (Acts 62nd Leg., R.S., Ch. 200, Secs. 21A(f), 21B(a).)

1 Sec. 1100.355. IMPOSITION OF TAX. (a) After the board
2 finds that the district is dissolved, the board shall:

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

4 (2) impose on the property included in the district's
5 tax rolls a tax that is in proportion of the debt to the property
6 value.

7 (b) The board may institute a suit to enforce payment of
8 taxes and to foreclose liens to secure the payment of the taxes.
9 (Acts 62nd Leg., R.S., Ch. 200, Secs. 21B(b), (c).)

10 Sec. 1100.356. RETURN OF SURPLUS TAXES. (a) On the payment
11 of all outstanding debts and obligations of the district, the board
12 shall order the board secretary to return to each district taxpayer
13 the taxpayer's pro rata share of all unused tax money.

14 (b) A taxpayer may request that the taxpayer's share of
15 surplus tax money be credited to the taxpayer's county taxes. If a
16 taxpayer requests the credit, the board shall direct the board
17 secretary to transmit the money to the county tax
18 assessor-collector. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21B(d).)

19 Sec. 1100.357. REPORT; DISSOLUTION ORDER. (a) After the
20 district has paid all district debts and has disposed of all
21 district money and other assets as prescribed by this subchapter,
22 the board shall file a written report with the Commissioners Court
23 of Randall County summarizing the board's actions in dissolving the
24 district.

25 (b) Not later than the 10th day after the date the
26 Commissioners Court of Randall County receives the report and
27 determines that the requirements of this subchapter have been

fulfilled, the commissioners court shall enter an order dissolving
the district. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21B(e).)

CHAPTER 1101. SUTTON COUNTY HOSPITAL DISTRICT

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13 CHAPTER 1101. SUTTON COUNTY HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1101.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the
17 district.

18 (2) "Commissioners court" means the Commissioners
19 Court of Sutton County, Texas.

20 (3) "Director" means a member of the board.

21 (4) "District" means the Sutton County Hospital
22 District. (Acts 68th Leg., R.S., Ch. 1047, Sec. 1.01.)

23 Sec. 1101.002. AUTHORITY FOR OPERATION. The Sutton County
24 Hospital District operates and is financed as provided by Section
25 9, Article IX, Texas Constitution, and by this chapter. (Acts 68th
26 Leg., R.S., Ch. 1047, Sec. 1.02.)

27 Sec. 1101.003. ESSENTIAL PUBLIC FUNCTION. The district is

1 a public entity performing an essential public function. (Acts
2 68th Leg., R.S., Ch. 1047, Sec. 6.11 (part).)

3 Sec. 1101.004. DISTRICT TERRITORY. The boundaries of the
4 district are coextensive with the boundaries of Sutton County,
5 Texas. (Acts 68th Leg., R.S., Ch. 1047, Sec. 1.03.)

6 Sec. 1101.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE
7 OBLIGATION. This state may not become obligated for the support or
8 maintenance of the district. (Acts 68th Leg., R.S., Ch. 1047, Sec.
9 8.01 (part).)

10 Sec. 1101.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.
11 The legislature may not make a direct appropriation for the
12 construction, maintenance, or improvement of a district facility.
13 (Acts 68th Leg., R.S., Ch. 1047, Sec. 8.01 (part).)

14 [Sections 1101.007-1101.050 reserved for expansion]

15 SUBCHAPTER B. DISTRICT ADMINISTRATION

16 Sec. 1101.051. BOARD ELECTION; TERM. (a) The district is
17 governed by a board of seven directors elected as follows:

18 (1) one director elected from each commissioners
19 precinct; and

20 (2) three directors elected from the district at
21 large.

22 (b) Directors serve staggered four-year terms.

23 (c) An election shall be held in each even-numbered year on
24 the May uniform election date under Section 41.001, Election Code,
25 to elect the appropriate number of directors. (Acts 68th Leg.,
26 R.S., Ch. 1047, Secs. 3.01(a), 3.03(a), (d); Acts 72nd Leg., R.S.,
27 Ch. 521, Sec. 4.)

1 Sec. 1101.052. NOTICE OF ELECTION. Notice of a directors'
2 election must be published one time in a newspaper with general
3 circulation in the district in accordance with Section 4.003,
4 Election Code. (Acts 68th Leg., R.S., Ch. 1047, Sec. 3.04.)

5 Sec. 1101.053. QUALIFICATIONS FOR OFFICE. (a) To be
6 eligible to be a candidate for or to serve as a director, a person
7 must be:

8 (1) a resident of the district; and

9 (2) a qualified voter.

10 (b) In addition to the qualifications required by
11 Subsection (a), a person who is elected from a commissioners
12 precinct or who is appointed to fill a vacancy for a commissioners
13 precinct must be a resident of that commissioners precinct.

14 (c) A district employee may not serve as a director. (Acts
15 68th Leg., R.S., Ch. 1047, Sec. 3.06.)

16 Sec. 1101.054. BOARD VACANCY. If a vacancy occurs in the
17 office of director, the remaining directors shall appoint a
18 director for the unexpired term. (Acts 68th Leg., R.S., Ch. 1047,
19 Sec. 3.07.)

20 Sec. 1101.055. OFFICERS. (a) The board shall elect from
21 among its members a president and a vice president.

22 (b) The board shall appoint a secretary, who need not be a
23 director.

24 (c) Each officer of the board serves a one-year term.

25 (d) The board shall fill a vacancy in a board office for the
26 unexpired term. (Acts 68th Leg., R.S., Ch. 1047, Secs. 3.08, 3.09.)

27 Sec. 1101.056. COMPENSATION; EXPENSES. A director or

1 officer serves without compensation but may be reimbursed for
2 actual expenses incurred in the performance of official duties.
3 The expenses must be:

- 4 (1) reported in the district's records; and
- 5 (2) approved by the board. (Acts 68th Leg., R.S., Ch.
6 1047, Sec. 3.10.)

7 Sec. 1101.057. VOTING REQUIREMENT. A concurrence of a
8 majority of the directors voting is necessary in any matter
9 relating to district business. (Acts 68th Leg., R.S., Ch. 1047,
10 Sec. 3.11.)

11 Sec. 1101.058. DISTRICT ADMINISTRATOR. (a) The board may
12 appoint a qualified person as district administrator.

13 (b) The district administrator serves at the will of the
14 board and is entitled to compensation as determined by the board.

15 (c) Before assuming the duties of district administrator,
16 the administrator must execute a bond in an amount determined by the
17 board of not less than \$5,000 that is:

- 18 (1) payable to the district; and
- 19 (2) conditioned on the faithful performance of the
20 administrator's duties under this chapter.

21 (d) The board may pay for the bond with district money.
22 (Acts 68th Leg., R.S., Ch. 1047, Secs. 3.12(a) (part), (b) (part),
23 (c) (part), (d).)

24 Sec. 1101.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
25 Subject to the limitations prescribed by the board, the district
26 administrator shall:

- 27 (1) supervise the work and activities of the district;

1 and

2 (2) direct the general affairs of the district. (Acts
3 68th Leg., R.S., Ch. 1047, Sec. 3.15.)

4 Sec. 1101.060. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

5 (a) The board may appoint qualified persons as:

6 (1) the assistant district administrator; and

7 (2) the attorney for the district.

8 (b) The assistant district administrator and the attorney
9 for the district serve at the will of the board and are entitled to
10 compensation as determined by the board. (Acts 68th Leg., R.S., Ch.
11 1047, Secs. 3.12(a) (part), (b) (part), (c) (part).)

12 Sec. 1101.061. APPOINTMENT AND RECRUITMENT OF STAFF AND
13 EMPLOYEES. (a) The board may appoint to the staff any doctors the
14 board considers necessary for the efficient operation of the
15 district and may make temporary appointments as considered
16 necessary.

17 (b) The district may employ technicians, nurses, fiscal
18 agents, accountants, architects, additional attorneys, and other
19 necessary employees.

20 (c) The board may delegate to the district administrator the
21 authority to employ persons for the district.

22 (d) The board may spend district money to recruit to the
23 hospital staff any physicians necessary to satisfy the medical
24 needs of district residents. (Acts 68th Leg., R.S., Ch. 1047, Secs.
25 3.13, 3.14, 4.05(c) (part).)

26 Sec. 1101.062. NURSING SCHOOL SCHOLARSHIPS. The board may
27 spend district money to provide scholarships to district residents

1 to attend nursing school. (Acts 68th Leg., R.S., Ch. 1047, Sec.
2 4.05(c) (part).)

3 Sec. 1101.063. RETIREMENT BENEFITS. The board may provide
4 retirement benefits for district employees by:

5 (1) establishing or administering a retirement
6 program; or

7 (2) participating in:

8 (A) the Texas County and District Retirement
9 System; or

10 (B) another statewide retirement system in which
11 the district is eligible to participate. (Acts 68th Leg., R.S., Ch.
12 1047, Sec. 3.16.)

13 [Sections 1101.064-1101.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 1101.101. DISTRICT RESPONSIBILITY. The district has
16 full responsibility for operating hospital facilities and for
17 providing medical and hospital care for the district's needy
18 inhabitants. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.02 (part).)

19 Sec. 1101.102. RESTRICTION ON COUNTY TAXATION AND DEBT.
20 Sutton County may not impose a tax or issue bonds or other
21 obligations for hospital purposes or to provide medical care for
22 district residents. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.01.)

23 Sec. 1101.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.
24 The board shall manage, control, and administer the hospital system
25 and the district's money and resources. (Acts 68th Leg., R.S., Ch.
26 1047, Sec. 4.03.)

27 Sec. 1101.104. RULES. The board may adopt rules governing:

1 (1) the operation of the hospital and hospital system;
2 and

3 (2) the duties, functions, and responsibilities of
4 district staff and employees. (Acts 68th Leg., R.S., Ch. 1047, Sec.
5 4.04.)

6 Sec. 1101.105. PURCHASING AND ACCOUNTING PROCEDURES. The
7 board may prescribe:

8 (1) the method of making purchases and expenditures by
9 and for the district; and

10 (2) accounting and control procedures for the
11 district. (Acts 68th Leg., R.S., Ch. 1047, Secs. 4.05(a), (b).)

12 Sec. 1101.106. MOBILE EMERGENCY MEDICAL SERVICE. The
13 district may operate or provide for the operation of a mobile
14 emergency medical service. (Acts 68th Leg., R.S., Ch. 1047, Sec.
15 4.02 (part).)

16 Sec. 1101.107. DISTRICT PROPERTY, FACILITIES, AND
17 EQUIPMENT. (a) The board shall determine:

18 (1) the type, number, and location of buildings
19 required to maintain an adequate hospital system; and

20 (2) the type of equipment necessary for hospital care.

21 (b) The hospital system may include:

22 (1) facilities and equipment to provide for
23 domiciliary care and treatment of geriatric patients; and

24 (2) convalescent home facilities.

25 (c) The board may:

26 (1) acquire property, including facilities and
27 equipment, for the district for use in the hospital system; and

1 (2) mortgage or pledge the property as security for
2 payment of the purchase price.

3 (d) The board may lease hospital facilities for the
4 district.

5 (e) The board may sell or otherwise dispose of property,
6 including facilities or equipment, for the district. (Acts 68th
7 Leg., R.S., Ch. 1047, Sec. 4.06.)

8 Sec. 1101.108. GIFTS AND ENDOWMENTS. The board may accept
9 for the district a gift or endowment to be held in trust for any
10 purpose and under any direction, limitation, or other provision
11 prescribed in writing by the donor that is consistent with the
12 proper management of the district. (Acts 68th Leg., R.S., Ch. 1047,
13 Sec. 4.12.)

14 Sec. 1101.109. CONSTRUCTION CONTRACTS. (a) The board may
15 enter into construction contracts for the district.

16 (b) The board may enter into a construction contract that
17 involves the expenditure of more than the amount provided by
18 Section 271.024, Local Government Code, only after competitive
19 bidding as provided by Subchapter B, Chapter 271, Local Government
20 Code. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.07(a).)

21 Sec. 1101.110. OPERATING AND MANAGEMENT CONTRACTS. The
22 board may enter into an operating or management contract relating
23 to a hospital facility for the district. (Acts 68th Leg., R.S., Ch.
24 1047, Sec. 4.08.)

25 Sec. 1101.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
26 SERVICES. The board may contract with a political subdivision of
27 this state or with a state or federal agency for the district to:

1 (1) furnish a mobile emergency medical service; or

2 (2) provide for the investigatory or welfare needs of
3 district inhabitants. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.11.)

4 Sec. 1101.112. PAYMENT FOR TREATMENT; PROCEDURES. (a)
5 When an individual who resides in the district is admitted as a
6 patient to a district facility, the district administrator may have
7 an inquiry made into the financial circumstances of:

8 (1) the patient; and

9 (2) a relative of the patient legally responsible for
10 the patient's support.

11 (b) To the extent that the patient or a relative of the
12 patient legally responsible for the patient's support cannot pay
13 for care and treatment provided by the district, the district shall
14 supply the care and treatment without charging the patient or the
15 relative.

16 (c) On determining that the patient or a relative legally
17 responsible for the patient's support can pay for all or part of the
18 care and treatment provided by the district, the district
19 administrator shall report that determination to the board, and the
20 board shall issue an order directing the patient or the relative to
21 pay the district a specified amount each week. The amount must be
22 based on the individual's ability to pay.

23 (d) The district administrator may collect money owed to the
24 district from the patient's estate or from that of a relative
25 legally responsible for the patient's support in the manner
26 provided by law for the collection of expenses in the last illness
27 of a deceased person.

1 (e) If there is a dispute relating to an individual's
2 ability to pay or if the district administrator has any doubt
3 concerning an individual's ability to pay, the board shall:

- 4 (1) call witnesses;
5 (2) hear and resolve the question; and
6 (3) issue a final order.

7 (f) The final order of the board may be appealed to a
8 district court in Sutton County. The substantial evidence rule
9 applies to the appeal. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.09.)

10 Sec. 1101.113. REIMBURSEMENT FOR SERVICES. (a) The board
11 shall require a county or municipality located outside the district
12 to reimburse the district for the district's care and treatment of a
13 sick or injured person of that county or municipality.

14 (b) The board shall require the sheriff of Sutton County to
15 reimburse the district for the district's care and treatment of a
16 person confined in a jail facility of Sutton County who is not a
17 district resident.

18 (c) On behalf of the district, the board may contract with
19 the state or federal government for that government to reimburse
20 the district for treatment of a sick or injured person. (Acts 68th
21 Leg., R.S., Ch. 1047, Sec. 4.10.)

22 Sec. 1101.114. AUTHORITY TO SUE AND BE SUED. The board may
23 sue and be sued on behalf of the district. (Acts 68th Leg., R.S.,
24 Ch. 1047, Sec. 4.13.)

25 [Sections 1101.115-1101.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 1101.151. BUDGET. (a) The district administrator

1 shall prepare a proposed annual budget for the district.

2 (b) The proposed budget must contain a complete financial
3 statement, including a statement of:

4 (1) the outstanding obligations of the district;

5 (2) the amount of cash on hand to the credit of each
6 district fund;

7 (3) the amount of money received by the district from
8 all sources during the previous year;

9 (4) the amount of money available to the district from
10 all sources during the ensuing year;

11 (5) the amount of the balances expected at the end of
12 the year in which the budget is being prepared;

13 (6) the estimated amount of revenue and balances
14 available to cover the proposed budget; and

15 (7) the estimated tax rate required. (Acts 68th Leg.,
16 R.S., Ch. 1047, Sec. 5.04.)

17 Sec. 1101.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)
18 The board shall hold a public hearing on the proposed annual budget.

19 (b) The board shall publish notice of the hearing in a
20 newspaper with general circulation in the district not later than
21 the 10th day before the date of the hearing.

22 (c) Any district resident is entitled to be present and
23 participate at the hearing.

24 (d) At the conclusion of the hearing, the board shall adopt
25 a budget by acting on the budget proposed by the district
26 administrator. The board may make any changes in the proposed
27 budget that the board judges to be in the interests of the

1 taxpayers.

2 (e) The budget is effective only after adoption by the
3 board. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.05.)

4 Sec. 1101.153. AMENDMENTS TO BUDGET. After the annual
5 budget is adopted, the budget may be amended on the board's
6 approval. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.06.)

7 Sec. 1101.154. RESTRICTION ON EXPENDITURES. Money may be
8 spent only for an expense included in the annual budget or an
9 amendment to the budget. (Acts 68th Leg., R.S., Ch. 1047, Sec.
10 5.07.)

11 Sec. 1101.155. FISCAL YEAR. The district operates
12 according to a fiscal year established by the board. (Acts 68th
13 Leg., R.S., Ch. 1047, Sec. 5.01.)

14 Sec. 1101.156. ANNUAL AUDIT. The board annually shall have
15 an audit made of the district's financial condition. (Acts 68th
16 Leg., R.S., Ch. 1047, Sec. 5.02.)

17 Sec. 1101.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
18 RECORDS. The annual audit and other district records shall be open
19 to inspection during regular business hours at the district's
20 principal office. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.03.)

21 Sec. 1101.158. FINANCIAL REPORT. As soon as practicable
22 after the close of the fiscal year, the district administrator
23 shall prepare for the board:

24 (1) a sworn statement of the amount of district money;
25 and

26 (2) an account of the disbursements of that money.
27 (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.08.)

1 Sec. 1101.159. DEPOSITORY. (a) The board shall select at
2 least one bank to serve as a depository for district money.

3 (b) District money, other than money invested as provided by
4 Section 1101.160(b) and money transmitted to a bank for payment of
5 bonds or obligations issued or assumed by the district, shall be
6 deposited as received with the depository bank and shall remain on
7 deposit. This subsection does not limit the power of the board to:

8 (1) place a portion of district money on time deposit;
9 or

10 (2) purchase certificates of deposit. (Acts 68th Leg.,
11 R.S., Ch. 1047, Secs. 5.10(a), (b).)

12 Sec. 1101.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)
13 Except as provided by Sections 1101.109, 1101.201, 1101.204, and
14 1101.205, the district may not incur a debt payable from district
15 revenue other than the revenue on hand or to be on hand in the
16 current and immediately following district fiscal years.

17 (b) The board may invest operating, depreciation, or
18 building reserves only in funds or securities specified by Chapter
19 2256, Government Code. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.09.)

20 Sec. 1101.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)
21 The board may borrow money at a rate not to exceed the maximum
22 annual percentage rate allowed by law for district obligations at
23 the time the loan is made.

24 (b) To secure a loan, the board may pledge:

25 (1) district revenue that is not pledged to pay the
26 district's bonded indebtedness;

27 (2) a district tax to be imposed by the district in the

1 12-month period following the date of the pledge that is not pledged
2 to pay the principal of or interest on district bonds; or

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

5 (c) A loan for which taxes or bonds are pledged must mature
6 not later than the first anniversary of the date the loan is made. A
7 loan for which district revenue is pledged must mature not later
8 than the fifth anniversary of the date the loan is made. (Acts 68th
9 Leg., R.S., Ch. 1047, Sec. 5.11.)

10 [Sections 1101.162-1101.200 reserved for expansion]

11 SUBCHAPTER E. BONDS

12 Sec. 1101.201. GENERAL OBLIGATION BONDS. If authorized by
13 an election, the board may issue and sell general obligation bonds
14 in the name and on the faith and credit of the district to:

15 (1) purchase, construct, acquire, repair, or renovate
16 buildings or improvements;

17 (2) equip buildings or improvements for hospital
18 purposes; or

19 (3) acquire and operate a mobile emergency medical
20 service. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.01.)

21 Sec. 1101.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
22 the time general obligation bonds are issued by the district, the
23 board shall impose an ad valorem tax at a rate sufficient to create
24 an interest and sinking fund to pay the principal of and interest on
25 the bonds as the bonds mature.

26 (b) The tax required by this section together with any other
27 ad valorem tax the district imposes may not in any year exceed the

1 limit approved by the voters at the election authorizing the
2 imposition of the tax. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.02.)

3 Sec. 1101.203. GENERAL OBLIGATION BOND ELECTION. (a) The
4 district may issue general obligation bonds only if the bonds are
5 authorized by a majority of the district voters.

6 (b) The board may order a bond election.

7 (c) The order calling the election must specify:

8 (1) the nature and date of the election;

9 (2) the hours during which the polls will be open;

10 (3) the location of the polling places;

11 (4) the amount of the bonds to be authorized; and

12 (5) the maximum maturity of the bonds.

13 (d) Notice of a bond election shall be given as provided by
14 Section 1251.003, Government Code.

15 (e) The board shall declare the results of the election.
16 (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.03.)

17 Sec. 1101.204. REVENUE BONDS. (a) The board may issue
18 revenue bonds to:

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

21 (2) acquire sites to be used for hospital purposes; or

22 (3) acquire and operate a mobile emergency medical
23 service to assist the district in carrying out its hospital
24 purposes.

25 (b) The bonds must be payable from and secured by a pledge of
26 all or part of the revenue derived from the operation of the
27 district's hospital system.

1 (c) The bonds may be additionally secured by a mortgage or
2 deed of trust lien on all or part of district property.

3 (d) The bonds must be issued in the manner provided by
4 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,
5 Health and Safety Code, for issuance of revenue bonds by a county
6 hospital authority. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.04.)

7 Sec. 1101.205. REFUNDING BONDS. (a) District refunding
8 bonds may be issued to refund outstanding indebtedness issued or
9 assumed by the district.

10 (b) A refunding bond may be:

11 (1) sold, with the proceeds of the refunding bond
12 applied to the payment of outstanding indebtedness; or

13 (2) exchanged wholly or partly for not less than a
14 similar principal amount of outstanding indebtedness. (Acts 68th
15 Leg., R.S., Ch. 1047, Secs. 6.05(a), (c) (part).)

16 Sec. 1101.206. MATURITY OF BONDS. District bonds must
17 mature not later than 50 years after the date of issuance. (Acts
18 68th Leg., R.S., Ch. 1047, Sec. 6.06 (part).)

19 Sec. 1101.207. EXECUTION OF BONDS. The board president
20 shall execute the district's bonds in the district's name, and the
21 board secretary shall countersign the bonds in the manner provided
22 by Chapter 618, Government Code. (Acts 68th Leg., R.S., Ch. 1047,
23 Sec. 6.07.)

24 Sec. 1101.208. ADDITIONAL MEANS OF SECURING PAYMENT OF
25 BONDS. In addition to the authority to issue general obligation
26 bonds and revenue bonds under this subchapter, the board may
27 provide for the security and payment of district bonds from a pledge

of a combination of ad valorem taxes as authorized by Section 1101.202 and revenue and other sources authorized by Section 1101.204. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.12.)

Sec. 1101.209. USE OF BOND PROCEEDS. The district may 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

(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. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.13.)

Sec. 1101.210. BONDS EXEMPT FROM TAXATION. The following

are exempt from taxation by this state or a political subdivision of this state:

- (1) bonds issued by the district;
- (2) any transaction relating to the bonds; and
- (3) profits made in the sale of the bonds. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.11 (part).)

[Sections 1101.211-1101.250 reserved for expansion]

SUBCHAPTER F. TAXES

Sec. 1101.251. IMPOSITION OF AD VALOREM TAX. (a) The board may impose a tax on all property in the district subject to district taxation.

(b) The tax may be used to pay:

- (1) indebtedness issued or assumed by the district;
- and
- (2) district maintenance and operating expenses.

(c) The district may not impose a tax to pay the principal of or interest on revenue bonds issued under this chapter. (Acts 68th Leg., R.S., Ch. 1047, Secs. 7.01(a) (part), (c), (d), 7.02(b).)

Sec. 1101.252. TAX RATE. (a) The board may impose the tax at a rate not to exceed the limit approved by the voters at the election authorizing the imposition of the tax.

(b) The tax rate for all purposes may not exceed 75 cents on each \$100 valuation of all taxable property in the district.

(c) In setting the tax rate, the board shall consider the income of the district from sources other than taxation. (Acts 68th Leg., R.S., Ch. 1047, Secs. 7.01(a) (part), (b), 7.03 (part).)

Sec. 1101.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)

1 The board may order an election to increase the district's maximum
2 tax rate to 75 cents on each \$100 valuation of taxable property in
3 the district. The board shall order the election if the board
4 receives a petition requesting an election that is signed by at
5 least 15 percent of the registered voters in the district.

6 (b) The ballot for the election shall be printed to permit
7 voting for or against the proposition: "The imposition of annual
8 taxes by the district for hospital purposes at a rate not to exceed
9 75 cents on the \$100 valuation of all taxable property in the
10 district."

11 (c) If a majority of the votes favor the proposition, the
12 board may impose taxes as authorized by the proposition, subject to
13 Section 1101.254. If a majority of the votes do not favor the
14 proposition, another election on the question of increasing the
15 district's maximum tax rate may not be held before the first
16 anniversary of the date of the most recent election at which voters
17 disapproved the proposition.

18 (d) Section 41.001(a), Election Code, does not apply to an
19 election ordered under this section. (Acts 68th Leg., R.S., Ch.
20 1047, Secs. 7.05(a), (b) (part), (c) (part), (d) (part).)

21 Sec. 1101.254. LIMIT ON ANNUAL INCREASE IN TAX RATE. (a)
22 Notwithstanding Section 1101.253, the board may not in any year
23 increase the tax rate by five cents or more on each \$100 valuation
24 above the tax rate imposed in the preceding year unless the increase
25 is approved at an election held under this section.

26 (b) The board may order an election to increase the
27 district's tax rate by five cents or more on each \$100 of valuation

1 above the rate imposed in the preceding year. The board shall order
2 the election if the board receives a petition requesting an
3 election that is signed by at least 15 percent of the registered
4 voters in the district.

5 (c) The ballot for the election shall be printed to permit
6 voting for or against the proposition: "The imposition of the
7 (insert year) annual tax by the district for hospital purposes at a
8 rate not to exceed (insert rate) cents on the \$100 valuation of all
9 taxable property in the district."

10 (d) If a majority of the votes favor the proposition, the
11 board may impose taxes as authorized by the proposition. If a
12 majority of the votes do not favor the proposition, the board may
13 not increase the tax rate for that year by five cents or more on each
14 \$100 valuation above the tax rate imposed in the preceding year.

15 (e) This section does not authorize the board to impose
16 taxes in an amount that exceeds the maximum amount approved by the
17 voters under Section 1101.253.

18 (f) This section does not affect any rights district voters
19 may have to petition for an election under Section 26.07, Tax Code,
20 except that if district voters approve a tax rate increase under
21 this section, the voters may not petition for an election under
22 Section 26.07, Tax Code, as to the tax rate for that year.

23 (g) Section 41.001(a), Election Code, does not apply to an
24 election ordered under this section. (Acts 68th Leg., R.S., Ch.
25 1047, Secs. 7.06(a), (b), (c) (part), (d) (part), (e) (part), (f),
26 (g).)

27 Sec. 1101.255. TAX ASSESSOR-COLLECTOR. The board may

1 provide for the appointment of a tax assessor-collector for the
2 district or may contract for the assessment and collection of taxes
3 as provided by the Tax Code. (Acts 68th Leg., R.S., Ch. 1047, Sec.
4 7.04(b).)

5 [Sections 1101.256-1101.300 reserved for expansion]

6 SUBCHAPTER G. DISSOLUTION

7 Sec. 1101.301. DISSOLUTION; ELECTION. (a) The district
8 may be dissolved as provided by this subchapter.

9 (b) The board may order an election on the question of
10 dissolving the district and disposing of the district's assets and
11 obligations.

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

15 (d) Section 41.001(a), Election Code, does not apply to an
16 election ordered under this section. (Acts 68th Leg., R.S., Ch.
17 1047, Secs. 7.21(a), (b), (c) (part).)

18 Sec. 1101.302. BALLOT. The ballot for an election under
19 this subchapter must be printed to permit voting for or against the
20 proposition: "The dissolution of the Sutton County Hospital
21 District." (Acts 68th Leg., R.S., Ch. 1047, Sec. 7.21(d) (part).)

22 Sec. 1101.303. ELECTION RESULTS. (a) If a majority of the
23 votes in an election under this subchapter favor dissolution, the
24 board shall find that the district is dissolved.

25 (b) If a majority of the votes in the election do not favor
26 dissolution, the board shall continue to administer the district
27 and another election on the question of dissolution may not be held

1 before the first anniversary of the date of the most recent election
2 to dissolve the district. (Acts 68th Leg., R.S., Ch. 1047, Sec.
3 7.21(e).)

4 Sec. 1101.304. TRANSFER OR ADMINISTRATION OF ASSETS. (a)
5 If a majority of the votes in an election under this subchapter
6 favor dissolution, the board shall:

7 (1) transfer to Sutton County the land, buildings,
8 improvements, equipment, and other assets that belong to the
9 district; or

10 (2) administer the property, assets, and debts in
11 accordance with Sections 1101.305, 1101.306, and 1101.307.

12 (b) If the board makes the transfer under Subsection (a)(1),
13 Sutton County assumes all debts and obligations of the district at
14 the time of the transfer, and the district is dissolved. (Acts 68th
15 Leg., R.S., Ch. 1047, Sec. 7.21(f).)

16 Sec. 1101.305. BOARD MANAGEMENT OF ASSETS ON DISSOLUTION;
17 IMPOSITION OF TAX. (a) If the district does not transfer the land,
18 buildings, improvements, equipment, and other assets to Sutton
19 County under Section 1101.304, the board shall continue to control
20 and administer the property, assets, and debts of the district
21 until all money has been disposed of and all district debts have
22 been paid or settled.

23 (b) After the board finds that the district is dissolved,
24 the board shall:

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

26 (2) impose on the property included in the district's
27 tax rolls a tax that is in proportion of the debt to the property

1 value.

2 (c) The board may institute a suit to enforce payment of
3 taxes and to foreclose liens to secure the payment of taxes due the
4 district. (Acts 68th Leg., R.S., Ch. 1047, Secs. 7.22(a), (b),
5 (c).)

6 Sec. 1101.306. RETURN OF SURPLUS TAXES. (a) On the payment
7 of all outstanding debts and obligations of the district in
8 accordance with Section 1101.305, the board shall order the board
9 secretary to return to each district taxpayer the pro rata share of
10 all unused tax money.

11 (b) A taxpayer may request that the taxpayer's share of
12 surplus tax money be credited to the taxpayer's county taxes. If a
13 taxpayer requests the credit, the board shall direct the board
14 secretary to transmit the money to the county tax
15 assessor-collector. (Acts 68th Leg., R.S., Ch. 1047, Sec.
16 7.22(d).)

17 Sec. 1101.307. REPORT; DISSOLUTION ORDER. (a) After the
18 district has paid all district debts and has disposed of all
19 district money and other assets as prescribed by this subchapter,
20 the board shall file a written report with the commissioners court
21 summarizing the board's actions in dissolving the district.

22 (b) Not later than the 10th day after the date the
23 commissioners court receives the report and determines that the
24 requirements of this subchapter have been fulfilled, the
25 commissioners court shall enter an order dissolving the district.
26 (Acts 68th Leg., R.S., Ch. 1047, Sec. 7.22(e).)

CHAPTER 1102. SWEENEY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

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- 18 Sec. 1102.156. GENERAL AUTHORITY TO BORROW MONEY;
- 19 SECURITY
- 20 [Sections 1102.157-1102.200 reserved for expansion]
- 21 SUBCHAPTER E. BONDS
- 22 Sec. 1102.201. GENERAL OBLIGATION BONDS
- 23 Sec. 1102.202. TAX TO PAY GENERAL OBLIGATION BONDS
- 24 Sec. 1102.203. GENERAL OBLIGATION BOND ELECTION
- 25 Sec. 1102.204. EXECUTION OF GENERAL OBLIGATION BONDS
- 26 Sec. 1102.205. REVENUE BONDS

1 Sec. 1102.206. ADDITIONAL MEANS OF SECURING REPAYMENT

2 OF BONDS

3 Sec. 1102.207. USE OF BOND PROCEEDS

4 [Sections 1102.208-1102.250 reserved for expansion]

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6 Sec. 1102.251. IMPOSITION OF AD VALOREM TAX

7 Sec. 1102.252. TAX RATE

8 Sec. 1102.253. TAX ASSESSOR-COLLECTOR

9 [Sections 1102.254-1102.300 reserved for expansion]

10 SUBCHAPTER G. DISSOLUTION

11 Sec. 1102.301. DISSOLUTION; ELECTION

12 Sec. 1102.302. NOTICE OF ELECTION

13 Sec. 1102.303. BALLOT

14 Sec. 1102.304. ELECTION RESULTS

15 Sec. 1102.305. TRANSFER OR ADMINISTRATION OF ASSETS

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17 TAXES

18 Sec. 1102.307. REPORT; DISSOLUTION ORDER

19 CHAPTER 1102. SWEENEY HOSPITAL DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 1102.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the board of directors of the
23 district.

24 (2) "Director" means a member of the board.

25 (3) "District" means the Sweeney Hospital District.

26 (New.)

27 Sec. 1102.002. AUTHORITY FOR OPERATION. The Sweeney

1 Hospital District operates in accordance with Section 9, Article
2 IX, Texas Constitution. (Acts 58th Leg., R.S., Ch. 135, Sec. 1
3 (part).)

4 Sec. 1102.003. POLITICAL SUBDIVISION. The district is a
5 political subdivision of this state. (Acts 58th Leg., R.S., Ch.
6 135, Sec. 16 (part).)

7 Sec. 1102.004. DISTRICT TERRITORY. The boundaries of the
8 district are coextensive with the boundaries of the Sweeny
9 Independent School District as those boundaries existed on May 10,
10 1963. (Acts 58th Leg., R.S., Ch. 135, Sec. 1 (part).)

11 Sec. 1102.005. CORRECTION OF INVALID PROCEDURES. If a
12 court holds that any procedure under this chapter violates the
13 constitution of this state or of the United States, the district by
14 resolution may provide an alternative procedure that conforms with
15 the constitution. (Acts 58th Leg., R.S., Ch. 135, Sec. 17 (part).)

16 [Sections 1102.006-1102.050 reserved for expansion]

17 SUBCHAPTER B. DISTRICT ADMINISTRATION

18 Sec. 1102.051. BOARD ELECTION; TERM. (a) The board
19 consists of seven elected directors.

20 (b) Unless four-year terms are established under Section
21 285.081, Health and Safety Code:

22 (1) directors serve two-year terms; and

23 (2) an election shall be held annually on the May
24 uniform election date under Section 41.001, Election Code. (Acts
25 58th Leg., R.S., Ch. 135, Secs. 3(a) (part), (c) (part).)

26 Sec. 1102.052. NOTICE OF ELECTION. Notice of a directors'
27 election shall be published in a newspaper of general circulation

1 in Brazoria County in accordance with Section 4.003, Election Code.
2 (Acts 58th Leg., R.S., Ch. 135, Sec. 3(c) (part).)

3 Sec. 1102.053. QUALIFICATIONS FOR OFFICE. (a) A person may
4 not be elected or appointed as a director unless the person is:

5 (1) a resident of the district; and

6 (2) at least 18 years of age.

7 (b) A district employee may not serve as a director. (Acts
8 58th Leg., R.S., Ch. 135, Sec. 3(a) (part).)

9 Sec. 1102.054. BOND; RECORD OF BOND AND OATH. (a) Each
10 director shall execute a good and sufficient bond for \$1,000 that
11 is:

12 (1) payable to the district; and

13 (2) conditioned on the faithful performance of the
14 director's duties.

15 (b) Each director's bond and the constitutional oath of
16 office must be deposited with the district's depository bank for
17 safekeeping. (Acts 58th Leg., R.S., Ch. 135, Sec. 3(a) (part).)

18 Sec. 1102.055. BOARD VACANCY. (a) If a vacancy occurs in
19 the office of director, the remaining directors shall appoint a
20 director for the unexpired term.

21 (b) If the number of directors is reduced to fewer than four
22 for any reason, the remaining directors shall immediately call a
23 special election to fill the vacancies. If the remaining directors
24 do not call the election, a district court, on application of a
25 district voter or taxpayer, may order the directors to hold the
26 election. (Acts 58th Leg., R.S., Ch. 135, Sec. 3(b) (part).)

27 Sec. 1102.056. OFFICERS. (a) The board shall elect from

1 among its members a president and secretary.

2 (b) The board may elect or appoint other officers as the
3 board determines necessary.

4 (c) The board shall prescribe the powers and duties of an
5 officer position created under Subsection (b) in addition to the
6 positions of president and secretary. (Acts 58th Leg., R.S., Ch.
7 135, Sec. 3(b) (part).)

8 Sec. 1102.057. COMPENSATION; EXPENSES. A director serves
9 without compensation but may be reimbursed for actual expenses
10 incurred in the performance of official duties on approval of the
11 expenses by the entire board. (Acts 58th Leg., R.S., Ch. 135, Sec. 4
12 (part).)

13 Sec. 1102.058. VOTING REQUIREMENT. A concurrence of four
14 directors is sufficient in any matter relating to district
15 business. (Acts 58th Leg., R.S., Ch. 135, Sec. 3(b) (part).)

16 Sec. 1102.059. APPOINTMENT AND RECRUITMENT OF STAFF AND
17 EMPLOYEES. (a) The board may employ a general manager, an attorney,
18 a bookkeeper, an architect, and other employees considered
19 necessary for the efficient operation of the district.

20 (b) The board may spend district money, enter into
21 agreements, and take other necessary action to recruit physicians
22 as independent contractors to serve as medical staff members and to
23 recruit other persons to serve as district employees, including:

- 24 (1) advertising and marketing;
- 25 (2) paying travel, recruitment, and relocation
26 expenses;
- 27 (3) providing a loan or scholarship to:

(A) a physician who:

(i) is currently enrolled in health care education courses at an institution of higher education; and

(ii) contractually agrees to serve as an independent contractor on the district's medical staff; or

(B) a person who is not a physician who:

(i) is currently enrolled in health care education courses at an institution of higher education; and

(ii) contractually agrees to become a district employee;

(4) paying the tuition or other expenses of a full-time medical student who:

(A) is enrolled in and is in good standing at an accredited medical school, college, or university; and

(B) contractually agrees to serve as an independent contractor on the district's medical staff in return for that assistance; or

(5) paying the tuition or other expenses of a full-time student in a health occupation who:

(A) is not a medical student;

(B) is enrolled in and is in good standing at an accredited medical school, college, or university; and

(C) contractually agrees to serve as an employee or independent contractor for the district in return for that assistance. (Acts 58th Leg., R.S., Ch. 135, Secs. 7(a) (part), (d).)

Sec. 1102.060. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

1 Except as provided by Section 1102.054, all district records,
2 including books, accounts, notices, and minutes, and all other
3 matters of the district and the operation of its facilities, shall
4 be:

5 (1) maintained at the district office; and

6 (2) open to public inspection at the district office
7 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 135, Sec.
8 7(b).)

9 Sec. 1102.061. SEAL. The board may adopt a seal for the
10 district. (Acts 58th Leg., R.S., Ch. 135, Sec. 7(a) (part).)

11 [Sections 1102.062-1102.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 1102.101. DISTRICT RESPONSIBILITY. The district has
14 full responsibility for providing medical and hospital care for the
15 district's needy inhabitants and needy and indigent residents.
16 (Acts 58th Leg., R.S., Ch. 135, Secs. 2 (part), 12 (part).)

17 Sec. 1102.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION.
18 Brazoria County or a municipality in the district may not impose a
19 tax on property in the district for hospital purposes. (Acts 58th
20 Leg., R.S., Ch. 135, Sec. 12 (part).)

21 Sec. 1102.103. MANAGEMENT AND CONTROL OF DISTRICT. The
22 management and control of the district is vested in the board.
23 (Acts 58th Leg., R.S., Ch. 135, Sec. 4 (part).)

24 Sec. 1102.104. HOSPITAL SYSTEM. The district shall provide
25 for:

26 (1) the establishment of a hospital system to provide
27 medical and hospital care to district residents by:

1 (A) purchasing, constructing, acquiring,
2 repairing, or renovating buildings and improvements; and

3 (B) equipping the buildings and improvements;
4 and

5 (2) the administration of the hospital system for
6 hospital purposes. (Acts 58th Leg., R.S., Ch. 135, Sec. 2 (part).)

7 Sec. 1102.105. NURSING HOME FACILITIES. The district may
8 provide outpatient care for the aged or infirm residing in the
9 district in nursing home facilities by purchasing, constructing,
10 acquiring, repairing, renovating, or leasing land, buildings, and
11 improvements. The district may equip the facilities and administer
12 the facilities for appropriate purposes. (Acts 58th Leg., R.S.,
13 Ch. 135, Sec. 2a.)

14 Sec. 1102.106. RULES. (a) The board may adopt rules
15 governing the operation of the district and district facilities.

16 (b) The rules, on approval by the board, may be published in
17 booklet form at district expense and may be made available to any
18 taxpayer on request. (Acts 58th Leg., R.S., Ch. 135, Sec. 7(c).)

19 Sec. 1102.107. PURCHASING AND ACCOUNTING PROCEDURES. (a)
20 The board may prescribe the method and manner of making purchases
21 and expenditures by and for the district.

22 (b) The board shall prescribe:

23 (1) all accounting and control procedures; and

24 (2) the method of purchasing necessary supplies,
25 materials, and equipment. (Acts 58th Leg., R.S., Ch. 135, Sec. 7(a)
26 (part).)

27 Sec. 1102.108. EMINENT DOMAIN. (a) The district may

1 exercise the power of eminent domain to acquire a fee simple or
2 other interest in any type of property, real, personal, or mixed,
3 located in district territory, if the interest is necessary or
4 convenient to exercise a right, power, privilege, or function
5 conferred on the district by this chapter.

6 (b) The district must exercise the power of eminent domain
7 in the manner provided by Chapter 21, Property Code, except the
8 district is not required to deposit in the trial court money or a
9 bond as provided by Section 21.021(a), Property Code.

10 (c) In a condemnation proceeding brought by the district,
11 the district is not required to:

12 (1) pay in advance or provide a bond or other security
13 for costs in the trial court;

14 (2) provide a bond for the issuance of a temporary
15 restraining order or a temporary injunction; or

16 (3) provide a bond for costs or a supersedeas bond on
17 an appeal or petition for review. (Acts 58th Leg., R.S., Ch. 135,
18 Sec. 9.)

19 Sec. 1102.109. GIFTS AND ENDOWMENTS. The board may accept
20 for the district a gift or endowment to be held in trust and
21 administered by the board for the purposes and under the
22 directions, limitations, or other provisions prescribed in writing
23 by the donor that are not inconsistent with the proper management
24 and objectives of the district. (Acts 58th Leg., R.S., Ch. 135,
25 Sec. 14.)

26 Sec. 1102.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)
27 When a patient who resides in the district is admitted to a district

1 facility, the board shall have an inquiry made into the
2 circumstances of:

3 (1) the patient; and

4 (2) the patient's relatives legally liable for the
5 patient's support.

6 (b) If an agent designated by the district to handle the
7 inquiry determines that the patient or those relatives cannot pay
8 for all or part of the patient's care and treatment in the hospital,
9 the amount that cannot be paid becomes a charge against the
10 district.

11 (c) If the board determines that the patient or those
12 relatives are liable to pay for all or part of the patient's care
13 and treatment, the patient or those relatives shall be ordered to
14 pay to the district's treasurer a specified amount each week for the
15 patient's support. The amount ordered must be proportionate to
16 their financial ability and may not exceed the actual per capita
17 cost of maintenance.

18 (d) The district may collect the amount from the patient's
19 estate, or from the patient's relatives legally liable for the
20 patient's support, in the manner provided by law for the collection
21 of expenses of the last illness of a deceased person.

22 (e) If there is a dispute as to the ability to pay, or doubt
23 in the mind of the district's designated agent, the board shall hold
24 a hearing and, after calling witnesses, shall:

25 (1) resolve the dispute or doubt; and

26 (2) issue any appropriate order.

27 (f) Either party to the dispute may appeal the order to the

1 district court. (Acts 58th Leg., R.S., Ch. 135, Sec. 13.)

2 Sec. 1102.111. NONPROFIT CORPORATION. (a) The district
3 may create and sponsor a nonprofit corporation under the Business
4 Organizations Code and may contribute money to or solicit money for
5 the corporation.

6 (b) The corporation may use money contributed by the
7 district only to provide health care or other services the district
8 is authorized to provide under this chapter.

9 (c) The corporation may invest the corporation's money in
10 any manner in which the district may invest the district's money,
11 including investing money as authorized by Chapter 2256, Government
12 Code.

13 (d) The board shall establish controls to ensure that the
14 corporation uses its money as required by this section. (Acts 58th
15 Leg., R.S., Ch. 135, Sec. 7A.)

16 Sec. 1102.112. AUTHORITY TO SUE AND BE SUED. As a
17 governmental agency, the district may sue and be sued in its own
18 name in any court of this state. (Acts 58th Leg., R.S., Ch. 135,
19 Sec. 16 (part).)

20 [Sections 1102.113-1102.150 reserved for expansion]

21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

22 Sec. 1102.151. BUDGET. The board annually shall have a
23 budget prepared for the next fiscal year that includes:

- 24 (1) proposed expenditures and disbursements;
25 (2) estimated receipts and collections; and
26 (3) the amount of taxes required to be imposed for the
27 year. (Acts 58th Leg., R.S., Ch. 135, Sec. 8(c) (part).)

1 Sec. 1102.152. PROPOSED BUDGET; NOTICE AND HEARING. (a)
2 The board shall hold a public hearing on the proposed budget.

3 (b) Notice of the hearing must be published at least once in
4 a newspaper of general circulation in Brazoria County not later
5 than the 10th day before the date of the hearing.

6 (c) Any district resident is entitled to:

7 (1) appear at the time and place designated in the
8 notice; and

9 (2) be heard regarding any item included in the
10 proposed budget. (Acts 58th Leg., R.S., Ch. 135, Sec. 8(c) (part).)

11 Sec. 1102.153. FISCAL YEAR. (a) The district operates
12 according to a fiscal year established by the board.

13 (b) The fiscal year may not be changed:

14 (1) if revenue bonds of the district are outstanding;
15 or

16 (2) more than once in a 24-month period. (Acts 58th
17 Leg., R.S., Ch. 135, Sec. 8(a).)

18 Sec. 1102.154. ANNUAL AUDIT. The board annually shall have
19 an independent audit made of the district's books and records.
20 (Acts 58th Leg., R.S., Ch. 135, Sec. 8(b).)

21 Sec. 1102.155. DEPOSITORY OR TREASURER. (a) The board by
22 resolution shall designate a bank or banks in Brazoria County as the
23 district's depository or treasurer. A designated bank serves for
24 two years and until a successor is designated.

25 (b) All district money shall be secured in the manner
26 provided for securing county funds. (Acts 58th Leg., R.S., Ch. 135,
27 Sec. 10.)

1 Sec. 1102.156. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

2 (a) The board may borrow money at a rate not to exceed the maximum
3 annual percentage rate allowed by law for district obligations at
4 the time the loan is made.

5 (b) To secure a loan, the board may pledge:

6 (1) district revenue that is not pledged to pay the
7 district's bonded indebtedness;

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

11 (3) a district bond that has been authorized but not
12 sold.

13 (c) A loan for which taxes or bonds are pledged must mature
14 not later than the first anniversary of the date the loan is made. A
15 loan for which district revenue is pledged must mature not later
16 than the fifth anniversary of the date the loan is made. (Acts 58th
17 Leg., R.S., Ch. 135, Sec. 7B.)

18 [Sections 1102.157-1102.200 reserved for expansion]

19 SUBCHAPTER E. BONDS

20 Sec. 1102.201. GENERAL OBLIGATION BONDS. The board may
21 issue and sell general obligation bonds in the name and on the faith
22 and credit of the district to purchase, construct, acquire, repair,
23 or renovate buildings or improvements and equip buildings or
24 improvements for hospital purposes. (Acts 58th Leg., R.S., Ch.
25 135, Sec. 6(a) (part).)

26 Sec. 1102.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)
27 The board shall impose an ad valorem tax at a rate sufficient to

1 create an interest and sinking fund to pay the principal of and
2 interest on general obligation bonds issued under Section 1102.201
3 as the bonds mature.

4 (b) The tax required by this section together with any other
5 ad valorem tax imposed for the district may not in any year exceed
6 75 cents on each \$100 valuation of taxable property in the district.
7 (Acts 58th Leg., R.S., Ch. 135, Secs. 5(a) (part), 6(a) (part).)

8 Sec. 1102.203. GENERAL OBLIGATION BOND ELECTION. (a) The
9 district may issue general obligation bonds only if the bonds are
10 authorized by a majority of the district voters voting at an
11 election held for that purpose.

12 (b) The board may order a bond election in accordance with
13 Chapter 1251, Government Code.

14 (c) Notice of a bond election shall be given as provided by
15 Chapter 1251, Government Code. (Acts 58th Leg., R.S., Ch. 135, Sec.
16 6(c) (part).)

17 Sec. 1102.204. EXECUTION OF GENERAL OBLIGATION BONDS. (a)
18 The board president shall execute district general obligation bonds
19 in the district's name.

20 (b) The board secretary shall countersign the bonds. (Acts
21 58th Leg., R.S., Ch. 135, Sec. 6(b) (part).)

22 Sec. 1102.205. REVENUE BONDS. (a) The board may issue
23 revenue bonds to purchase, construct, acquire, repair, renovate, or
24 equip buildings, sites, or improvements for district purposes.

25 (b) The bonds must be payable from and secured by a pledge of
26 all or part of the revenue derived from the operation of the
27 district's hospital system.

1 (c) The bonds may be additionally secured by a mortgage or
2 deed of trust lien on all or part of district property.

3 (d) The bonds must be issued in the manner provided by
4 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,
5 Health and Safety Code. (Acts 58th Leg., R.S., Ch. 135, Sec. 6(e).)

6 Sec. 1102.206. ADDITIONAL MEANS OF SECURING REPAYMENT OF
7 BONDS. In addition to the authority to issue general obligation
8 bonds and revenue bonds under this subchapter, the board may
9 provide for the security and payment of district bonds from a pledge
10 of a combination of ad valorem taxes as authorized by Section
11 1102.202 and revenue and other sources as authorized by Section
12 1102.205. (Acts 58th Leg., R.S., Ch. 135, Sec. 6A.)

13 Sec. 1102.207. USE OF BOND PROCEEDS. The district may use
14 the proceeds of bonds issued under this subchapter to pay:

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

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

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

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

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

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

1 (5) costs related to the bond issuance;

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

5 (7) construction costs of a project or facility to be
6 provided through the bonds, including the payment of related
7 professional services and expenses. (Acts 58th Leg., R.S., Ch.
8 135, Sec. 6B.)

9 [Sections 1102.208-1102.250 reserved for expansion]

10 SUBCHAPTER F. TAXES

11 Sec. 1102.251. IMPOSITION OF AD VALOREM TAX. (a) On final
12 approval of the budget, the board shall impose a tax on all property
13 in the district subject to district taxation.

14 (b) The board shall impose the tax to:

15 (1) pay the interest on and create a sinking fund for
16 bonds issued by the district for hospital purposes as provided by
17 this chapter;

18 (2) provide for the maintenance and operation of the
19 district and hospital system;

20 (3) make improvements and additions to the hospital
21 system; and

22 (4) acquire necessary sites for the hospital system by
23 purchase, lease, or condemnation. (Acts 58th Leg., R.S., Ch. 135,
24 Secs. 5(a) (part), 8(c) (part).)

25 Sec. 1102.252. TAX RATE. The board may impose the tax at a
26 rate not to exceed 75 cents on each \$100 valuation of all taxable
27 property in the district. (Acts 58th Leg., R.S., Ch. 135, Sec. 5(a)

1 (part).)

2 Sec. 1102.253. TAX ASSESSOR-COLLECTOR. The board may
3 provide for the appointment of a tax assessor-collector for the
4 district or may contract for the assessment and collection of taxes
5 as provided by the Tax Code. (Acts 58th Leg., R.S., Ch. 135, Sec.
6 5(c).)

7 [Sections 1102.254-1102.300 reserved for expansion]

8 SUBCHAPTER G. DISSOLUTION

9 Sec. 1102.301. DISSOLUTION; ELECTION. (a) The district
10 may be dissolved only on approval of a majority of the registered
11 district voters voting in an election held for that purpose.

12 (b) The board may order an election on the question of
13 dissolving the district and disposing of the district's assets and
14 obligations.

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

18 (d) The election shall be held not later than the 60th day
19 after the date the election is ordered.

20 (e) The order calling the election must state:

21 (1) the nature of the election, including the
22 proposition to appear on the ballot;

23 (2) the date of the election;

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

25 (4) the location of the polling places.

26 (f) Section 41.001, Election Code, does not apply to an
27 election ordered under this section. (Acts 58th Leg., R.S., Ch.

1 135, Secs. 9A(a), (b), (c), (d).)

2 Sec. 1102.302. NOTICE OF ELECTION. (a) The board shall
3 give notice of an election under this subchapter by publishing once
4 a week for two consecutive weeks a substantial copy of the election
5 order in a newspaper with general circulation in the district.

6 (b) The first publication of notice must appear not later
7 than the 35th day before the date set for the election. (Acts 58th
8 Leg., R.S., Ch. 135, Sec. 9A(e).)

9 Sec. 1102.303. BALLOT. The ballot for an election under
10 this subchapter must be printed to permit voting for or against the
11 proposition: "The dissolution of the Sweeny Hospital District."
12 (Acts 58th Leg., R.S., Ch. 135, Sec. 9A(f).)

13 Sec. 1102.304. ELECTION RESULTS. (a) If a majority of the
14 votes in an election under this subchapter favor dissolution, the
15 board shall find that the district is dissolved.

16 (b) If a majority of the votes in the election do not favor
17 dissolution, the board shall continue to administer the district
18 and another election on the question of dissolution may not be held
19 before the first anniversary of the date of the most recent election
20 to dissolve the district. (Acts 58th Leg., R.S., Ch. 135, Sec.
21 9A(g).)

22 Sec. 1102.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)
23 If a majority of the votes in the election held under this
24 subchapter favor dissolution, the board shall:

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

1 (2) administer the property, assets, and debts until
2 all money has been disposed of and all district debts have been paid
3 or settled.

4 (b) If the district makes the transfer under Subsection
5 (a)(1), the county or entity assumes all debts and obligations of
6 the district at the time of the transfer, and the district is
7 dissolved.

8 (c) If the district does not make the transfer under
9 Subsection (a)(1) and the board administers the property, assets,
10 and debts of the district under Subsection (a)(2), the district is
11 dissolved when all the money has been disposed of and all district
12 debts have been paid or settled. (Acts 58th Leg., R.S., Ch. 135,
13 Secs. 9A(h), (i), (j).)

14 Sec. 1102.306. IMPOSITION OF TAX AND RETURN OF SURPLUS
15 TAXES. (a) After the board finds that the district is dissolved,
16 the board shall:

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

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

21 (b) On the payment of all outstanding debts and obligations
22 of the district, the board shall order the board secretary to return
23 to each district taxpayer the taxpayer's pro rata share of all
24 unused tax money.

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

1 secretary to transmit the money to the Brazoria County tax
2 assessor-collector. (Acts 58th Leg., R.S., Ch. 135, Secs. 9A(k),
3 (l), (m).)

4 Sec. 1102.307. REPORT; DISSOLUTION ORDER. (a) After the
5 district has paid all district debts and has disposed of all
6 district money and other assets as prescribed by this subchapter,
7 the board shall file a written report with the Commissioners Court
8 of Brazoria County summarizing the board's actions in dissolving
9 the district.

10 (b) Not later than the 10th day after the date the
11 commissioners court receives the report and determines that the
12 requirements of this subchapter have been fulfilled, the
13 commissioners court shall enter an order dissolving the district
14 and releasing the board from any further duty or obligation. (Acts
15 58th Leg., R.S., Ch. 135, Secs. 9A(n), (o).)

16 CHAPTER 1103. SWISHER MEMORIAL HOSPITAL DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 1103.001. DEFINITIONS

19 Sec. 1103.002. AUTHORITY FOR CREATION

20 Sec. 1103.003. ESSENTIAL PUBLIC FUNCTION

21 Sec. 1103.004. DISTRICT TERRITORY

22 Sec. 1103.005. DISTRICT SUPPORT AND MAINTENANCE NOT

23 STATE OBLIGATION

24 Sec. 1103.006. RESTRICTION ON STATE FINANCIAL

25 ASSISTANCE

26 [Sections 1103.007-1103.050 reserved for expansion]

1 SUBCHAPTER B. DISTRICT ADMINISTRATION

2 Sec. 1103.051. BOARD ELECTION; TERM

3 Sec. 1103.052. NOTICE OF ELECTION

4 Sec. 1103.053. BALLOT PETITION

5 Sec. 1103.054. QUALIFICATIONS FOR OFFICE

6 Sec. 1103.055. BOARD VACANCY

7 Sec. 1103.056. OFFICERS

8 Sec. 1103.057. COMPENSATION

9 Sec. 1103.058. VOTING REQUIREMENT

10 Sec. 1103.059. DISTRICT ADMINISTRATOR; ASSISTANT

11 ADMINISTRATOR

12 Sec. 1103.060. GENERAL DUTIES OF DISTRICT

13 ADMINISTRATOR

14 Sec. 1103.061. EMPLOYEES

15 Sec. 1103.062. RETIREMENT PROGRAM

16 Sec. 1103.063. MAINTENANCE OF RECORDS; PUBLIC

17 INSPECTION

18 [Sections 1103.064-1103.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 1103.101. DISTRICT RESPONSIBILITY

21 Sec. 1103.102. RESTRICTION ON COUNTY OR MUNICIPAL

22 TAXATION AND DEBT

23 Sec. 1103.103. MANAGEMENT, CONTROL, AND ADMINISTRATION

24 Sec. 1103.104. HOSPITAL SYSTEM

25 Sec. 1103.105. RULES

26 Sec. 1103.106. PURCHASING AND ACCOUNTING PROCEDURES

27 Sec. 1103.107. EMINENT DOMAIN

1 Sec. 1103.108. GIFTS AND ENDOWMENTS
2 Sec. 1103.109. CONTRACTS WITH GOVERNMENTAL ENTITIES
3 FOR CARE AND TREATMENT
4 Sec. 1103.110. PAYMENT FOR TREATMENT; PROCEDURES
5 Sec. 1103.111. AUTHORITY TO SUE AND BE SUED
6 [Sections 1103.112-1103.150 reserved for expansion]
7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
8 Sec. 1103.151. BUDGET
9 Sec. 1103.152. FISCAL YEAR
10 Sec. 1103.153. AUDIT
11 Sec. 1103.154. FINANCIAL REPORT
12 Sec. 1103.155. DEPOSITORY
13 [Sections 1103.156-1103.200 reserved for expansion]
14 SUBCHAPTER E. BONDS
15 Sec. 1103.201. GENERAL OBLIGATION BONDS
16 Sec. 1103.202. TAX TO PAY GENERAL OBLIGATION BONDS
17 Sec. 1103.203. GENERAL OBLIGATION BOND ELECTION
18 Sec. 1103.204. EXECUTION OF GENERAL OBLIGATION BONDS
19 Sec. 1103.205. REFUNDING BONDS
20 Sec. 1103.206. BONDS EXEMPT FROM TAXATION
21 Sec. 1103.207. ANTICIPATION NOTES AND CERTIFICATES OF
22 OBLIGATION
23 [Sections 1103.208-1103.250 reserved for expansion]
24 SUBCHAPTER F. GENERAL TAX PROVISIONS
25 Sec. 1103.251. IMPOSITION OF AD VALOREM TAX
26 Sec. 1103.252. TAX RATE
27 Sec. 1103.253. TAX ASSESSOR-COLLECTOR

CHAPTER 1103. SWISHER MEMORIAL HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1103.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Swisher Memorial Hospital District. (New.)

Sec. 1103.002. AUTHORITY FOR CREATION. The Swisher Memorial Hospital District is created under the authority of Section 9, Article IX, Texas Constitution, and has the rights, powers, and duties provided by this chapter. (Acts 59th Leg., R.S., Ch. 16, Sec. 1 (part).)

Sec. 1103.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function in carrying out the purposes of this chapter. (Acts 59th Leg., R.S., Ch. 16, Sec. 8 (part).)

Sec. 1103.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Swisher County, Texas. (Acts 59th Leg., R.S., Ch. 16, Sec. 1 (part).)

Sec. 1103.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The support and maintenance of the district may not become a charge against or obligation of this state. (Acts 59th Leg., R.S., Ch. 16, Sec. 18 (part).)

Sec. 1103.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility. (Acts 59th Leg., R.S., Ch. 16, Sec. 18 (part).)

[Sections 1103.007-1103.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1103.051. BOARD ELECTION; TERM. (a) The district is governed by a board of five directors elected as follows:

(1) one director elected from each county commissioners precinct; and

(2) one director elected from the county at large.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code, directors serve staggered two-year terms, with the terms of two or three directors expiring each year, as appropriate.

(c) An election shall be held on the uniform election date in May of each year to elect the appropriate number of directors. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

Sec. 1103.052. NOTICE OF ELECTION. At least 10 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in Swisher County. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

Sec. 1103.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file a petition requesting that action. The petition must be:

(1) signed by not less than 25 registered voters; and

(2) filed by the deadline imposed by Section 144.005, Election Code. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

Sec. 1103.054. QUALIFICATIONS FOR OFFICE. (a) A person must at the time of election or appointment as director:

(1) own property subject to taxation in the district;

1 and

2 (2) be at least 18 years of age.

3 (b) A director must reside in the area the director
4 represents. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

5 Sec. 1103.055. BOARD VACANCY. (a) If a vacancy occurs in
6 the office of director, the remaining directors shall appoint a
7 director for the unexpired term.

8 (b) If the number of directors is reduced to fewer than
9 three for any reason, the remaining directors shall immediately
10 call a special election to fill the vacancies. If the remaining
11 directors do not call the election, the county judge of Swisher
12 County may fill the vacancies by appointment. (Acts 59th Leg.,
13 R.S., Ch. 16, Sec. 4 (part).)

14 Sec. 1103.056. OFFICERS. The board shall elect from among
15 its members a president, a vice president, and a secretary. (Acts
16 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

17 Sec. 1103.057. COMPENSATION. A director is entitled to
18 compensation at a rate determined by the board. The rate may not
19 exceed \$10 for each board meeting. (Acts 59th Leg., R.S., Ch. 16,
20 Sec. 4 (part).)

21 Sec. 1103.058. VOTING REQUIREMENT. A concurrence of three
22 directors is sufficient in any matter relating to district
23 business. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

24 Sec. 1103.059. DISTRICT ADMINISTRATOR; ASSISTANT
25 ADMINISTRATOR. (a) The board shall appoint a qualified person as
26 district administrator.

27 (b) The board may appoint an assistant administrator.

1 (c) The district administrator and any assistant
2 administrator serve at the will of the board and receive the
3 compensation determined by the board.

4 (d) On assuming the duties of district administrator, the
5 administrator shall execute a bond payable to the district in an
6 amount set by the board of not less than \$10,000 that:

7 (1) is conditioned on the administrator performing the
8 administrator's duties; and

9 (2) contains any other condition the board requires.
10 (Acts 59th Leg., R.S., Ch. 16, Sec. 5 (part).)

11 Sec. 1103.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
12 Subject to any limitations prescribed by the board, the district
13 administrator shall:

14 (1) supervise the work and activities of the district;
15 and

16 (2) direct the affairs of the district. (Acts 59th
17 Leg., R.S., Ch. 16, Sec. 5 (part).)

18 Sec. 1103.061. EMPLOYEES. The board may employ any
19 doctors, technicians, nurses, and other employees as considered
20 necessary for the efficient operation of the district or may
21 provide that the district administrator has the authority to employ
22 those persons. (Acts 59th Leg., R.S., Ch. 16, Sec. 5 (part).)

23 Sec. 1103.062. RETIREMENT PROGRAM. The board may enter
24 into any contract or agreement with this state or the federal
25 government as required to establish or continue a retirement
26 program for the benefit of the district's employees. (Acts 59th
27 Leg., R.S., Ch. 16, Sec. 5 (part).)

Sec. 1103.063. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

(a) The board shall:

(1) keep an accurate account of board meetings and proceedings; and

(2) maintain at the district's principal office all district records and accounts, including contracts, notices, duplicate vouchers, and duplicate receipts.

(b) The information described by Subsection (a) shall be open to public inspection at the district's principal office at all reasonable times. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

[Sections 1103.064-1103.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1103.101. DISTRICT RESPONSIBILITY. The district has full responsibility for:

(1) operating all hospital facilities for providing medical and hospital care of indigent persons; and

(2) providing medical and hospital care for the district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 16, Secs. 2 (part), 17 (part).)

Sec. 1103.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION AND DEBT. Swisher County or a municipality in Swisher County may not impose a tax or issue bonds or other obligations for hospital purposes or for medical care. (Acts 59th Leg., R.S., Ch. 16, Sec. 17 (part).)

Sec. 1103.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 16, Sec.

1 5 (part).)

2 Sec. 1103.104. HOSPITAL SYSTEM. The district shall provide
3 for:

4 (1) the establishment of a hospital system by:

5 (A) purchasing, constructing, acquiring,
6 repairing, or renovating buildings and equipment; and

7 (B) equipping the buildings; and

8 (2) the administration of the hospital system for
9 hospital purposes. (Acts 59th Leg., R.S., Ch. 16, Sec. 2 (part).)

10 Sec. 1103.105. RULES. The board may adopt rules for the
11 operation of the district and as required to administer this
12 chapter. (Acts 59th Leg., R.S., Ch. 16, Secs. 5 (part), 9 (part).)

13 Sec. 1103.106. PURCHASING AND ACCOUNTING PROCEDURES. The
14 board may prescribe:

15 (1) the method and manner of making purchases and
16 expenditures by and for the district; and

17 (2) all accounting and control procedures. (Acts 59th
18 Leg., R.S., Ch. 16, Sec. 9 (part).)

19 Sec. 1103.107. EMINENT DOMAIN. (a) The district may
20 exercise the power of eminent domain to acquire a fee simple or
21 other interest in any type of property located in district
22 territory if the interest is necessary or convenient to a power,
23 right, or privilege conferred by this chapter.

24 (b) The district must exercise the power of eminent domain
25 in the manner provided by Chapter 21, Property Code. (Acts 59th
26 Leg., R.S., Ch. 16, Sec. 12.)

27 Sec. 1103.108. GIFTS AND ENDOWMENTS. The board may accept

1 for the district a gift or endowment to be held in trust and
2 administered by the board for the purposes and under any
3 directions, limitations, or other provisions prescribed in writing
4 by the donor that are not inconsistent with the proper management
5 and objectives of the district. (Acts 59th Leg., R.S., Ch. 16, Sec.
6 15.)

7 Sec. 1103.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
8 CARE AND TREATMENT. (a) The board may contract with a county or
9 municipality located outside Swisher County for the care and
10 treatment of a sick or injured person of that county or
11 municipality.

12 (b) The board may contract with this state or a federal
13 agency for the treatment of a sick or injured person for whom this
14 state or the federal government is responsible. (Acts 59th Leg.,
15 R.S., Ch. 16, Sec. 5 (part).)

16 Sec. 1103.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)
17 When a patient who resides in the district is admitted to a district
18 facility, the district administrator shall have an inquiry made
19 into the circumstances of:

20 (1) the patient; and

21 (2) the patient's relatives legally liable for the
22 patient's support.

23 (b) If the district administrator determines that the
24 patient or those relatives cannot pay for all or part of the
25 patient's care and treatment in the hospital, the amount that
26 cannot be paid becomes a charge against the district.

27 (c) If the district administrator determines that the

1 patient or those relatives can pay for all or part of the patient's
2 care and treatment, the patient or those relatives shall be ordered
3 to pay the district a specified amount each week for the patient's
4 support. The amount ordered must be proportionate to their
5 financial ability and may not exceed the actual per capita cost of
6 maintenance.

7 (d) The district administrator may collect the amount from
8 the patient's estate, or from those relatives legally liable for
9 the patient's support, in the manner provided by law for the
10 collection of expenses of the last illness of a deceased person.

11 (e) If there is a dispute as to the ability to pay, or doubt
12 in the mind of the district administrator, the board shall hold a
13 hearing and, after calling witnesses, shall:

14 (1) resolve the dispute or doubt; and

15 (2) issue any appropriate order.

16 (f) A party to the dispute who is not satisfied with the
17 order may appeal to the district court. The appeal shall be by
18 trial de novo as that term is used in an appeal from a justice court
19 to the county court. (Acts 59th Leg., R.S., Ch. 16, Sec. 14.)

20 Sec. 1103.111. AUTHORITY TO SUE AND BE SUED. The district,
21 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.
22 16, Sec. 5 (part).)

23 [Sections 1103.112-1103.150 reserved for expansion]

24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

25 Sec. 1103.151. BUDGET. (a) The district administrator
26 shall prepare for approval by the board an annual budget that
27 corresponds to the district's fiscal year.

1 (b) Not later than August 31 of each year, the board shall
2 publish notice of a public hearing on the proposed budget. The
3 notice must be published in a newspaper of general circulation in
4 Swisher County at least 10 days before the date of the hearing.
5 (Acts 59th Leg., R.S., Ch. 16, Secs. 6 (part), 16.)

6 Sec. 1103.152. FISCAL YEAR. The district shall operate on a
7 fiscal year that begins on October 1 and ends on September 30.
8 (Acts 59th Leg., R.S., Ch. 16, Sec. 6 (part).)

9 Sec. 1103.153. AUDIT. (a) The district shall have an audit
10 made of the district's financial condition.

11 (b) The audit shall be open to inspection at all times at the
12 district's principal office. (Acts 59th Leg., R.S., Ch. 16, Sec. 6
13 (part).)

14 Sec. 1103.154. FINANCIAL REPORT. As soon as practicable
15 after the close of each fiscal year, the district administrator
16 shall prepare for the board:

17 (1) a complete sworn statement of all district money;
18 and

19 (2) a complete account of the disbursements of that
20 money. (Acts 59th Leg., R.S., Ch. 16, Sec. 6 (part).)

21 Sec. 1103.155. DEPOSITORY. (a) The board shall designate
22 one or more banks in Swisher County to serve as a depository for
23 district money.

24 (b) All district money shall be immediately deposited on
25 receipt with a depository bank, except that sufficient money must
26 be remitted to an appropriate bank to pay the principal of and
27 interest on the district's outstanding bonds, or other obligations

1 assumed by the district, on or before the maturity date of the
2 principal and interest.

3 (c) To the extent that money in a depository bank is not
4 insured by the Federal Deposit Insurance Corporation, the money
5 must be secured in the manner provided by law for the security of
6 county funds.

7 (d) Membership on the district's board of an officer or
8 director of a bank does not disqualify the bank from being
9 designated as depository. (Acts 59th Leg., R.S., Ch. 16, Sec. 10.)

10 [Sections 1103.156-1103.200 reserved for expansion]

11 SUBCHAPTER E. BONDS

12 Sec. 1103.201. GENERAL OBLIGATION BONDS. The board may
13 issue and sell general obligation bonds in the name and on the faith
14 and credit of the district for any purpose related to the purchase,
15 construction, acquisition, repair, or renovation of buildings or
16 improvements, and equipping buildings or improvements for a
17 hospital and the hospital system, as determined by the board. (Acts
18 59th Leg., R.S., Ch. 16, Sec. 7 (part).)

19 Sec. 1103.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
20 the time general obligation bonds are issued by the district, the
21 board shall impose an ad valorem tax at a rate sufficient to create
22 an interest and sinking fund and to pay the principal of and
23 interest on the bonds as the bonds mature.

24 (b) The tax required by this section together with any other
25 ad valorem tax imposed for the district may not in any year exceed
26 75 cents on each \$100 valuation of taxable property in the district.
27 (Acts 59th Leg., R.S., Ch. 16, Sec. 7 (part).)

1 Sec. 1103.203. GENERAL OBLIGATION BOND ELECTION. (a) The
2 district may issue general obligation bonds only if the bonds are
3 authorized by a majority of the district voters voting at an
4 election held for that purpose.

5 (b) The board shall call the election. The election must be
6 held in accordance with Chapter 1251, Government Code.

7 (c) The bond election order must specify:

- 8 (1) the date of the election;
9 (2) the location of the polling places;
10 (3) the presiding election officers;
11 (4) the amount of the bonds to be authorized;
12 (5) the maximum maturity of the bonds; and
13 (6) the maximum interest rate of the bonds. (Acts 59th
14 Leg., R.S., Ch. 16, Sec. 7 (part).)

15 Sec. 1103.204. EXECUTION OF GENERAL OBLIGATION BONDS. The
16 board president shall execute the general obligation bonds in the
17 district's name and the board secretary shall attest the bonds as
18 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,
19 Ch. 16, Sec. 7 (part).)

20 Sec. 1103.205. REFUNDING BONDS. (a) District refunding
21 bonds may, without an election, be issued to refund any bonds issued
22 or assumed by the district.

23 (b) A refunding bond may be:

24 (1) sold, with the proceeds of the refunding bond
25 applied to the payment of outstanding bonds; or

26 (2) exchanged wholly or partly for not less than a
27 similar principal amount of the outstanding bonds. (Acts 59th

1 Leg., R.S., Ch. 16, Sec. 7 (part).)

2 Sec. 1103.206. BONDS EXEMPT FROM TAXATION. The following
3 are exempt from taxation by this state or a political subdivision of
4 this state:

- 5 (1) any bonds issued by the district;
- 6 (2) the transfer and issuance of the bonds; and
- 7 (3) any profits made in the sale of the bonds. (Acts
8 59th Leg., R.S., Ch. 16, Sec. 8 (part).)

9 Sec. 1103.207. ANTICIPATION NOTES AND CERTIFICATES OF
10 OBLIGATION. The board may issue:

- 11 (1) anticipation notes under Chapter 1431, Government
12 Code; and
- 13 (2) certificates of obligation under Subchapter C,
14 Chapter 271, Local Government Code. (Acts 59th Leg., R.S., Ch. 16,
15 Sec. 7A.)

16 [Sections 1103.208-1103.250 reserved for expansion]

17 SUBCHAPTER F. GENERAL TAX PROVISIONS

18 Sec. 1103.251. IMPOSITION OF AD VALOREM TAX. (a) The
19 district may impose a tax on all taxable property in the district
20 subject to district taxation.

21 (b) The tax may be used to meet the requirements of:

- 22 (1) district bonds;
- 23 (2) indebtedness assumed by the district; and
- 24 (3) district maintenance and operating expenses.
25 (Acts 59th Leg., R.S., Ch. 16, Secs. 3 (part), 13 (part).)

26 Sec. 1103.252. TAX RATE. The district may impose the tax at
27 a rate not to exceed 75 cents on each \$100 valuation of taxable

property in the district. (Acts 59th Leg., R.S., Ch. 16, Sec. 3
(part).)

Sec. 1103.253. TAX ASSESSOR-COLLECTOR. The tax
assessor-collector of Swisher County shall assess and collect taxes
imposed by the district. (Acts 59th Leg., R.S., Ch. 16, Sec. 13
(part).)

CHAPTER 1104. TEAGUE HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1104.001. DEFINITIONS

Sec. 1104.002. AUTHORITY FOR OPERATION

Sec. 1104.003. ESSENTIAL PUBLIC FUNCTION

Sec. 1104.004. DISTRICT TERRITORY

Sec. 1104.005. DISTRICT SUPPORT AND MAINTENANCE NOT

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Sec. 1104.006. RESTRICTION ON STATE FINANCIAL

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[Sections 1104.007-1104.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1104.051. BOARD ELECTION; TERMS

Sec. 1104.052. NOTICE OF ELECTION

Sec. 1104.053. BALLOT PETITION

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1 Sec. 1104.060. DISTRICT ADMINISTRATOR
2 Sec. 1104.061. GENERAL DUTIES OF DISTRICT
3 ADMINISTRATOR
4 Sec. 1104.062. ASSISTANT DISTRICT ADMINISTRATOR;
5 ATTORNEY
6 Sec. 1104.063. APPOINTMENT OF STAFF AND EMPLOYEES
7 Sec. 1104.064. RETIREMENT BENEFITS
8 [Sections 1104.065-1104.100 reserved for expansion]
9 SUBCHAPTER C. POWERS AND DUTIES
10 Sec. 1104.101. DISTRICT RESPONSIBILITY
11 Sec. 1104.102. RESTRICTION ON MUNICIPAL TAXATION AND
12 DEBT
13 Sec. 1104.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
14 Sec. 1104.104. RULES
15 Sec. 1104.105. PURCHASING AND ACCOUNTING PROCEDURES
16 Sec. 1104.106. DISTRICT PROPERTY, FACILITIES, AND
17 EQUIPMENT
18 Sec. 1104.107. EMINENT DOMAIN
19 Sec. 1104.108. COST OF RELOCATING OR ALTERING PROPERTY
20 Sec. 1104.109. GIFTS AND ENDOWMENTS
21 Sec. 1104.110. CONSTRUCTION CONTRACTS
22 Sec. 1104.111. OPERATING AND MANAGEMENT CONTRACTS
23 Sec. 1104.112. CONTRACTS WITH GOVERNMENTAL ENTITIES
24 FOR SERVICES
25 Sec. 1104.113. PAYMENT FOR TREATMENT; PROCEDURES
26 Sec. 1104.114. REIMBURSEMENT FOR SERVICES
27 Sec. 1104.115. AUTHORITY TO SUE AND BE SUED

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Sec. 1104.151. BUDGET

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Sec. 1104.158. FINANCIAL REPORT

Sec. 1104.159. DEPOSITORY

Sec. 1104.160. SPENDING AND INVESTMENT RESTRICTIONS

[Sections 1104.161-1104.200 reserved for expansion]

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Sec. 1104.201. GENERAL OBLIGATION BONDS

Sec. 1104.202. TAX TO PAY GENERAL OBLIGATION BONDS

Sec. 1104.203. GENERAL OBLIGATION BOND ELECTION

Sec. 1104.204. REVENUE BONDS

Sec. 1104.205. REFUNDING BONDS

Sec. 1104.206. MATURITY OF BONDS

Sec. 1104.207. EXECUTION OF BONDS

Sec. 1104.208. BONDS EXEMPT FROM TAXATION

[Sections 1104.209-1104.250 reserved for expansion]

SUBCHAPTER F. TAXES

Sec. 1104.251. IMPOSITION OF AD VALOREM TAX

Sec. 1104.252. TAX RATE

1 Sec. 1104.253. ELECTION TO INCREASE MAXIMUM TAX RATE

2 Sec. 1104.254. TAX ASSESSOR-COLLECTOR

3 [Sections 1104.255-1104.300 reserved for expansion]

4 SUBCHAPTER G. DISSOLUTION

5 Sec. 1104.301. DISSOLUTION; ELECTION

6 Sec. 1104.302. NOTICE OF ELECTION

7 Sec. 1104.303. BALLOT

8 Sec. 1104.304. ELECTION RESULTS

9 Sec. 1104.305. DIRECTORS IN OFFICE AFTER DISSOLUTION

10 Sec. 1104.306. IMPOSITION OF TAX; TRANSFER OF DEBTS

11 Sec. 1104.307. DISPOSITION OR TRANSFER OF ASSETS AND

12 DEBTS

13 Sec. 1104.308. SPENDING RESTRICTIONS

14 Sec. 1104.309. REPORT; DISSOLUTION ORDER

15 CHAPTER 1104. TEAGUE HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1104.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the
19 district.

20 (2) "Director" means a member of the board.

21 (3) "District" means the Teague Hospital District.

22 (Acts 68th Leg., R.S., Ch. 1055, Sec. 1.01.)

23 Sec. 1104.002. AUTHORITY FOR OPERATION. The Teague
24 Hospital District operates and is financed as provided by Section
25 9, Article IX, Texas Constitution, and by this chapter. (Acts 68th
26 Leg., R.S., Ch. 1055, Sec. 1.02.)

27 Sec. 1104.003. ESSENTIAL PUBLIC FUNCTION. The district is

1 a public entity performing an essential public function. (Acts
2 68th Leg., R.S., Ch. 1055, Sec. 7.11 (part).)

3 Sec. 1104.004. DISTRICT TERRITORY. The boundaries of the
4 district are coextensive with the boundaries of the Teague
5 Independent School District as those boundaries existed on June 19,
6 1983. (Acts 68th Leg., R.S., Ch. 1055, Sec. 1.03.)

7 Sec. 1104.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE
8 OBLIGATION. This state may not become obligated for the support or
9 maintenance of the district. (Acts 68th Leg., R.S., Ch. 1055, Sec.
10 10.01 (part).)

11 Sec. 1104.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.
12 The legislature may not make a direct appropriation for the
13 construction, maintenance, or improvement of a district facility.
14 (Acts 68th Leg., R.S., Ch. 1055, Sec. 10.01 (part).)

15 [Sections 1104.007-1104.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1104.051. BOARD ELECTION; TERMS. (a) The district is
18 governed by a board of seven directors elected from the district at
19 large.

20 (b) Directors serve staggered two-year terms unless
21 four-year terms are established under Section 285.081, Health and
22 Safety Code. (Acts 68th Leg., R.S., Ch. 1055, Secs. 4.01(a),
23 4.03(a), (c).)

24 Sec. 1104.052. NOTICE OF ELECTION. At least 35 days before
25 the date of a directors' election, notice of the election must be
26 published one time in a newspaper with general circulation in the
27 district. (Acts 68th Leg., R.S., Ch. 1055, Sec. 4.04.)

1 Sec. 1104.053. BALLOT PETITION. A person who wants to have
2 the person's name printed on the ballot as a candidate for director
3 must file with the board secretary a petition requesting that
4 action. The petition must be:

5 (1) signed by at least 50 registered voters of the
6 district, as determined by the most recent official lists of
7 registered voters; and

8 (2) filed by the deadline imposed by Section 144.005,
9 Election Code. (Acts 68th Leg., R.S., Ch. 1055, Sec. 4.05.)

10 Sec. 1104.054. QUALIFICATIONS FOR OFFICE. (a) To be
11 eligible to be a candidate for or to serve as a director, a person
12 must be:

13 (1) a resident of the district; and

14 (2) a qualified voter.

15 (b) A district employee may not serve as a director. (Acts
16 68th Leg., R.S., Ch. 1055, Sec. 4.06.)

17 Sec. 1104.055. BOND. (a) Before assuming the duties of
18 office, each director must execute a bond for \$5,000 that is:

19 (1) payable to the district; and

20 (2) conditioned on the faithful performance of the
21 director's duties.

22 (b) The board may pay for directors' bonds with district
23 money.

24 (c) Each director's bond shall be kept in the district's
25 permanent records. (Acts 68th Leg., R.S., Ch. 1055, Sec. 4.07.)

26 Sec. 1104.056. BOARD VACANCY. If a vacancy occurs in the
27 office of director, the remaining directors shall appoint a

1 director for the unexpired term. (Acts 68th Leg., R.S., Ch. 1055,
2 Sec. 4.08.)

3 Sec. 1104.057. OFFICERS. (a) The board shall elect from
4 among its members a president, a vice president, and a secretary.

5 (b) Each officer of the board serves a one-year term.

6 (c) The board shall fill a vacancy in a board office for the
7 unexpired term. (Acts 68th Leg., R.S., Ch. 1055, Secs. 4.09, 4.10.)

8 Sec. 1104.058. COMPENSATION; EXPENSES. A director or
9 officer serves without compensation but may be reimbursed for
10 actual expenses incurred in the performance of official duties.
11 The expenses must be:

12 (1) reported in the district's records; and

13 (2) approved by the board. (Acts 68th Leg., R.S., Ch.
14 1055, Sec. 4.11.)

15 Sec. 1104.059. VOTING REQUIREMENT. A concurrence of a
16 majority of the directors voting is necessary in any matter
17 relating to district business. (Acts 68th Leg., R.S., Ch. 1055,
18 Sec. 4.12.)

19 Sec. 1104.060. DISTRICT ADMINISTRATOR. (a) The board may
20 appoint a qualified person as district administrator.

21 (b) The district administrator serves at the will of the
22 board and is entitled to compensation as determined by the board.

23 (c) Before assuming the duties of district administrator,
24 the administrator must execute a bond in an amount determined by the
25 board of not less than \$5,000 that is:

26 (1) payable to the district; and

27 (2) conditioned on the faithful performance of the

1 administrator's duties under this chapter.

2 (d) The board may pay for the bond with district money.
3 (Acts 68th Leg., R.S., Ch. 1055, Secs. 4.13(a) (part), (b) (part),
4 (c) (part), (d).)

5 Sec. 1104.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
6 Subject to the limitations prescribed by the board, the district
7 administrator shall:

8 (1) supervise the work and activities of the district;
9 and

10 (2) direct the general affairs of the district. (Acts
11 68th Leg., R.S., Ch. 1055, Sec. 4.16.)

12 Sec. 1104.062. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

13 (a) The board may appoint qualified persons as:

14 (1) the assistant district administrator; and

15 (2) the attorney for the district.

16 (b) The assistant district administrator and the attorney
17 for the district serve at the will of the board and are entitled to
18 compensation as determined by the board. (Acts 68th Leg., R.S., Ch.
19 1055, Secs. 4.13(a) (part), (b) (part), (c) (part).)

20 Sec. 1104.063. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
21 board may appoint to the staff any doctors the board considers
22 necessary for the efficient operation of the district and may make
23 temporary appointments as considered necessary.

24 (b) The district may employ technicians, nurses, fiscal
25 agents, accountants, architects, additional attorneys, and other
26 necessary employees.

27 (c) The board may delegate to the district administrator the

1 authority to employ persons for the district. (Acts 68th Leg.,
2 R.S., Ch. 1055, Secs. 4.14, 4.15.)

3 Sec. 1104.064. RETIREMENT BENEFITS. The board may provide
4 retirement benefits for district employees by:

5 (1) establishing or administering a retirement
6 program; or

7 (2) participating in:

8 (A) the Texas County and District Retirement
9 System; or

10 (B) another statewide retirement system in which
11 the district is eligible to participate. (Acts 68th Leg., R.S., Ch.
12 1055, Sec. 4.17.)

13 [Sections 1104.065-1104.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 1104.101. DISTRICT RESPONSIBILITY. The district has
16 full responsibility for operating hospital facilities and for
17 providing medical and hospital care for the district's needy
18 inhabitants. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.02 (part).)

19 Sec. 1104.102. RESTRICTION ON MUNICIPAL TAXATION AND DEBT.
20 The City of Teague may not impose a tax or issue bonds or other
21 obligations for hospital purposes or to provide medical care for
22 district residents. (Acts 68th Leg., R.S., Ch. 1055, Sec.
23 5.01(b).)

24 Sec. 1104.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.
25 The board shall manage, control, and administer the hospital system
26 and the district's money and resources. (Acts 68th Leg., R.S., Ch.
27 1055, Sec. 5.03.)

1 Sec. 1104.104. RULES. The board may adopt rules governing:

2 (1) the operation of the hospital and hospital system;
3 and

4 (2) the duties, functions, and responsibilities of
5 district staff and employees. (Acts 68th Leg., R.S., Ch. 1055, Sec.
6 5.04.)

7 Sec. 1104.105. PURCHASING AND ACCOUNTING PROCEDURES. The
8 board may prescribe:

9 (1) the method of making purchases and expenditures by
10 and for the district; and

11 (2) accounting and control procedures for the
12 district. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.05.)

13 Sec. 1104.106. DISTRICT PROPERTY, FACILITIES, AND
14 EQUIPMENT. (a) The board shall determine:

15 (1) the type, number, and location of buildings
16 required to maintain an adequate hospital system; and

17 (2) the type of equipment necessary for hospital care.

18 (b) The board may:

19 (1) acquire property, including facilities and
20 equipment, for the district for use in the hospital system; and

21 (2) mortgage or pledge the property as security for
22 payment of the purchase price.

23 (c) The board may lease hospital facilities for the
24 district.

25 (d) The board may sell or otherwise dispose of property,
26 including facilities or equipment, for the district. (Acts 68th
27 Leg., R.S., Ch. 1055, Sec. 5.06.)

1 Sec. 1104.107. EMINENT DOMAIN. (a) The district may
2 exercise the power of eminent domain to acquire a fee simple or
3 other interest in property located in district territory if the
4 interest is necessary to exercise a right or authority conferred by
5 this chapter.

6 (b) The district must exercise the power of eminent domain
7 in the manner provided by Chapter 21, Property Code, except the
8 district is not required to deposit in the trial court money or a
9 bond as provided by Section 21.021(a), Property Code.

10 (c) In a condemnation proceeding brought by the district,
11 the district is not required to:

12 (1) pay in advance or provide a bond or other security
13 for costs in the trial court;

14 (2) provide a bond for the issuance of a temporary
15 restraining order or a temporary injunction; or

16 (3) provide a bond for costs or a supersedeas bond on
17 an appeal or petition for review. (Acts 68th Leg., R.S., Ch. 1055,
18 Sec. 5.09.)

19 Sec. 1104.108. COST OF RELOCATING OR ALTERING PROPERTY. In
20 exercising the power of eminent domain, if the board requires
21 relocating, raising, lowering, rerouting, changing the grade, or
22 altering the construction of any railroad, highway, pipeline, or
23 electric transmission, telegraph, or telephone line, conduit,
24 pole, or facility, the district must bear the actual cost of
25 relocating, raising, lowering, rerouting, changing the grade, or
26 altering the construction to provide comparable replacement
27 without enhancement of facilities, after deducting the net salvage

1 value derived from the old facility. (Acts 68th Leg., R.S., Ch.
2 1055, Sec. 5.10.)

3 Sec. 1104.109. GIFTS AND ENDOWMENTS. The board may accept
4 for the district a gift or endowment to be held in trust for any
5 purpose and under any direction, limitation, or other provision
6 prescribed in writing by the donor that is consistent with the
7 proper management of the district. (Acts 68th Leg., R.S., Ch. 1055,
8 Sec. 5.14.)

9 Sec. 1104.110. CONSTRUCTION CONTRACTS. (a) The board may
10 enter into construction contracts for the district.

11 (b) The board may enter into a construction contract that
12 involves the expenditure of more than the amount provided by
13 Section 271.024, Local Government Code, only after competitive
14 bidding as provided by Subchapter B, Chapter 271, Local Government
15 Code. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.07(a).)

16 Sec. 1104.111. OPERATING AND MANAGEMENT CONTRACTS. The
17 board may enter into an operating or management contract relating
18 to a hospital facility for the district. (Acts 68th Leg., R.S., Ch.
19 1055, Sec. 5.08.)

20 Sec. 1104.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
21 SERVICES. The board may contract with a political subdivision of
22 this state or with a state or federal agency for the district to:

23 (1) furnish a mobile emergency medical service; or
24 (2) provide for the investigatory or welfare needs of
25 district inhabitants. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.13.)

26 Sec. 1104.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)
27 When an individual who resides in the district is admitted as a

1 patient to a district facility, the district administrator may have
2 an inquiry made into the financial circumstances of:

- 3 (1) the patient; and
4 (2) a relative of the patient legally responsible for
5 the patient's support.

6 (b) To the extent that the patient or a relative of the
7 patient legally responsible for the patient's support cannot pay
8 for care and treatment provided by the district, the district shall
9 supply the care and treatment without charging the patient or the
10 patient's relative.

11 (c) On determining that the patient or a relative legally
12 responsible for the patient's support can pay for all or part of the
13 care and treatment provided by the district, the district
14 administrator shall report that determination to the board, and the
15 board shall issue an order directing the patient or the relative to
16 pay the district a specified amount each week. The amount must be
17 based on the individual's ability to pay.

18 (d) The district administrator may collect money owed to the
19 district from the patient's estate or from that of a relative
20 legally responsible for the patient's support in the manner
21 provided by law for the collection of expenses in the last illness
22 of a deceased person.

23 (e) If there is a dispute relating to an individual's
24 ability to pay or if the district administrator has any doubt
25 concerning an individual's ability to pay, the board shall:

- 26 (1) call witnesses;
27 (2) hear and resolve the question; and

1 (3) issue a final order.

2 (f) The final order of the board may be appealed to a
3 district court in the county in which the district is located. The
4 substantial evidence rule applies to the appeal. (Acts 68th Leg.,
5 R.S., Ch. 1055, Sec. 5.11.)

6 Sec. 1104.114. REIMBURSEMENT FOR SERVICES. (a) The board
7 shall require a county or municipality located outside the district
8 to reimburse the district for the district's care and treatment of a
9 sick or injured person of that county or municipality.

10 (b) On behalf of the district, the board may contract with
11 the state or federal government for that government to reimburse
12 the district for treatment of a sick or injured person. (Acts 68th
13 Leg., R.S., Ch. 1055, Sec. 5.12.)

14 Sec. 1104.115. AUTHORITY TO SUE AND BE SUED. The board may
15 sue and be sued on behalf of the district. (Acts 68th Leg., R.S.,
16 Ch. 1055, Sec. 5.15.)

17 [Sections 1104.116-1104.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 1104.151. BUDGET. (a) The district administrator
20 shall prepare a proposed annual budget for the district.

21 (b) The proposed budget must contain a complete financial
22 statement, including a statement of:

23 (1) the outstanding obligations of the district;

24 (2) the amount of cash on hand to the credit of each
25 district fund;

26 (3) the amount of money received by the district from
27 all sources during the previous year;

1 (4) the amount of money available to the district from
2 all sources during the ensuing year;

3 (5) the amount of the balances expected at the end of
4 the year in which the budget is being prepared;

5 (6) the estimated amount of revenue and balances
6 available to cover the proposed budget; and

7 (7) the estimated tax rate required. (Acts 68th Leg.,
8 R.S., Ch. 1055, Sec. 6.04.)

9 Sec. 1104.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)
10 The board shall hold a public hearing on the proposed annual budget.

11 (b) The board shall publish notice of the hearing in a
12 newspaper of general circulation in the district not later than the
13 10th day before the date of the hearing.

14 (c) Any district resident is entitled to be present and
15 participate at the hearing.

16 (d) At the conclusion of the hearing, the board shall adopt
17 a budget by acting on the budget proposed by the district
18 administrator. The board may make any changes in the proposed
19 budget that the board judges to be in the interests of the
20 taxpayers.

21 (e) The budget is effective only after adoption by the
22 board. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.05.)

23 Sec. 1104.153. AMENDMENTS TO BUDGET. After the annual
24 budget is adopted, the budget may be amended on the board's
25 approval. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.06.)

26 Sec. 1104.154. RESTRICTION ON EXPENDITURES. Money may be
27 spent only for an expense included in the annual budget or an

1 amendment to the budget. (Acts 68th Leg., R.S., Ch. 1055, Sec.
2 6.07.)

3 Sec. 1104.155. FISCAL YEAR. (a) The district operates
4 according to a fiscal year established by the board.

5 (b) The fiscal year may not be changed:

6 (1) during a period that revenue bonds of the district
7 are outstanding; or

8 (2) more than once in a 24-month period. (Acts 68th
9 Leg., R.S., Ch. 1055, Sec. 6.01.)

10 Sec. 1104.156. ANNUAL AUDIT. The board annually shall have
11 an audit made of the district's financial condition. (Acts 68th
12 Leg., R.S., Ch. 1055, Sec. 6.02.)

13 Sec. 1104.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
14 RECORDS. The annual audit and other district records shall be open
15 to inspection during regular business hours at the district's
16 principal office. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.03.)

17 Sec. 1104.158. FINANCIAL REPORT. As soon as practicable
18 after the close of the fiscal year, the district administrator
19 shall prepare for the board:

20 (1) a sworn statement of the amount of district money;
21 and

22 (2) an account of the disbursements of that money.
23 (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.08.)

24 Sec. 1104.159. DEPOSITORY. (a) The board shall select at
25 least one bank to serve as a depository for district money.

26 (b) District money, other than money invested as provided by
27 Section 1104.160(b) and money transmitted to a bank for payment of

bonds or obligations issued or assumed by the district, shall be deposited as received with the depository bank and shall remain on deposit. This subsection does not limit the power of the board to:

- (1) place a part of district money on time deposit; or
- (2) purchase certificates of deposit. (Acts 68th Leg., R.S., Ch. 1055, Secs. 6.10(a), (b).)

Sec. 1104.160. SPENDING AND INVESTMENT RESTRICTIONS. (a) Except as provided by Sections 1104.110, 1104.201, 1104.204, and 1104.205, the district may not incur a debt payable from district revenue other than the revenue on hand or to be on hand in the current and immediately following district fiscal years.

(b) The board may invest operating, depreciation, or building reserves only in funds or securities specified by Chapter 2256, Government Code. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.09.)

[Sections 1104.161-1104.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 1104.201. GENERAL OBLIGATION BONDS. If authorized by an election, the board may issue and sell general obligation bonds in the name and on the faith and credit of the district to:

- (1) purchase, construct, acquire, repair, or renovate buildings or improvements; or
- (2) equip buildings or improvements for hospital purposes. (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.01.)

Sec. 1104.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At the time general obligation bonds are issued by the district, the board shall impose an ad valorem tax at a rate sufficient to create an interest and sinking fund to pay the principal of and interest on

1 the bonds as the bonds mature.

2 (b) The tax required by this section together with any other
3 ad valorem tax the district imposes may not in any year exceed the
4 limit approved by the voters at the election authorizing the
5 imposition of the tax. (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.02.)

6 Sec. 1104.203. GENERAL OBLIGATION BOND ELECTION. (a) The
7 district may issue general obligation bonds only if the bonds are
8 authorized by a majority of the district voters.

9 (b) The board may order a bond election.

10 (c) The order calling the election must specify:

- 11 (1) the nature and date of the election;
12 (2) the hours during which the polls will be open;
13 (3) the location of the polling places;
14 (4) the amount of the bonds to be authorized; and
15 (5) the maximum maturity of the bonds.

16 (d) Notice of a bond election shall be given as provided by
17 Section 1251.003, Government Code.

18 (e) The board shall declare the results of the election.
19 (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.03.)

20 Sec. 1104.204. REVENUE BONDS. (a) The board may issue
21 revenue bonds to:

- 22 (1) purchase, construct, acquire, repair, equip, or
23 renovate buildings or improvements for hospital purposes; or
24 (2) acquire sites to be used for hospital purposes.

25 (b) The bonds must be payable from and secured by a pledge of
26 all or part of the revenue derived from the operation of the
27 district's hospital system.

1 (c) The bonds may be additionally secured by a mortgage or
2 deed of trust lien on all or part of district property.

3 (d) The bonds must be issued in the manner provided by
4 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,
5 Health and Safety Code, for issuance of revenue bonds by a county
6 hospital authority. (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.04.)

7 Sec. 1104.205. REFUNDING BONDS. (a) District refunding
8 bonds may be issued to refund outstanding indebtedness issued or
9 assumed by the district.

10 (b) A refunding bond may be:

11 (1) sold, with the proceeds of the refunding bond
12 applied to the payment of outstanding indebtedness; or

13 (2) exchanged wholly or partly for not less than a
14 similar principal amount of outstanding indebtedness. (Acts 68th
15 Leg., R.S., Ch. 1055, Secs. 7.05(a), (c) (part).)

16 Sec. 1104.206. MATURITY OF BONDS. District bonds must
17 mature not later than 50 years after the date of issuance. (Acts
18 68th Leg., R.S., Ch. 1055, Sec. 7.06 (part).)

19 Sec. 1104.207. EXECUTION OF BONDS. The board president
20 shall execute the district's bonds in the district's name, and the
21 board secretary shall countersign the bonds in the manner provided
22 by Chapter 618, Government Code. (Acts 68th Leg., R.S., Ch. 1055,
23 Sec. 7.07.)

24 Sec. 1104.208. BONDS EXEMPT FROM TAXATION. The following
25 are exempt from taxation by this state or a political subdivision of
26 this state:

27 (1) bonds issued by the district;

1 (2) any transaction relating to the bonds; and

2 (3) profits made in the sale of the bonds. (Acts 68th
3 Leg., R.S., Ch. 1055, Sec. 7.11 (part).)

4 [Sections 1104.209-1104.250 reserved for expansion]

5 SUBCHAPTER F. TAXES

6 Sec. 1104.251. IMPOSITION OF AD VALOREM TAX. (a) The board
7 shall impose a tax on all property in the district subject to
8 district taxation.

9 (b) The tax may be used to pay:

10 (1) the general obligation bonds issued and the
11 indebtedness assumed by the district; and

12 (2) district maintenance and operating expenses.

13 (c) The district may not impose a tax to pay the principal of
14 or interest on revenue bonds issued under this chapter. (Acts 68th
15 Leg., R.S., Ch. 1055, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

16 Sec. 1104.252. TAX RATE. (a) The board may impose the tax
17 at a rate not to exceed the limit approved by the voters at the
18 election authorizing the imposition of the tax.

19 (b) Unless the rate is increased as provided by Section
20 1104.253, the tax rate for all purposes may not exceed five cents on
21 each \$100 valuation of all taxable property in the district.

22 (c) In setting the tax rate, the board shall consider the
23 income of the district from sources other than taxation. (Acts 68th
24 Leg., R.S., Ch. 1055, Secs. 8.01(a) (part), (b), 8.03 (part).)

25 Sec. 1104.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)
26 The board may order an election to increase the district's maximum
27 tax rate to 12 cents on each \$100 valuation of taxable property in

1 the district. The board shall order the election if the board
2 receives a petition requesting an election that is signed by at
3 least 50 registered voters in the district.

4 (b) The ballot for the election shall be printed to permit
5 voting for or against the proposition: "The imposition of annual
6 taxes by the district for hospital purposes at a rate not to exceed
7 12 cents on the \$100 valuation of all taxable property in the
8 district."

9 (c) If the board finds that the election results favor the
10 proposition, the board may impose taxes as authorized by the
11 proposition. If the board finds that the election results do not
12 favor the proposition, another election on the question of
13 increasing the district's maximum tax rate may not be held before
14 the first anniversary of the date of the most recent election at
15 which voters disapproved the proposition.

16 (d) Section 41.001(a), Election Code, does not apply to an
17 election ordered under this section. (Acts 68th Leg., R.S., Ch.
18 1055, Secs. 8.01A(a), (b) (part), (c) (part), (d) (part).)

19 Sec. 1104.254. TAX ASSESSOR-COLLECTOR. The board may
20 provide for the appointment of a tax assessor-collector for the
21 district or may contract for the assessment and collection of taxes
22 as provided by the Tax Code. (Acts 68th Leg., R.S., Ch. 1055, Sec.
23 8.04(b).)

24 [Sections 1104.255-1104.300 reserved for expansion]

25 SUBCHAPTER G. DISSOLUTION

26 Sec. 1104.301. DISSOLUTION; ELECTION. (a) The district
27 may be dissolved only on approval of a majority of the district

1 voters voting in an election held for that purpose.

2 (b) A majority of the board may order that a dissolution
3 election be held.

4 (c) If the board receives a petition requesting an election
5 that is signed by at least 10 percent of the registered voters of
6 the district, according to the most recent official list of
7 registered voters, the board shall order an election to be held.
8 The election shall be called not later than the 60th day after the
9 date the petition is presented to the district.

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

11 (1) the nature of the election, including the
12 proposition to appear on the ballot;

13 (2) the date of the election;

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

15 (4) the location of the polling places.

16 (e) Section 41.001(a), Election Code, does not apply to an
17 election ordered under this section. (Acts 68th Leg., R.S., Ch.
18 1055, Secs. 9.01, 9.02, 9.03, 9.05(b).)

19 Sec. 1104.302. NOTICE OF ELECTION. (a) The board shall
20 give notice of an election under this subchapter by publishing once
21 a week for two consecutive weeks a substantial copy of the election
22 order in a newspaper with general circulation in the district.

23 (b) The first publication must appear at least 35 days
24 before the date set for the election. (Acts 68th Leg., R.S., Ch.
25 1055, Sec. 9.04.)

26 Sec. 1104.303. BALLOT. The ballot for an election under
27 this subchapter must be printed to permit voting for or against the

1 proposition: "The dissolution of the Teague Hospital District."
2 (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.06.)

3 Sec. 1104.304. ELECTION RESULTS. (a) If the board finds
4 that the election results favor the proposition to dissolve the
5 district, the board shall:

6 (1) issue an order declaring the district be
7 dissolved; and

8 (2) specify in the order the date the dissolution
9 takes effect.

10 (b) If the board finds that the election results do not
11 favor the proposition to dissolve the district, another dissolution
12 election may not be held before the first anniversary of the date of
13 the election at which the voters disapproved the proposition.
14 (Acts 68th Leg., R.S., Ch. 1055, Secs. 9.07(b), (c).)

15 Sec. 1104.305. DIRECTORS IN OFFICE AFTER DISSOLUTION. The
16 directors in office on the date of the dissolution shall continue in
17 office, without further election, until:

18 (1) the affairs of the district are effectively
19 concluded; and

20 (2) all duties or acts required of the board are
21 completed. (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.08(c).)

22 Sec. 1104.306. IMPOSITION OF TAX; TRANSFER OF DEBTS. After
23 issuing the dissolution order, the board shall determine the debt
24 owed by the district and shall:

25 (1) impose on property subject to taxation in the
26 district a tax in proportion of the debt to the property value and
27 use the tax revenue to pay the district's bonds or satisfy other

1 district debts; or

2 (2) transfer the district's debts to any governmental
3 entity assuming responsibility after dissolution of the district
4 for providing hospital care in the territory included in the
5 district. (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.08(a).)

6 Sec. 1104.307. DISPOSITION OR TRANSFER OF ASSETS AND DEBTS.

7 (a) The board may not dispose of or transfer the district's assets
8 except for due compensation unless:

9 (1) the debts are transferred to another governmental
10 entity embracing the district; and

11 (2) the transferred assets are used for the benefit of
12 citizens formerly in the district.

13 (b) If the board transfers the district's debts to another
14 governmental entity, the board shall also transfer to that
15 governmental entity:

16 (1) title to land, buildings, improvements, and
17 equipment related to the hospital system owned by the district; and

18 (2) operating money and reserves for operating
19 expenses and money budgeted by the district to provide medical care
20 for district residents for the remainder of the fiscal year in which
21 the district is dissolved. (Acts 68th Leg., R.S., Ch. 1055, Secs.
22 9.08(b), (d) (part).)

23 Sec. 1104.308. SPENDING RESTRICTIONS. After the effective
24 date of the district's dissolution, the board may not spend any
25 money except as authorized together with all reasonable dissolution
26 expenses and the district's legal debts incurred before that date.
27 (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.08(d) (part).)

1 Sec. 1104.309. REPORT; DISSOLUTION ORDER. (a) After the
2 district has paid all district debts and has disposed of all
3 district money and other assets as prescribed by this subchapter,
4 the board shall file a written report with the Commissioners Court
5 of Freestone County summarizing the board's actions in dissolving
6 the district. The report must include a summary of the district's
7 debts.

8 (b) Not later than the 10th day after the date the
9 Commissioners Court of Freestone County receives the report, the
10 commissioners court shall:

11 (1) determine whether the board has fulfilled the
12 requirements of this subchapter; and

13 (2) if the commissioners court determines the board
14 has fulfilled its duties, enter an order to that effect.

15 (c) On entry of an order under Subsection (b)(2), the
16 directors are discharged from liability under their bonds. (Acts
17 68th Leg., R.S., Ch. 1055, Sec. 9.08(e).)

18 CHAPTER 1105. TERRY MEMORIAL HOSPITAL DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 1105.001. DEFINITIONS

21 Sec. 1105.002. AUTHORITY FOR CREATION

22 Sec. 1105.003. ESSENTIAL PUBLIC FUNCTION

23 Sec. 1105.004. DISTRICT TERRITORY

24 Sec. 1105.005. DISTRICT SUPPORT AND MAINTENANCE NOT

25 STATE OBLIGATION

26 Sec. 1105.006. RESTRICTION ON STATE FINANCIAL

27 ASSISTANCE

[Sections 1105.007-1105.050 reserved for expansion]

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1 Sec. 1105.104. HOSPITAL SYSTEM
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5 Sec. 1105.108. EMINENT DOMAIN
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7 Sec. 1105.110. CONTRACTS WITH GOVERNMENTAL ENTITIES
8 FOR CARE AND TREATMENT
9 Sec. 1105.111. DISPOSITION OF REAL PROPERTY
10 Sec. 1105.112. PROVISION OF CERTAIN HEALTH CARE
11 SERVICES
12 Sec. 1105.113. PAYMENT FOR TREATMENT; PROCEDURES
13 Sec. 1105.114. AUTHORITY TO SUE AND BE SUED
14 [Sections 1105.115-1105.150 reserved for expansion]
15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
16 Sec. 1105.151. BUDGET
17 Sec. 1105.152. FISCAL YEAR
18 Sec. 1105.153. AUDIT
19 Sec. 1105.154. FINANCIAL REPORT
20 Sec. 1105.155. DEPOSITORY
21 Sec. 1105.156. AUTHORITY TO BORROW MONEY; SECURITY
22 [Sections 1105.157-1105.200 reserved for expansion]
23 SUBCHAPTER E. BONDS
24 Sec. 1105.201. GENERAL OBLIGATION BONDS
25 Sec. 1105.202. TAX TO PAY GENERAL OBLIGATION BONDS
26 Sec. 1105.203. GENERAL OBLIGATION BOND ELECTION
27 Sec. 1105.204. EXECUTION OF GENERAL OBLIGATION BONDS

1 Sec. 1105.205. REFUNDING BONDS

2 Sec. 1105.206. BONDS EXEMPT FROM TAXATION

3 [Sections 1105.207-1105.250 reserved for expansion]

4 SUBCHAPTER F. TAXES

5 Sec. 1105.251. IMPOSITION OF AD VALOREM TAX

6 Sec. 1105.252. TAX RATE

7 Sec. 1105.253. TAX ASSESSOR-COLLECTOR

8 CHAPTER 1105. TERRY MEMORIAL HOSPITAL DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 1105.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the board of directors of the
12 district.

13 (2) "Director" means a member of the board.

14 (3) "District" means the Terry Memorial Hospital
15 District. (New.)

16 Sec. 1105.002. AUTHORITY FOR CREATION. The Terry Memorial
17 Hospital District is created under the authority of Section 9,
18 Article IX, Texas Constitution, and has the rights, powers, and
19 duties provided by this chapter. (Acts 59th Leg., R.S., Ch. 653,
20 Sec. 1 (part).)

21 Sec. 1105.003. ESSENTIAL PUBLIC FUNCTION. The district
22 performs an essential public function in carrying out the purposes
23 of this chapter. (Acts 59th Leg., R.S., Ch. 653, Sec. 8 (part).)

24 Sec. 1105.004. DISTRICT TERRITORY. The boundaries of the
25 district are coextensive with the boundaries of Terry County,
26 Texas. (Acts 59th Leg., R.S., Ch. 653, Sec. 1 (part).)

27 Sec. 1105.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

OBLIGATION. The support and maintenance of the district may not become a charge against or obligation of this state. (Acts 59th Leg., R.S., Ch. 653, Sec. 18 (part).)

Sec. 1105.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility. (Acts 59th Leg., R.S., Ch. 653, Sec. 18 (part).)

[Sections 1105.007-1105.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1105.051. BOARD ELECTION; TERM. (a) The district is governed by a board of seven directors elected from the district at large.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code:

(1) directors serve staggered two-year terms with the terms of three or four directors expiring each year as appropriate; and

(2) a directors' election shall be held annually on the May uniform election date. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

Sec. 1105.052. NOTICE OF ELECTION. At least 10 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in Terry County. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

Sec. 1105.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file a petition requesting that action. The petition must be:

1 (1) signed by not fewer than 10 registered voters; and

2 (2) filed by the deadline imposed by Section 144.005,
3 Election Code. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

4 Sec. 1105.054. QUALIFICATIONS FOR OFFICE. A person must at
5 the time of election or appointment as director be:

6 (1) registered to vote in the district; and

7 (2) at least 18 years of age. (Acts 59th Leg., R.S.,
8 Ch. 653, Sec. 4 (part).)

9 Sec. 1105.055. FILING OF OATH. The constitutional oath of
10 office executed by a director must be filed in the district's
11 office. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

12 Sec. 1105.056. BOARD VACANCY. (a) If a vacancy occurs in
13 the office of director, the remaining directors shall appoint a
14 director for the unexpired term.

15 (b) If the number of directors is reduced to fewer than four
16 for any reason, the remaining directors shall immediately call a
17 special election to fill the vacancies. If the remaining directors
18 do not call the election, the county judge of Terry County may fill
19 the vacancies by appointment. (Acts 59th Leg., R.S., Ch. 653, Sec.
20 4 (part).)

21 Sec. 1105.057. OFFICERS. The board shall elect from among
22 its members a president, a vice president, and a secretary. (Acts
23 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

24 Sec. 1105.058. COMPENSATION. A director is entitled to
25 compensation at a rate determined by the board. The rate may not
26 exceed \$10 for each board meeting. (Acts 59th Leg., R.S., Ch. 653,
27 Sec. 4 (part).)

1 Sec. 1105.059. VOTING REQUIREMENT. A concurrence of four
2 directors is sufficient in any matter relating to district
3 business. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

4 Sec. 1105.060. DISTRICT ADMINISTRATOR; ASSISTANT
5 ADMINISTRATOR. (a) The board shall appoint a qualified person as
6 district administrator.

7 (b) The board may appoint an assistant administrator.

8 (c) The district administrator and any assistant
9 administrator serve at the will of the board and receive the
10 compensation determined by the board.

11 (d) On assuming the duties of district administrator, the
12 administrator shall execute a bond payable to the district in an
13 amount set by the board of not less than \$10,000 that:

14 (1) is conditioned on the administrator performing the
15 administrator's duties; and

16 (2) contains any other condition the board requires.
17 (Acts 59th Leg., R.S., Ch. 653, Sec. 5 (part).)

18 Sec. 1105.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
19 Subject to any limitations prescribed by the board, the district
20 administrator shall:

21 (1) supervise the work and activities of the district;
22 and

23 (2) direct the affairs of the district. (Acts 59th
24 Leg., R.S., Ch. 653, Sec. 5 (part).)

25 Sec. 1105.062. EMPLOYEES. The board may employ any nurses,
26 technicians, and other lay personnel considered necessary for the
27 efficient operation of the district or may provide that the

1 district administrator has the authority to employ those persons.

2 (Acts 59th Leg., R.S., Ch. 653, Sec. 5 (part).)

3 Sec. 1105.063. RECRUITMENT OF MEDICAL STAFF. (a) The board
4 may spend district money to recruit physicians, nurses, or other
5 trained medical personnel.

6 (b) The board may:

7 (1) contract with a full-time medical or nursing
8 student who is enrolled and in good standing in an accredited
9 school, college, or university; and

10 (2) agree to pay the student's tuition or other costs
11 or expenses if the student agrees to serve in the district on terms
12 prescribed by the contract. (Acts 59th Leg., R.S., Ch. 653, Secs.
13 5B(a), (b).)

14 Sec. 1105.064. CONTINUING EDUCATION; RETRAINING. The board
15 may spend district money for continuing education and retraining of
16 employees. (Acts 59th Leg., R.S., Ch. 653, Sec. 5B(c).)

17 Sec. 1105.065. RETIREMENT PROGRAM. The board may enter
18 into any contract or agreement with this state or the federal
19 government that is required to establish or continue a retirement
20 program for the benefit of the district's employees. (Acts 59th
21 Leg., R.S., Ch. 653, Sec. 5 (part).)

22 Sec. 1105.066. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

23 (a) The board shall:

24 (1) keep an accurate account of all board meetings and
25 proceedings; and

26 (2) maintain at the district's principal office all
27 district records and accounts, including all contracts, notices,

duplicate vouchers, and duplicate receipts.

(b) The information described by Subsection (a) shall be open to public inspection at the district's principal office at all reasonable times. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

[Sections 1105.067-1105.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1105.101. DISTRICT RESPONSIBILITY. The district has full responsibility for:

(1) operating all hospital facilities for providing medical and hospital care of indigent persons; and

(2) providing medical and hospital care for the district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 653, Secs. 2 (part), 17 (part).)

Sec. 1105.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION AND DEBT. Terry County or a municipality in Terry County may not impose a tax or issue bonds or other obligations for hospital purposes or for medical care. (Acts 59th Leg., R.S., Ch. 653, Sec. 17 (part).)

Sec. 1105.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 653, Sec. 5 (part).)

Sec. 1105.104. HOSPITAL SYSTEM. The district shall provide for:

(1) the establishment of a hospital system by:
(A) purchasing, constructing, acquiring, repairing, or renovating buildings and equipment; and

(B) equipping the buildings; and

(2) the administration of the hospital system for hospital purposes. (Acts 59th Leg., R.S., Ch. 653, Sec. 2 (part).)

Sec. 1105.105. RULES. The board may adopt rules for the operation of the district and as required to administer this chapter. (Acts 59th Leg., R.S., Ch. 653, Secs. 5 (part), 9 (part).)

Sec. 1105.106. PURCHASING AND ACCOUNTING PROCEDURES. The board may prescribe:

(1) the method and manner of making purchases and expenditures by and for the district; and

(2) all accounting and control procedures. (Acts 59th Leg., R.S., Ch. 653, Sec. 9 (part).)

Sec. 1105.107. RATES AND CHARGES. The board shall establish the rates and charges for:

(1) services;

(2) supplies; and

(3) the use of district facilities. (Acts 59th Leg., R.S., Ch. 653, Sec. 14 (part).)

Sec. 1105.108. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in any type of property located in district territory if the interest is necessary or convenient to a power, right, or privilege conferred by this chapter.

(b) The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code. (Acts 59th Leg., R.S., Ch. 653, Sec. 12.)

Sec. 1105.109. GIFTS AND ENDOWMENTS. The board may accept

1 for the district a gift or endowment to be held in trust and
2 administered by the board for the purposes and under the
3 directions, limitations, or other provisions prescribed in writing
4 by the donor that are not inconsistent with the proper management
5 and objectives of the district. (Acts 59th Leg., R.S., Ch. 653,
6 Sec. 15.)

7 Sec. 1105.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
8 CARE AND TREATMENT. (a) The board may contract with a county or
9 municipality located outside Terry County for the care and
10 treatment of a sick or injured person of that county or
11 municipality.

12 (b) The board may contract with this state or a federal
13 agency for the treatment of a sick or injured person for whom this
14 state or the federal government is responsible. (Acts 59th Leg.,
15 R.S., Ch. 653, Sec. 5 (part).)

16 Sec. 1105.111. DISPOSITION OF REAL PROPERTY. The district
17 may sell or otherwise dispose of real property on terms the board
18 finds are in the best interest of the district. (Acts 59th Leg.,
19 R.S., Ch. 653, Sec. 5A.)

20 Sec. 1105.112. PROVISION OF CERTAIN HEALTH CARE SERVICES.
21 The district may provide any appropriate health care services the
22 board determines are necessary to meet the needs of the district,
23 including:

- 24 (1) emergency medical services;
- 25 (2) home health care services;
- 26 (3) long-term care services;
- 27 (4) rehabilitation services; and

1 (5) fitness services. (Acts 59th Leg., R.S., Ch. 653,
2 Sec. 2A.)

3 Sec. 1105.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)
4 When an indigent patient is admitted to a district facility, the
5 district administrator shall have an inquiry made into the
6 circumstances of:

7 (1) the patient; and

8 (2) the patient's relatives legally liable for the
9 patient's support.

10 (b) If the district administrator determines that the
11 patient or those relatives cannot pay for all or part of the
12 patient's care and treatment in the hospital, the amount that
13 cannot be paid becomes a charge against the district.

14 (c) If the district administrator determines that the
15 patient or those relatives can pay for all or part of the patient's
16 care and treatment, the patient or those relatives shall be ordered
17 to pay the district a specified amount each week for the patient's
18 support. The amount ordered must be proportionate to their
19 financial ability and may not exceed the actual per capita cost of
20 maintenance.

21 (d) The district administrator may collect the amount from
22 the patient's estate, or from those relatives, in the manner
23 provided by law for the collection of expenses of the last illness
24 of a deceased person.

25 (e) If there is a dispute as to the ability to pay, or doubt
26 in the mind of the district administrator, the board shall hold a
27 hearing and, after calling witnesses, shall:

1 (1) resolve the dispute or doubt; and

2 (2) issue any appropriate order.

3 (f) A party to the dispute who is not satisfied with the
4 order may appeal to the district court. The appeal shall be by
5 trial de novo as that term is used in an appeal from a justice court
6 to the county court. (Acts 59th Leg., R.S., Ch. 653, Sec. 14
7 (part).)

8 Sec. 1105.114. AUTHORITY TO SUE AND BE SUED. The district,
9 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.
10 653, Sec. 5 (part).)

11 [Sections 1105.115-1105.150 reserved for expansion]

12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

13 Sec. 1105.151. BUDGET. (a) The district administrator
14 shall prepare for approval by the board an annual budget that
15 corresponds to the district's fiscal year.

16 (b) Not later than August 31 of each year, the board shall
17 publish notice of a public hearing on the proposed budget. The
18 notice must be published in a newspaper of general circulation in
19 Terry County at least 10 days before the date of the hearing. (Acts
20 59th Leg., R.S., Ch. 653, Secs. 6 (part), 16.)

21 Sec. 1105.152. FISCAL YEAR. The district shall operate on a
22 fiscal year that begins on October 1 and ends on September 30.
23 (Acts 59th Leg., R.S., Ch. 653, Sec. 6 (part).)

24 Sec. 1105.153. AUDIT. (a) The district shall have an audit
25 made of the district's financial condition.

26 (b) The audit shall be open to inspection at all times at the
27 district's principal office. (Acts 59th Leg., R.S., Ch. 653, Sec. 6

1 (part).)

2 Sec. 1105.154. FINANCIAL REPORT. As soon as practicable
3 after the close of each fiscal year, the district administrator
4 shall prepare for the board:

5 (1) a complete sworn statement of all district money;
6 and

7 (2) a complete account of the disbursements of that
8 money. (Acts 59th Leg., R.S., Ch. 653, Sec. 6 (part).)

9 Sec. 1105.155. DEPOSITORY. (a) The board shall designate
10 one or more banks in Terry County to serve as a depository for
11 district money.

12 (b) All district money shall be immediately deposited on
13 receipt with a depository bank, except that sufficient money must
14 be remitted to an appropriate bank to pay the principal of and
15 interest on the district's outstanding bonds, or other obligations
16 assumed by the district, on or before the maturity date of the
17 principal and interest.

18 (c) To the extent that money in a depository bank is not
19 insured by the Federal Deposit Insurance Corporation, the money
20 must be secured in the manner provided by law for the security of
21 county funds.

22 (d) Membership on the district's board of an officer or
23 director of a bank does not disqualify the bank from being
24 designated as depository. (Acts 59th Leg., R.S., Ch. 653, Sec. 10.)

25 Sec. 1105.156. AUTHORITY TO BORROW MONEY; SECURITY. (a)
26 The board may borrow money at a rate not to exceed the maximum
27 annual percentage rate allowed by law for district obligations at

1 the time the loan is made if the board declares that:

2 (1) money is not available to meet authorized
3 obligations of the district; and

4 (2) an emergency exists.

5 (b) To secure a loan, the board may pledge:

6 (1) district revenue that is not pledged to pay the
7 district's bonded indebtedness;

8 (2) a district tax to be imposed by the district in the
9 next 12-month period that is not pledged to pay the principal of or
10 interest on district bonds; or

11 (3) a district bond that has been authorized but not
12 sold.

13 (c) A loan for which taxes or bonds are pledged must mature
14 not later than the first anniversary of the date the loan is made. A
15 loan for which district revenue is pledged must mature not later
16 than the fifth anniversary of the date the loan is made.

17 (d) The board may not spend money obtained from a loan under
18 this section for any purpose other than:

19 (1) the purpose for which the board declared an
20 emergency; and

21 (2) if district taxes or bonds are pledged to pay the
22 loan, the purposes for which the taxes were imposed or the bonds
23 were authorized. (Acts 59th Leg., R.S., Ch. 653, Sec. 8A.)

24 [Sections 1105.157-1105.200 reserved for expansion]

25 SUBCHAPTER E. BONDS

26 Sec. 1105.201. GENERAL OBLIGATION BONDS. The board may
27 issue and sell general obligation bonds in the name and on the faith

1 and credit of the district for any purpose related to the purchase,
2 construction, acquisition, repair, or renovation of buildings or
3 improvements, and equipping buildings or improvements for a
4 hospital and the hospital system, as determined by the board. (Acts
5 59th Leg., R.S., Ch. 653, Sec. 7 (part).)

6 Sec. 1105.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At
7 the time general obligation bonds are issued by the district, the
8 board shall impose an ad valorem tax at a rate sufficient to create
9 an interest and sinking fund and to pay the principal of and
10 interest on the bonds as the bonds mature.

11 (b) The tax required by this section together with any other
12 ad valorem tax imposed for the district may not in any year exceed
13 75 cents on each \$100 valuation of taxable property. (Acts 59th
14 Leg., R.S., Ch. 653, Sec. 7 (part).)

15 Sec. 1105.203. GENERAL OBLIGATION BOND ELECTION. (a) The
16 district may issue general obligation bonds only if the bonds are
17 authorized by a majority of the district voters voting at an
18 election held for that purpose.

19 (b) The board shall call the election. The election must be
20 held in accordance with Chapter 1251, Government Code.

21 (c) The bond election order must specify:

- 22 (1) the date of the election;
- 23 (2) the location of the polling places;
- 24 (3) the presiding election officers;
- 25 (4) the amount of the bonds to be authorized;
- 26 (5) the maximum maturity of the bonds; and
- 27 (6) the maximum interest rate of the bonds. (Acts 59th

1 Leg., R.S., Ch. 653, Sec. 7 (part).)

2 Sec. 1105.204. EXECUTION OF GENERAL OBLIGATION BONDS. The
3 board president shall execute the general obligation bonds in the
4 district's name and the board secretary shall attest the bonds as
5 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,
6 Ch. 653, Sec. 7 (part).)

7 Sec. 1105.205. REFUNDING BONDS. (a) District bonds may be
8 issued without an election to refund any bonds issued or assumed by
9 the district.

10 (b) A refunding bond may be:

11 (1) sold, with the proceeds of the refunding bond
12 applied to the payment of outstanding bonds; or

13 (2) exchanged wholly or partly for not less than a
14 similar principal amount of the outstanding bonds. (Acts 59th
15 Leg., R.S., Ch. 653, Sec. 7 (part).)

16 Sec. 1105.206. BONDS EXEMPT FROM TAXATION. The following
17 are exempt from taxation by this state or a political subdivision of
18 this state:

19 (1) any bonds issued by the district;

20 (2) the transfer of the bonds; and

21 (3) bond revenue, including any profits made in the
22 sale of the bonds. (Acts 59th Leg., R.S., Ch. 653, Sec. 8 (part).)

23 [Sections 1105.207-1105.250 reserved for expansion]

24 SUBCHAPTER F. TAXES

25 Sec. 1105.251. IMPOSITION OF AD VALOREM TAX. (a) The
26 district may impose a tax on all taxable property in the district
27 subject to district taxation.

(b) The tax may be used to meet the requirements of:

- (1) district bonds;
- (2) indebtedness assumed by the district; and
- (3) district maintenance and operating expenses.

(Acts 59th Leg., R.S., Ch. 653, Secs. 3 (part), 13 (part).)

Sec. 1105.252. TAX RATE. The district may impose the tax at a rate not to exceed 75 cents on each \$100 valuation of taxable property in the district. (Acts 59th Leg., R.S., Ch. 653, Sec. 3 (part).)

Sec. 1105.253. TAX ASSESSOR-COLLECTOR. The tax assessor-collector of Terry County shall assess and collect taxes imposed by the district. (Acts 59th Leg., R.S., Ch. 653, Sec. 13 (part).)

CHAPTER 1106. TEXHOMA MEMORIAL HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

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2 Sec. 1106.058. COMPENSATION; EXPENSES
3 Sec. 1106.059. VOTING REQUIREMENT
4 Sec. 1106.060. EMPLOYEES
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9 SUBCHAPTER C. POWERS AND DUTIES
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11 Sec. 1106.102. RESTRICTION ON POLITICAL SUBDIVISION
12 TAXATION
13 Sec. 1106.103. MANAGEMENT AND CONTROL OF DISTRICT
14 Sec. 1106.104. HOSPITAL SYSTEM
15 Sec. 1106.105. RULES
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17 Sec. 1106.107. EMINENT DOMAIN
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19 Sec. 1106.109. CONTRACTS WITH POLITICAL SUBDIVISIONS
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21 Sec. 1106.110. PAYMENT FOR TREATMENT; PROCEDURES
22 Sec. 1106.111. AUTHORITY TO SUE AND BE SUED
23 [Sections 1106.112-1106.150 reserved for expansion]
24 SUBCHAPTER D. FINANCIAL PROVISIONS
25 Sec. 1106.151. BUDGET
26 Sec. 1106.152. PROPOSED BUDGET: NOTICE AND HEARING
27 Sec. 1106.153. FISCAL YEAR

1 Sec. 1106.154. ANNUAL AUDIT

2 Sec. 1106.155. DEPOSITORY OR TREASURER

3 [Sections 1106.156-1106.200 reserved for expansion]

4 SUBCHAPTER E. BONDS

5 Sec. 1106.201. GENERAL OBLIGATION BONDS

6 Sec. 1106.202. TAX TO PAY GENERAL OBLIGATION BONDS

7 Sec. 1106.203. GENERAL OBLIGATION BOND ELECTION

8 Sec. 1106.204. MATURITY OF GENERAL OBLIGATION BONDS

9 Sec. 1106.205. EXECUTION OF GENERAL OBLIGATION BONDS

10 [Sections 1106.206-1106.250 reserved for expansion]

11 SUBCHAPTER F. TAXES

12 Sec. 1106.251. IMPOSITION OF AD VALOREM TAX

13 Sec. 1106.252. TAX RATE

14 CHAPTER 1106. TEXHOMA MEMORIAL HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1106.001. DEFINITIONS. In this chapter:

17 (1) "Board" means the board of directors of the
18 district.

19 (2) "Director" means a member of the board.

20 (3) "District" means the Texhoma Memorial Hospital
21 District. (New.)

22 Sec. 1106.002. AUTHORITY FOR OPERATION. The Texhoma
23 Memorial Hospital District operates in accordance with Section 9,
24 Article IX, Texas Constitution. (Acts 60th Leg., R.S., Ch. 422,
25 Sec. 1(a) (part).)

26 Sec. 1106.003. POLITICAL SUBDIVISION. The district is a
27 political subdivision of this state. (Acts 60th Leg., R.S., Ch.

422, Sec. 16 (part).)

Sec. 1106.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of the Texhoma Independent School District in Sherman County, as those boundaries existed as of January 1, 1967. (Acts 60th Leg., R.S., Ch. 422, Sec. 1(a) (part).)

[Sections 1106.005-1106.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1106.051. BOARD; TERM. (a) The board consists of five elected directors.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code, directors serve staggered two-year terms with the terms of two or three directors expiring each year as appropriate. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(a) (part).)

Sec. 1106.052. NOTICE OF ELECTION. At least 10 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in the district. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(c) (part).)

Sec. 1106.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary a petition requesting that action. The petition must be:

- (1) signed by not less than 15 registered voters; and
- (2) filed by the deadline imposed by Section 144.005, Election Code. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(c) (part).)

Sec. 1106.054. QUALIFICATIONS FOR OFFICE. A person may not be appointed or elected a director unless the person:

1 (1) is a resident of the district;
2 (2) owns land in the district subject to taxation; and
3 (3) is at least 18 years of age at the time of the
4 election or appointment. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(a)
5 (part).)

6 Sec. 1106.055. BOND NOT REQUIRED. A director is not
7 required to post a public official's bond. (Acts 60th Leg., R.S.,
8 Ch. 422, Sec. 3(a) (part).)

9 Sec. 1106.056. BOARD VACANCY. (a) If a vacancy occurs in
10 the office of director, the remaining directors shall appoint a
11 director for the unexpired term.

12 (b) If the number of directors is reduced to fewer than
13 three for any reason, the remaining directors shall immediately
14 call a special election to fill the vacancies. If the remaining
15 directors do not call the election, a district court, on
16 application of a district voter or taxpayer, may order the
17 directors to hold the election. (Acts 60th Leg., R.S., Ch. 422,
18 Sec. 3(b) (part).)

19 Sec. 1106.057. OFFICERS. The board shall elect from among
20 its members a president and a secretary. (Acts 60th Leg., R.S., Ch.
21 422, Sec. 3(b) (part).)

22 Sec. 1106.058. COMPENSATION; EXPENSES. A director serves
23 without compensation but is entitled to reimbursement for actual
24 expenses incurred in the performance of official duties on approval
25 of the expenses by the board. (Acts 60th Leg., R.S., Ch. 422, Secs.
26 3(a) (part), 4 (part).)

27 Sec. 1106.059. VOTING REQUIREMENT. A concurrence of three

1 directors is sufficient in any matter relating to district
2 business. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(b) (part).)

3 Sec. 1106.060. EMPLOYEES. The board may employ a general
4 manager, attorney, bookkeeper, architect, and any other employee
5 considered necessary for the efficient operation of the district.
6 (Acts 60th Leg., R.S., Ch. 422, Sec. 7(a) (part).)

7 Sec. 1106.061. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.
8 All district records, including books, accounts, notices, and
9 minutes, and all other matters of the district and the operation of
10 its facilities, shall be:

11 (1) maintained at the district office; and

12 (2) open to public inspection at the district office
13 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 422, Sec.
14 7(b).)

15 Sec. 1106.062. SEAL. The board may adopt a seal for the
16 district. (Acts 60th Leg., R.S., Ch. 422, Sec. 7(a) (part).)

17 [Sections 1106.063-1106.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 1106.101. DISTRICT RESPONSIBILITY. The district has
20 full responsibility for providing medical and hospital care for the
21 district's needy inhabitants and needy and indigent residents.
22 (Acts 60th Leg., R.S., Ch. 422, Secs. 2(a) (part), 12 (part).)

23 Sec. 1106.102. RESTRICTION ON POLITICAL SUBDIVISION
24 TAXATION. Sherman County or any other political subdivision in the
25 district may not impose a tax on property in the district for
26 hospital purposes. (Acts 60th Leg., R.S., Ch. 422, Sec. 12 (part).)

27 Sec. 1106.103. MANAGEMENT AND CONTROL OF DISTRICT. The

management and control of the district are vested in the board.
(Acts 60th Leg., R.S., Ch. 422, Sec. 4 (part).)

Sec. 1106.104. HOSPITAL SYSTEM. The district shall provide
for:

(1) the establishment of a hospital system to provide
medical and hospital care to district residents by:

(A) purchasing, constructing, acquiring,
repairing, or renovating buildings and improvements; and

(B) equipping the buildings and improvements;
and

(2) the administration of the hospital system for
hospital purposes. (Acts 60th Leg., R.S., Ch. 422, Sec. 2(a)
(part).)

Sec. 1106.105. RULES. (a) The board may adopt rules
governing the operation of the district and district facilities.

(b) The rules may, on approval by the board, be published in
booklet form at district expense and made available to any taxpayer
on request. (Acts 60th Leg., R.S., Ch. 422, Sec. 7(c).)

Sec. 1106.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)
The board may prescribe the method and manner of making purchases
and expenditures by and for the district.

(b) The board shall prescribe:

(1) all accounting and control procedures; and

(2) the method of purchasing necessary supplies,
materials, and equipment. (Acts 60th Leg., R.S., Ch. 422, Sec. 7(a)
(part).)

Sec. 1106.107. EMINENT DOMAIN. (a) The district may

1 exercise the power of eminent domain to acquire a fee simple or
2 other interest in any type of property, real, personal, or mixed,
3 located in district territory if the interest is necessary or
4 convenient to exercise a right, power, privilege, or function
5 conferred on the district by this chapter.

6 (b) The district must exercise the power of eminent domain
7 in the manner provided by Chapter 21, Property Code, except the
8 district is not required to deposit in the trial court money or a
9 bond as provided by Section 21.021(a), Property Code.

10 (c) In a condemnation proceeding brought by the district,
11 the district is not required to:

12 (1) pay in advance or provide a bond or other security
13 for costs in the trial court;

14 (2) provide a bond for the issuance of a temporary
15 restraining order or a temporary injunction; or

16 (3) provide a bond for costs or a supersedeas bond on
17 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 422,
18 Sec. 9.)

19 Sec. 1106.108. GIFTS AND ENDOWMENTS. The board may accept
20 for the district a gift or endowment for the purposes and under the
21 directions, limitations, or other provisions prescribed in writing
22 by the donor that are not inconsistent with the proper management
23 and objectives of the district. (Acts 60th Leg., R.S., Ch. 422,
24 Sec. 14.)

25 Sec. 1106.109. CONTRACTS WITH POLITICAL SUBDIVISIONS FOR
26 HOSPITAL AND MEDICAL CARE. (a) The board may enter into an
27 agreement or contract with another political subdivision of this

1 state that has boundaries contiguous to the district, on terms the
2 board considers reasonable and proper, to provide medical and
3 hospital care for residents of the other political subdivision.

4 (b) A contract or agreement entered into under this section
5 must require the other political subdivision to pay for all medical
6 and hospital care received by or provided to any resident of the
7 other political subdivision if the person fails to pay for the
8 medical and hospital services received by the resident. (Acts 60th
9 Leg., R.S., Ch. 422, Sec. 18.)

10 Sec. 1106.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)
11 When a patient who resides in the district is admitted to a district
12 facility, the board shall have an inquiry made into the
13 circumstances of:

14 (1) the patient; and

15 (2) the patient's relatives legally liable for the
16 patient's support.

17 (b) If an agent designated by the district to handle the
18 inquiry determines that the patient or those relatives cannot pay
19 for all or part of the patient's care and treatment in the hospital,
20 the amount of the costs that cannot be paid becomes a charge against
21 the district.

22 (c) If the board determines that the patient or those
23 relatives are liable to pay for all or part of the patient's care
24 and treatment, the patient or those relatives shall be ordered to
25 pay to the district's treasurer a specified amount each week for the
26 patient's support. The amount ordered must be proportionate to
27 their financial ability and may not exceed the actual per capita

1 cost of maintenance.

2 (d) The district may collect the amount from the patient's
3 estate, or from those relatives legally liable for the patient's
4 support, in the manner provided by law for the collection of
5 expenses of the last illness of a deceased person.

6 (e) If there is a dispute as to the ability to pay, or doubt
7 in the mind of the district's designated agent, the board shall hold
8 a hearing and, after calling witnesses, shall:

9 (1) resolve the dispute or doubt; and

10 (2) issue any appropriate order.

11 (f) Either party to the dispute may appeal the order to the
12 district court. (Acts 60th Leg., R.S., Ch. 422, Sec. 13.)

13 Sec. 1106.111. AUTHORITY TO SUE AND BE SUED. As a
14 governmental agency, the district may sue and be sued in its own
15 name in any court of this state. (Acts 60th Leg., R.S., Ch. 422,
16 Sec. 16 (part).)

17 [Sections 1106.112-1106.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 1106.151. BUDGET. The board annually shall require a
20 budget to be prepared for the next fiscal year that includes:

21 (1) proposed expenditures and disbursements;

22 (2) estimated receipts and collections; and

23 (3) the amount of taxes required to be imposed for the
24 year. (Acts 60th Leg., R.S., Ch. 422, Sec. 8(b) (part).)

25 Sec. 1106.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)
26 The board shall hold a public hearing on the proposed budget.

27 (b) Notice of the hearing must be published at least once in

1 a newspaper of general circulation in Sherman County not later than
2 the 10th day before the date of the hearing.

3 (c) Any district taxpayer is entitled to:

4 (1) appear at the time and place designated in the
5 notice; and

6 (2) be heard regarding any item included in the
7 proposed budget. (Acts 60th Leg., R.S., Ch. 422, Sec. 8(b) (part).)

8 Sec. 1106.153. FISCAL YEAR. The district's fiscal year
9 begins on October 1 and ends on September 30. (Acts 60th Leg.,
10 R.S., Ch. 422, Sec. 8(a) (part).)

11 Sec. 1106.154. ANNUAL AUDIT. The board annually shall have
12 an independent audit made of the district's books and records.
13 (Acts 60th Leg., R.S., Ch. 422, Sec. 8(a) (part).)

14 Sec. 1106.155. DEPOSITORY OR TREASURER. (a) The board by
15 resolution shall designate a bank or banks in Sherman County as the
16 district's depository or treasurer. A designated bank serves for
17 two years and until a successor is designated.

18 (b) All district money shall be secured in the manner
19 provided for securing county funds. (Acts 60th Leg., R.S., Ch. 422,
20 Sec. 10.)

21 [Sections 1106.156-1106.200 reserved for expansion]

22 SUBCHAPTER E. BONDS

23 Sec. 1106.201. GENERAL OBLIGATION BONDS. The board may
24 issue and sell general obligation bonds in the name and on the faith
25 of the district for any purpose relating to the purchase,
26 construction, acquisition, repair, or renovation of buildings or
27 improvements and equipping the buildings or improvements for

1 hospital purposes. (Acts 60th Leg., R.S., Ch. 422, Sec. 6(a)
2 (part).)

3 Sec. 1106.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)
4 The board shall impose an ad valorem tax at a rate sufficient to
5 create an interest and sinking fund to pay the principal of and
6 interest on general obligation bonds issued under Section 1106.201
7 as the bonds mature.

8 (b) The tax required by this section together with any other
9 ad valorem tax imposed for the district may not in any year exceed
10 75 cents on each \$100 valuation of all taxable property in the
11 district. (Acts 60th Leg., R.S., Ch. 422, Secs. 5(a) (part), 6(a)
12 (part).)

13 Sec. 1106.203. GENERAL OBLIGATION BOND ELECTION. (a) The
14 district may issue general obligation bonds only if the bonds are
15 authorized by a majority of the district voters voting in an
16 election held for that purpose.

17 (b) The board may order a bond election on its own motion.

18 (c) The order calling the election must specify:

- 19 (1) the date of the election;
- 20 (2) the location of the polling places;
- 21 (3) the presiding election officers;
- 22 (4) the purpose for which the bonds are to be issued;
- 23 (5) the amount of the bonds to be authorized;
- 24 (6) the maximum interest rate of the bonds; and
- 25 (7) the maximum maturity date of the bonds.

26 (d) Notice of a bond election shall be given by publishing a
27 substantial copy of the order in a newspaper of general circulation

1 in the district once each week for two consecutive weeks before the
2 date of the election. The first publication must occur at least 14
3 days before the date of the election. (Acts 60th Leg., R.S., Ch.
4 422, Sec. 6(a) (part).)

5 Sec. 1106.204. MATURITY OF GENERAL OBLIGATION BONDS.
6 District general obligation bonds must mature not later than 40
7 years after the date of issuance. (Acts 60th Leg., R.S., Ch. 422,
8 Sec. 6(a) (part).)

9 Sec. 1106.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)
10 The board president shall execute the general obligation bonds in
11 the district's name.

12 (b) The board secretary shall countersign the bonds. (Acts
13 60th Leg., R.S., Ch. 422, Sec. 6(a) (part).)

14 [Sections 1106.206-1106.250 reserved for expansion]

15 SUBCHAPTER F. TAXES

16 Sec. 1106.251. IMPOSITION OF AD VALOREM TAX. (a) On final
17 approval of the budget, the board shall impose a tax on all taxable
18 property in the district subject to district taxation.

19 (b) The board shall impose the tax to:

20 (1) pay the interest on and create a sinking fund for
21 bonds issued by the district for hospital purposes as provided by
22 this chapter;

23 (2) provide for the maintenance and operation of the
24 district and hospital system;

25 (3) make improvements and additions to the hospital
26 system; and

27 (4) acquire necessary sites for the hospital system by

1 purchase, lease, or condemnation. (Acts 60th Leg., R.S., Ch. 422,
2 Secs. 5(a) (part), 8(b) (part).)

3 Sec. 1106.252. TAX RATE. The board may impose the tax at a
4 rate not to exceed 75 cents on each \$100 valuation of all taxable
5 property in the district. (Acts 60th Leg., R.S., Ch. 422, Sec. 5(a)
6 (part).)

7 CHAPTER 1108. TRINITY MEMORIAL HOSPITAL DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 1108.001. DEFINITIONS

10 Sec. 1108.002. AUTHORITY FOR OPERATION

11 Sec. 1108.003. ESSENTIAL PUBLIC FUNCTION

12 Sec. 1108.004. DISTRICT TERRITORY

13 Sec. 1108.005. DISTRICT SUPPORT AND MAINTENANCE NOT

14 STATE OBLIGATION

15 Sec. 1108.006. RESTRICTION ON STATE FINANCIAL

16 ASSISTANCE

17 [Sections 1108.007-1108.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 1108.051. BOARD ELECTION; TERM

20 Sec. 1108.052. NOTICE OF ELECTION

21 Sec. 1108.053. BALLOT PETITION

22 Sec. 1108.054. QUALIFICATIONS FOR OFFICE

23 Sec. 1108.055. BOARD VACANCY

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1 Sec. 1108.060. GENERAL DUTIES OF DISTRICT
2 ADMINISTRATOR
3 Sec. 1108.061. ASSISTANT DISTRICT ADMINISTRATOR;
4 ATTORNEY
5 Sec. 1108.062. APPOINTMENT OF STAFF AND EMPLOYEES
6 Sec. 1108.063. RETIREMENT BENEFITS
7 [Sections 1108.064-1108.100 reserved for expansion]
8 SUBCHAPTER C. POWERS AND DUTIES
9 Sec. 1108.101. DISTRICT RESPONSIBILITY
10 Sec. 1108.102. MANAGEMENT, CONTROL, AND ADMINISTRATION
11 Sec. 1108.103. HOSPITAL SYSTEM; MOBILE EMERGENCY
12 MEDICAL SERVICES
13 Sec. 1108.104. RULES
14 Sec. 1108.105. PURCHASING AND ACCOUNTING PROCEDURES
15 Sec. 1108.106. DISTRICT PROPERTY, FACILITIES, AND
16 EQUIPMENT
17 Sec. 1108.107. EMINENT DOMAIN
18 Sec. 1108.108. COST OF RELOCATING OR ALTERING PROPERTY
19 Sec. 1108.109. GIFTS AND ENDOWMENTS
20 Sec. 1108.110. CONSTRUCTION CONTRACTS
21 Sec. 1108.111. OPERATING AND MANAGEMENT CONTRACTS
22 Sec. 1108.112. CONTRACTS WITH GOVERNMENTAL ENTITIES
23 FOR SERVICES
24 Sec. 1108.113. PAYMENT FOR TREATMENT; PROCEDURES
25 Sec. 1108.114. REIMBURSEMENT FOR SERVICES
26 Sec. 1108.115. AUTHORITY TO SUE AND BE SUED
27 [Sections 1108.116-1108.150 reserved for expansion]

1 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2 Sec. 1108.151. BUDGET

3 Sec. 1108.152. NOTICE; HEARING; APPROVAL OF BUDGET

4 Sec. 1108.153. AMENDMENTS TO BUDGET

5 Sec. 1108.154. RESTRICTION ON EXPENDITURES

6 Sec. 1108.155. FISCAL YEAR

7 Sec. 1108.156. ANNUAL AUDIT

8 Sec. 1108.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT

9 RECORDS

10 Sec. 1108.158. FINANCIAL REPORT

11 Sec. 1108.159. DEPOSITORY

12 Sec. 1108.160. SPENDING AND INVESTMENT RESTRICTIONS

13 [Sections 1108.161-1108.200 reserved for expansion]

14 SUBCHAPTER E. BONDS

15 Sec. 1108.201. GENERAL OBLIGATION BONDS

16 Sec. 1108.202. TAX TO PAY GENERAL OBLIGATION BONDS

17 Sec. 1108.203. GENERAL OBLIGATION BOND ELECTION

18 Sec. 1108.204. REVENUE BONDS

19 Sec. 1108.205. REFUNDING BONDS

20 Sec. 1108.206. MATURITY OF BONDS

21 Sec. 1108.207. EXECUTION OF BONDS

22 Sec. 1108.208. BONDS EXEMPT FROM TAXATION

23 [Sections 1108.209-1108.250 reserved for expansion]

24 SUBCHAPTER F. TAXES

25 Sec. 1108.251. IMPOSITION OF AD VALOREM TAX

26 Sec. 1108.252. TAX RATE

27 Sec. 1108.253. TAX ASSESSOR-COLLECTOR

CHAPTER 1108. TRINITY MEMORIAL HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1108.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the Trinity Memorial Hospital District. (New.)

Sec. 1108.002. AUTHORITY FOR OPERATION. The Trinity Memorial Hospital District operates and is administered and financed in accordance with Section 9, Article IX, Texas Constitution, and has the rights, powers, and duties provided by this chapter. (Acts 67th Leg., R.S., Ch. 265, Sec. 1.)

Sec. 1108.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function in carrying out the purposes of this chapter. (Acts 67th Leg., R.S., Ch. 265, Sec. 24 (part).)

Sec. 1108.004. DISTRICT TERRITORY. The district is composed of the territory in Trinity County described by Section 2, Chapter 265, Acts of the 67th Legislature, Regular Session, 1981. (New.)

Sec. 1108.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The support and maintenance of the district may not become a charge against or obligation of this state. (Acts 67th Leg., R.S., Ch. 265, Sec. 23 (part).)

Sec. 1108.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility.

(Acts 67th Leg., R.S., Ch. 265, Sec. 23 (part).)

[Sections 1108.007-1108.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1108.051. BOARD ELECTION; TERM. (a) The board consists of nine directors elected by place.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code, directors serve staggered two-year terms with the terms of four or five directors expiring each year as appropriate. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(d) (part).)

Sec. 1108.052. NOTICE OF ELECTION. At least 30 days before the date of a directors' election, notice of the election must be published one time in a newspaper or newspapers that individually or collectively have general circulation in the district. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(e).)

Sec. 1108.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary a petition requesting that action. The petition must:

- (1) be signed by at least 10 voters in the district;
- (2) be filed by the deadline imposed by Section 144.005, Election Code; and
- (3) specify the place for which the person is to be a candidate. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(f).)

Sec. 1108.054. QUALIFICATIONS FOR OFFICE. (a) A person may not be elected or appointed as a director unless the person is:

- (1) at least 18 years of age;
- (2) a resident of the district; and

1 (3) a qualified voter.

2 (b) A person elected or appointed to fill Place 1 or 3 on the
3 board must also be a resident of the portion of Commissioners
4 Precinct 1 or 3, respectively, that lies within the district.

5 (c) A person is not eligible to serve as a director if the
6 person is:

7 (1) the district administrator; or

8 (2) a district employee. (Acts 67th Leg., R.S., Ch.
9 265, Sec. 5(h).)

10 Sec. 1108.055. BOARD VACANCY. If a vacancy occurs in the
11 office of director, the remaining directors shall fill the vacancy
12 for the unexpired term. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(g).)

13 Sec. 1108.056. OFFICERS. (a) The board shall elect:

14 (1) a president and a vice president from among its
15 members; and

16 (2) a secretary, who need not be a director.

17 (b) Each officer of the board serves a one-year term.

18 (c) The board shall fill a vacancy in a board office for the
19 unexpired term. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(i) (part).)

20 Sec. 1108.057. COMPENSATION; EXPENSES. A director or
21 officer serves without compensation but may be reimbursed for
22 actual expenses incurred in the performance of official duties.
23 The expenses must be:

24 (1) reported in the district's records; and

25 (2) approved by the board. (Acts 67th Leg., R.S., Ch.
26 265, Sec. 5(i) (part).)

27 Sec. 1108.058. QUORUM; VOTING REQUIREMENT. (a) Any four

1 directors constitute a quorum.

2 (b) A concurrence of four directors is sufficient in any
3 matter relating to district business. (Acts 67th Leg., R.S., Ch.
4 265, Sec. 5(i) (part).)

5 Sec. 1108.059. DISTRICT ADMINISTRATOR. (a) The board may
6 appoint a qualified person as district administrator.

7 (b) The district administrator serves at the will of the
8 board and is entitled to receive the compensation determined by the
9 board.

10 (c) Before assuming the duties of district administrator,
11 the administrator must execute a bond in the amount set by the board
12 of not less than \$5,000 that:

13 (1) is conditioned on the administrator performing the
14 administrator's required duties; and

15 (2) contains any other condition the board requires.
16 (Acts 67th Leg., R.S., Ch. 265, Sec. 6 (part).)

17 Sec. 1108.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
18 Subject to the limitations prescribed by the board, the district
19 administrator shall:

20 (1) supervise the work and activities of the district;
21 and

22 (2) direct the affairs of the district. (Acts 67th
23 Leg., R.S., Ch. 265, Sec. 6 (part).)

24 Sec. 1108.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.
25 (a) The board may appoint qualified persons as:

26 (1) the assistant district administrator; and

27 (2) the attorney for the district.

1 (b) The assistant district administrator and the attorney
2 serve at the will of the board and are entitled to receive the
3 compensation determined by the board. (Acts 67th Leg., R.S., Ch.
4 265, Sec. 6 (part).)

5 Sec. 1108.062. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
6 board may appoint to the staff any doctors the board considers
7 necessary for the efficient operation of the district and may make
8 temporary appointments as warranted.

9 (b) The district may employ fiscal agents, accountants,
10 architects, and additional attorneys as the board considers proper.

11 (c) The board may delegate to the district administrator the
12 authority to employ district employees, including technicians and
13 nurses. (Acts 67th Leg., R.S., Ch. 265, Secs. 6 (part), 19.)

14 Sec. 1108.063. RETIREMENT BENEFITS. The board may provide
15 retirement benefits for district employees by:

16 (1) establishing or administering a retirement
17 program; or

18 (2) participating in:

19 (A) the Texas County and District Retirement
20 System; or

21 (B) another statewide retirement system in which
22 the district is eligible to participate. (Acts 67th Leg., R.S., Ch.
23 265, Sec. 7.)

24 [Sections 1108.064-1108.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 1108.101. DISTRICT RESPONSIBILITY. The district has
27 full responsibility for operating all hospital facilities and for

1 providing medical and hospital care for the district's needy
2 inhabitants. (Acts 67th Leg., R.S., Ch. 265, Sec. 22 (part).)

3 Sec. 1108.102. MANAGEMENT, CONTROL, AND ADMINISTRATION.
4 The board shall manage, control, and administer the hospital system
5 and the district's money and resources. (Acts 67th Leg., R.S., Ch.
6 265, Sec. 6 (part).)

7 Sec. 1108.103. HOSPITAL SYSTEM; MOBILE EMERGENCY MEDICAL
8 SERVICES. (a) The district shall provide for:

9 (1) the establishment of a hospital system and the
10 provision of emergency medical services by:

11 (A) purchasing, constructing, acquiring,
12 repairing, or renovating buildings and equipment; and

13 (B) equipping the buildings; and

14 (2) the administration of the hospital system for
15 hospital purposes.

16 (b) The hospital system may include any facilities and
17 equipment the board considers necessary for hospital care. (Acts
18 67th Leg., R.S., Ch. 265, Secs. 3 (part), 12(a) (part).)

19 Sec. 1108.104. RULES. The board may adopt rules governing
20 the operation of the hospital, the hospital system, and the
21 district's staff and employees. (Acts 67th Leg., R.S., Ch. 265,
22 Sec. 6 (part).)

23 Sec. 1108.105. PURCHASING AND ACCOUNTING PROCEDURES. The
24 board may prescribe:

25 (1) the method and manner of making purchases and
26 expenditures by and for the district; and

27 (2) all accounting and control procedures. (Acts 67th

1 Leg., R.S., Ch. 265, Sec. 12(b) (part).)

2 Sec. 1108.106. DISTRICT PROPERTY, FACILITIES, AND
3 EQUIPMENT. (a) The board shall determine the type, number, and
4 location of buildings required to maintain an adequate hospital
5 system.

6 (b) The board may lease all or part of the district's
7 facilities on terms considered to be in the best interest of the
8 district's inhabitants.

9 (c) The district may acquire equipment for use in the
10 district's hospital system and mortgage or pledge the property as
11 security for the payment of the purchase price.

12 (d) The district may sell or otherwise dispose of any
13 property, including equipment, on terms the board finds are in the
14 best interest of the district's inhabitants. (Acts 67th Leg.,
15 R.S., Ch. 265, Secs. 12(a) (part), (b) (part).)

16 Sec. 1108.107. EMINENT DOMAIN. (a) The district may
17 exercise the power of eminent domain to acquire a fee simple or
18 other interest in any type of property located in district
19 territory if the interest is necessary or convenient to a power,
20 right, or privilege conferred by this chapter.

21 (b) The district must exercise the power of eminent domain
22 in the manner provided by Chapter 21, Property Code, except the
23 district is not required to deposit in the trial court money or a
24 bond as provided by Section 21.021(a), Property Code.

25 (c) In a condemnation proceeding brought by the district,
26 the district is not required to:

27 (1) pay in advance or provide a bond or other security

1 for costs in the trial court;

2 (2) provide a bond for the issuance of a temporary
3 restraining order or a temporary injunction; or

4 (3) provide a bond for costs or a supersedeas bond on
5 an appeal or petition for review. (Acts 67th Leg., R.S., Ch. 265,
6 Sec. 18(a).)

7 Sec. 1108.108. COST OF RELOCATING OR ALTERING PROPERTY. In
8 exercising the power of eminent domain, if the board requires
9 relocating, raising, lowering, rerouting, changing the grade, or
10 altering the construction of any railroad, electric transmission,
11 telegraph or telephone line, conduit, pole, or facility, or
12 pipeline, the district must bear the actual cost of relocating,
13 raising, lowering, rerouting, changing the grade, or altering the
14 construction to provide comparable replacement without enhancement
15 of facilities, after deducting the net salvage value derived from
16 the old facility. (Acts 67th Leg., R.S., Ch. 265, Sec. 18(b).)

17 Sec. 1108.109. GIFTS AND ENDOWMENTS. The board may accept
18 for the district a gift or endowment to be held in trust for the
19 purposes and under the directions, limitations, or other provisions
20 prescribed in writing by the donor that are consistent with the
21 proper management and objectives of the district. (Acts 67th Leg.,
22 R.S., Ch. 265, Sec. 21.)

23 Sec. 1108.110. CONSTRUCTION CONTRACTS. A construction
24 contract that involves the expenditure of more than \$10,000 may be
25 made only after advertising in the manner provided by Chapter 252
26 and Subchapter C, Chapter 262, Local Government Code. (Acts 67th
27 Leg., R.S., Ch. 265, Sec. 12(b) (part).)

1 Sec. 1108.111. OPERATING AND MANAGEMENT CONTRACTS. The
2 board may enter into an operating or management contract relating
3 to a district facility. (Acts 67th Leg., R.S., Ch. 265, Sec. 12(a)
4 (part).)

5 Sec. 1108.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
6 SERVICES. The board may contract with a political subdivision or
7 governmental agency for the district to provide mobile emergency
8 medical services and investigatory or other services as to
9 facilities for the medical care, hospital, or welfare needs of
10 district inhabitants. (Acts 67th Leg., R.S., Ch. 265, Sec. 6
11 (part).)

12 Sec. 1108.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)
13 When a patient who resides in the district is admitted to a district
14 facility, the district administrator may have an inquiry made into
15 the circumstances of:

16 (1) the patient; and

17 (2) the patient's relatives legally liable for the
18 patient's support.

19 (b) If the district administrator determines that the
20 patient or those relatives cannot pay for all or part of the care
21 and treatment in the hospital, the amount that cannot be paid
22 becomes a charge against the district.

23 (c) If the district administrator determines that the
24 patient or those relatives can pay for all or part of the costs of
25 the patient's care and treatment, the patient or those relatives
26 shall be ordered to pay the district a specified amount each week
27 for the patient's care and support. The amount ordered must be

1 proportionate to their financial ability.

2 (d) The district administrator may collect the amount from
3 the patient's estate, or from those relatives legally liable for
4 the patient's support, in the manner provided by law for the
5 collection of expenses of the last illness of a deceased person.

6 (e) If there is a dispute as to the ability to pay, or doubt
7 in the mind of the district administrator, the board shall:

8 (1) call witnesses;

9 (2) hear and resolve the dispute or doubt; and

10 (3) issue a final order.

11 (f) A final order of the board may be appealed to the
12 district court. The substantial evidence rule applies to the
13 appeal. (Acts 67th Leg., R.S., Ch. 265, Sec. 20.)

14 Sec. 1108.114. REIMBURSEMENT FOR SERVICES. (a) The board
15 shall require a county or municipality located outside the district
16 to reimburse the district for the care and treatment of a sick or
17 injured person of that county or municipality.

18 (b) The board shall require the sheriff of Trinity County to
19 reimburse the district for the care and treatment of a prisoner
20 imprisoned in Trinity County who is not a district resident.

21 (c) The district may contract with this state or a federal
22 agency for the reimbursement for the treatment of a sick or injured
23 person. (Acts 67th Leg., R.S., Ch. 265, Sec. 6 (part).)

24 Sec. 1108.115. AUTHORITY TO SUE AND BE SUED. The district,
25 through the board, may sue and be sued. (Acts 67th Leg., R.S., Ch.
26 265, Sec. 6 (part).)

27 [Sections 1108.116-1108.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1108.151. BUDGET. (a) The district administrator shall prepare an annual budget for approval by the board.

(b) The proposed budget must contain a complete financial statement of:

(1) the outstanding obligations of the district;

(2) the cash on hand to the credit of each district fund;

(3) the money received by the district from all sources during the previous year;

(4) the money available to the district from all sources during the ensuing year;

(5) the balances expected at the end of the year in which the budget is being prepared;

(6) the estimated revenue and balances available to cover the budget; and

(7) the estimated tax rate required. (Acts 67th Leg., R.S., Ch. 265, Sec. 8 (part).)

Sec. 1108.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a) The board shall hold a public hearing on the proposed annual budget.

(b) At least 10 days before the date of the hearing, notice of the hearing must be published one time in a newspaper with general circulation in the district.

(c) Any district resident is entitled to be present and participate at the hearing.

(d) At the conclusion of the hearing, the board shall act on the budget as proposed by the district administrator. The board may

1 make any changes in the proposed budget that the board judges to be
2 in the interests of the taxpayers and the law warrants. The budget
3 must be approved by the board. (Acts 67th Leg., R.S., Ch. 265, Sec.
4 8 (part).)

5 Sec. 1108.153. AMENDMENTS TO BUDGET. After the annual
6 budget is adopted, the budget may be amended as required by
7 circumstances. The board must approve all amendments. (Acts 67th
8 Leg., R.S., Ch. 265, Sec. 8 (part).)

9 Sec. 1108.154. RESTRICTION ON EXPENDITURES. Money may be
10 spent only for an expense included in the budget or an amendment to
11 the budget. (Acts 67th Leg., R.S., Ch. 265, Sec. 8 (part).)

12 Sec. 1108.155. FISCAL YEAR. (a) The district operates
13 according to a fiscal year established by the board.

14 (b) The fiscal year may not be changed:

15 (1) during a period that district revenue bonds are
16 outstanding; or

17 (2) more than once in any 24-month period. (Acts 67th
18 Leg., R.S., Ch. 265, Sec. 8 (part).)

19 Sec. 1108.156. ANNUAL AUDIT. The board annually shall have
20 an audit made of the district's financial condition. (Acts 67th
21 Leg., R.S., Ch. 265, Sec. 8 (part).)

22 Sec. 1108.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
23 RECORDS. The annual audit and other district records shall be open
24 to inspection at the district's principal office. (Acts 67th Leg.,
25 R.S., Ch. 265, Sec. 8 (part).)

26 Sec. 1108.158. FINANCIAL REPORT. As soon as practicable
27 after the close of each fiscal year, the district administrator

1 shall prepare for the board:

2 (1) a complete sworn statement of all district money;
3 and

4 (2) a complete account of the disbursements of that
5 money. (Acts 67th Leg., R.S., Ch. 265, Sec. 8 (part).)

6 Sec. 1108.159. DEPOSITORY. (a) The board shall select one
7 or more banks inside or outside the district to serve as a
8 depository for district money.

9 (b) District money, other than money invested as provided by
10 Section 1108.160(b) and money transmitted to a bank for payment of
11 bonds or obligations issued or assumed by the district, shall be
12 deposited as received with the depository bank and shall remain on
13 deposit.

14 (c) This chapter, including Subsection (b), does not limit
15 the power of the board to place a part of district money on time
16 deposit or to purchase certificates of deposit. (Acts 67th Leg.,
17 R.S., Ch. 265, Sec. 13(a).)

18 Sec. 1108.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)
19 Except as provided by Section 1108.106(c) and by Subchapter E, the
20 district may not incur an obligation payable from district revenue
21 other than the revenue on hand or to be on hand in the current and
22 following district fiscal years.

23 (b) The board may invest operating, depreciation, or
24 building reserves only in funds or securities specified by Chapter
25 2256, Government Code. (Acts 67th Leg., R.S., Ch. 265, Secs. 6
26 (part), 12(b) (part).)

27 [Sections 1108.161-1108.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 1108.201. GENERAL OBLIGATION BONDS. The board may issue and sell general obligation bonds in the name and on the faith and credit of the district for any purpose relating to:

(1) the purchase, construction, acquisition, repair, or renovation of buildings or improvements;

(2) equipping buildings or improvements for hospital purposes; and

(3) the acquisition and operation of mobile emergency medical services to assist the district in carrying out its hospital purposes. (Acts 67th Leg., R.S., Ch. 265, Sec. 9(a) (part).)

Sec. 1108.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At the time general obligation bonds are issued by the district, the board shall impose an ad valorem tax at a rate sufficient to create an interest and sinking fund to pay the principal of and interest on the bonds as the bonds mature.

(b) The tax required by this section together with any other ad valorem tax imposed for the district may not in any year exceed 75 cents on each \$100 valuation of all taxable property in the district subject to hospital district taxation. (Acts 67th Leg., R.S., Ch. 265, Sec. 9(a) (part).)

Sec. 1108.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds only if the bonds are authorized by a majority of the district voters.

(b) The board, in ordering a bond election, must provide for clerks as in county elections and must specify:

- 1 (1) the date of the election;
- 2 (2) the location of the polling places;
- 3 (3) the presiding and alternate election judges for
- 4 each polling place;
- 5 (4) the amount of the bonds to be authorized; and
- 6 (5) the maximum maturity of the bonds.

7 (c) Notice of a bond election shall be given as provided by

8 Section 1251.003, Government Code.

9 (d) Section 41.001(a), Election Code, does not apply to an

10 election held under this section.

11 (e) The board shall declare the results of the election.

12 (Acts 67th Leg., R.S., Ch. 265, Sec. 9(a) (part).)

13 Sec. 1108.204. REVENUE BONDS. (a) The board may issue

14 revenue bonds to:

- 15 (1) purchase, construct, acquire, repair, renovate,
- 16 or equip buildings or improvements for hospital purposes;
- 17 (2) acquire and operate mobile emergency medical
- 18 services to assist the district in carrying out its hospital
- 19 purposes; and
- 20 (3) acquire sites to be used for hospital purposes.

21 (b) The bonds must be payable from and secured by a pledge of

22 all or part of district revenue derived from the operation of the

23 district's hospitals.

24 (c) The bonds may be additionally secured by a mortgage or

25 deed of trust lien on all or part of district property.

26 (d) The bonds must be issued in the manner and in accordance

27 with the procedures and requirements prescribed by Sections

1 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health
2 and Safety Code, for issuance of revenue bonds by a county hospital
3 authority. (Acts 67th Leg., R.S., Ch. 265, Sec. 11 (part).)

4 Sec. 1108.205. REFUNDING BONDS. (a) The board may, without
5 an election, issue refunding bonds to refund outstanding
6 indebtedness issued or assumed by the district.

7 (b) A refunding bond may be:

8 (1) sold, with the proceeds of the refunding bond
9 applied to the payment of the outstanding indebtedness; or

10 (2) exchanged wholly or partly for not less than a
11 similar principal amount of outstanding indebtedness. (Acts 67th
12 Leg., R.S., Ch. 265, Secs. 9(a) (part), (b) (part), 11 (part).)

13 Sec. 1108.206. MATURITY OF BONDS. District bonds must
14 mature not later than 40 years after their date of issuance. (Acts
15 67th Leg., R.S., Ch. 265, Sec. 9(c) (part).)

16 Sec. 1108.207. EXECUTION OF BONDS. The board president
17 shall execute the district's bonds in the district's name, and the
18 board secretary shall countersign the bonds in the manner provided
19 by Chapter 618, Government Code. (Acts 67th Leg., R.S., Ch. 265,
20 Sec. 9(c) (part).)

21 Sec. 1108.208. BONDS EXEMPT FROM TAXATION. The following
22 are exempt from taxation by this state or a political subdivision of
23 this state:

- 24 (1) bonds issued by the district;
25 (2) the transfer and issuance of the bonds; and
26 (3) any profits made in the sale of the bonds. (Acts
27 67th Leg., R.S., Ch. 265, Sec. 24 (part).)

[Sections 1108.209-1108.250 reserved for expansion]

SUBCHAPTER F. TAXES

Sec. 1108.251. IMPOSITION OF AD VALOREM TAX. (a) The board may impose a tax on all property in the district subject to district taxation.

(b) The board shall impose the tax to pay:

(1) indebtedness issued or assumed by the district;
and

(2) district maintenance and operating expenses.

(c) The board may not impose a tax to pay the principal of or interest on revenue bonds issued under Section 1108.204. (Acts 67th Leg., R.S., Ch. 265, Secs. 14(a) (part), (c).)

Sec. 1108.252. TAX RATE. (a) The board may impose the tax at a rate not to exceed 75 cents on each \$100 valuation of taxable property in the district subject to district taxation.

(b) In setting the tax rate, the board shall consider the income of the district from sources other than taxation. (Acts 67th Leg., R.S., Ch. 265, Secs. 4(b) (part), 14(a) (part), (d) (part).)

Sec. 1108.253. TAX ASSESSOR-COLLECTOR. The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by Title 1, Tax Code. (Acts 67th Leg., R.S., Ch. 265, Sec. 16(b).)

CHAPTER 1111. WALKER COUNTY HOSPITAL DISTRICT

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1 Sec. 1111.252. TAX RATE

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5 TAX ASSESSOR-COLLECTOR

6 CHAPTER 1111. WALKER COUNTY HOSPITAL DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 1111.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of hospital managers of
10 the district.

11 (2) "District" means the Walker County Hospital
12 District of Walker County, Texas.

13 (3) "Manager" means a member of the board. (New.)

14 Sec. 1111.002. AUTHORITY FOR CREATION. The Walker County
15 Hospital District of Walker County, Texas, is created under the
16 authority of Section 9, Article IX, Texas Constitution. (Acts 62nd
17 Leg., R.S., Ch. 848, Sec. 1 (part).)

18 Sec. 1111.003. POLITICAL SUBDIVISION. The district is a
19 political subdivision of this state. (Acts 62nd Leg., R.S., Ch.
20 848, Sec. 14 (part).)

21 Sec. 1111.004. DISTRICT TERRITORY. The boundaries of the
22 district are coextensive with the boundaries of Walker County,
23 Texas. (Acts 62nd Leg., R.S., Ch. 848, Sec. 1 (part).)

24 Sec. 1111.005. CORRECTION OF INVALID PROCEDURES. If a
25 court holds that any procedure under this chapter violates the
26 constitution of this state or of the United States, the district by
27 resolution may provide an alternative procedure that conforms with

1 the constitution. (Acts 62nd Leg., R.S., Ch. 848, Sec. 16 (part).)

2 Sec. 1111.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE
3 OBLIGATION. The support and maintenance of the district's hospital
4 system may not become a charge against or obligation of this state.
5 (Acts 62nd Leg., R.S., Ch. 848, Sec. 6 (part).)

6 [Sections 1111.007-1111.050 reserved for expansion]

7 SUBCHAPTER B. DISTRICT ADMINISTRATION

8 Sec. 1111.051. BOARD ELECTION; TERM. (a) The board
9 consists of five elected managers.

10 (b) Unless four-year terms are established under Section
11 285.081, Health and Safety Code, managers serve staggered two-year
12 terms with the terms of two or three managers expiring each year as
13 appropriate. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(b) (part).)

14 Sec. 1111.052. NOTICE OF ELECTION. At least 10 days before
15 the date of a managers' election, notice of the election must be
16 published one time in a newspaper of general circulation in Walker
17 County. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(b) (part).)

18 Sec. 1111.053. REQUEST TO APPEAR ON BALLOT. A person who
19 wants to have the person's name printed on the ballot as a candidate
20 for manager must file a written request with the board secretary.
21 The request must be:

- 22 (1) signed by at least 20 district voters; and
23 (2) filed by the deadline imposed by Section 144.005,
24 Election Code. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(b) (part).)

25 Sec. 1111.054. QUALIFICATIONS FOR OFFICE. A person may not
26 serve as a manager unless the person is:

- 27 (1) a resident of the district; and

1 (2) at least 18 years of age. (Acts 62nd Leg., R.S.,
2 Ch. 848, Sec. 4(b) (part).)

3 Sec. 1111.055. BOND; RECORD OF BOND AND OATH. (a) Each
4 manager shall execute a good and sufficient bond for \$5,000 that is:

- 5 (1) approved by the board;
6 (2) payable to the district; and
7 (3) conditioned on the faithful performance of the
8 manager's duties.

9 (b) Each manager's bond and constitutional oath of office
10 must be kept in the district's permanent records. (Acts 62nd Leg.,
11 R.S., Ch. 848, Sec. 4(b) (part).)

12 Sec. 1111.056. OFFICERS. (a) The board shall select from
13 among the managers a presiding officer.

14 (b) A presiding officer pro tem shall preside in the absence
15 of the presiding officer.

16 (c) The district administrator or any manager may be
17 appointed secretary. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(e)
18 (part).)

19 Sec. 1111.057. OFFICE; MEETINGS. (a) The board:

20 (1) shall establish an office and meeting place in the
21 district;

22 (2) shall establish regular meetings to conduct
23 district business; and

24 (3) may hold special meetings at other times as
25 district business requires.

26 (b) Except as provided by this section, Chapter 551,
27 Government Code, applies to board meetings.

1 (c) If there is an emergency or urgent public necessity,
2 posting of notice of a board meeting is not required.

3 (d) Failure to post notice does not affect the validity of
4 an action taken at a regular board meeting. Failure to post notice
5 may affect the validity of an action taken at a special meeting
6 unless the board declares, by an action taken at the special
7 meeting, that an emergency exists.

8 (e) Any interested person may attend a board meeting. (Acts
9 62nd Leg., R.S., Ch. 848, Sec. 4(e) (part).)

10 Sec. 1111.058. RECORDS OF PROCEEDINGS. (a) The board shall
11 require the board secretary to keep suitable records of all
12 proceedings of each board meeting.

13 (b) After each meeting:

14 (1) the manager presiding at the meeting shall read
15 and sign the record; and

16 (2) the board secretary shall attest the record.
17 (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(e) (part).)

18 Sec. 1111.059. DISTRICT ADMINISTRATOR. (a) The board may
19 appoint a qualified person as district administrator.

20 (b) The district administrator serves at the will of the
21 board and receives the compensation determined by the board.

22 (c) Before assuming the duties of district administrator,
23 the administrator must execute a bond payable to the district in an
24 amount of not less than \$10,000 that:

25 (1) is conditioned on the administrator performing
26 well and faithfully the administrator's required duties; and

27 (2) contains any other condition the board requires.

1 (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

2 Sec. 1111.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.
3 Subject to any limitations prescribed by the board, the district
4 administrator shall:

5 (1) supervise the work and activities of the district;
6 and

7 (2) direct the affairs of the district. (Acts 62nd
8 Leg., R.S., Ch. 848, Sec. 4(c) (part).)

9 Sec. 1111.061. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The
10 board may:

11 (1) appoint to the staff any doctors and employ any
12 technicians, nurses, and other employees considered necessary for
13 the efficient operation of the district; and

14 (2) provide that the district administrator has the
15 authority to employ district employees, including technicians and
16 nurses.

17 (b) The district may employ fiscal agents, accountants,
18 architects, and attorneys the board considers proper. (Acts 62nd
19 Leg., R.S., Ch. 848, Secs. 4(c) (part), 8.)

20 Sec. 1111.062. RETIREMENT PROGRAM. The board may contract
21 with this state or the federal government as necessary to establish
22 or continue a retirement program for the benefit of district
23 employees. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

24 Sec. 1111.063. SEAL. The board shall have a seal engraved
25 with the district's name to authenticate the board's acts. The
26 board secretary shall keep the seal. (Acts 62nd Leg., R.S., Ch.
27 848, Sec. 4(e) (part).)

[Sections 1111.064-1111.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1111.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing hospital care for the district's needy inhabitants. (Acts 62nd Leg., R.S., Ch. 848, Sec. 2 (part).)

Sec. 1111.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision in Walker County, other than the district, may not impose a tax or issue bonds or other obligations for hospital purposes or to provide medical care in the district. (Acts 62nd Leg., R.S., Ch. 848, Sec. 2 (part).)

Sec. 1111.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

Sec. 1111.104. HOSPITAL SYSTEM. (a) The district shall provide for:

(1) the establishment of a hospital or hospital system in the district to furnish hospital care to district residents by:

(A) purchasing, constructing, acquiring, repairing, or renovating buildings and improvements; and

(B) equipping the buildings and improvements; and

(2) the administration of the hospital system for hospital purposes.

(b) The board shall determine the type, number, and location of buildings required to maintain an adequate hospital system.

(c) The hospital system may include:

1 (1) domiciliary hospital care of the sick or injured;
2 (2) outpatient clinics;
3 (3) dispensaries;
4 (4) geriatric domiciliary care;
5 (5) convalescent home facilities;
6 (6) necessary nurses;
7 (7) domiciliaries and training centers;
8 (8) blood banks;
9 (9) community health centers;
10 (10) research centers or laboratories; and
11 (11) any other facilities the board considers
12 necessary for hospital care. (Acts 62nd Leg., R.S., Ch. 848, Secs.
13 2 (part), 4(d) (part).)

14 Sec. 1111.105. RULES. The district through the board may
15 adopt rules for the operation of the district. (Acts 62nd Leg.,
16 R.S., Ch. 848, Sec. 4(c) (part).)

17 Sec. 1111.106. EMINENT DOMAIN. (a) The district may
18 exercise the power of eminent domain to acquire a fee simple or
19 other interest in any type of property, real, personal, or mixed,
20 located in district territory, if the interest is necessary or
21 convenient to exercise a right, power, privilege, or function
22 conferred on the district by this chapter.

23 (b) The district must exercise the power of eminent domain
24 in the manner provided by Chapter 21, Property Code, except the
25 district is not required to deposit in the trial court money or a
26 bond as provided by Section 21.021(a), Property Code.

27 (c) In a condemnation proceeding brought by the district,

1 the district is not required to:

2 (1) pay in advance or provide a bond or other security
3 for costs in the trial court;

4 (2) provide a bond for the issuance of a temporary
5 restraining order or a temporary injunction; or

6 (3) provide a bond for costs or a supersedeas bond on
7 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 848,
8 Sec. 10.)

9 Sec. 1111.107. GIFTS AND ENDOWMENTS. The board may accept
10 for the district a gift or endowment to be held in trust and
11 administered by the board for the purposes and under any
12 directions, limitations, or other provisions prescribed in writing
13 by the donor that are not inconsistent with the proper management
14 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 848,
15 Sec. 15.)

16 Sec. 1111.108. LEASES. (a) The district through the board
17 may lease all or part of the buildings and facilities comprising the
18 hospital system to any person on terms considered to be in the
19 district's best interest. The term of a lease may not exceed 40
20 years.

21 (b) When leasing a building or other facility, the board may
22 delegate as it considers appropriate the board's power to manage,
23 control, and administer the leased buildings and facilities to
24 furnish hospital care.

25 (c) If all or part of a district building or other facility
26 is leased, the board shall provide that the lessee charges
27 sufficient rates for services rendered or goods provided at the

1 leased premise that together with other sources of the lessee's
2 revenue produce an amount sufficient to enable the lessee to pay the
3 expenses of operating and maintaining the leased premise as the
4 lessee is required to pay under the lease. The rates also must
5 enable the lessee to pay lease rentals to the district that will be
6 sufficient, when taken with any other source of the district's
7 estimated revenue that are pledged for the same purpose, to:

8 (1) pay the interest on any revenue or special
9 obligation bonds that are payable wholly or partly from the lease
10 rentals;

11 (2) create and maintain a sinking fund to pay the
12 principal of and any premium on the bonds as they become due;

13 (3) create and maintain a bond reserve fund and any
14 other fund required by the bond resolution or trust indenture
15 authorizing the issuance of the bonds; and

16 (4) pay all other charges, fees, costs, and expenses
17 that the lessee is required to pay under the resolution or
18 indenture.

19 (d) The lease, management agreement, bond resolution, or
20 trust indenture may prescribe systems, methods, routines,
21 procedures, and policies for the operation of the buildings and
22 other facilities owned by the district. If all or part of the
23 district's buildings or other facilities are leased, the district
24 may delegate to the lessee the duty to establish the systems,
25 methods, routines, procedures, and policies for the operation of
26 the leased premise. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(d)
27 (part).)

1 Sec. 1111.109. OPERATING AND MANAGEMENT CONTRACTS. The
2 district through the board may:

3 (1) enter into an operating or management contract
4 with any person regarding any district hospital or any part of the
5 district hospital system; and

6 (2) delegate to the person the power to:

7 (A) manage and operate the hospital or hospital
8 system or a portion of the hospital or hospital system; and

9 (B) employ and discharge employees or appoint and
10 remove doctors from the staff. (Acts 62nd Leg., R.S., Ch. 848, Sec.
11 4(d) (part).)

12 Sec. 1111.110. CONTRACTS FOR CARE. The board may contract
13 with any lessee of the district's hospitals or any other person to
14 provide hospital care to needy district inhabitants for the
15 payments and terms and under the conditions the board considers to
16 be in the district's best interests. (Acts 62nd Leg., R.S., Ch.
17 848, Sec. 4(c) (part).)

18 Sec. 1111.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR
19 HOSPITALIZATION. (a) The board may contract with a county or
20 municipality located outside the district's boundaries for the
21 hospitalization of a sick or injured person of that county or
22 municipality.

23 (b) The board may contract with this state or a federal
24 agency for the hospitalization of a sick or injured person. (Acts
25 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

26 Sec. 1111.112. DISPOSITION OF PROPERTY. The district may
27 sell or otherwise dispose of any property, including equipment, on

terms the board finds are in the district's best interest. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(d) (part).)

Sec. 1111.113. AUTHORITY TO SUE AND BE SUED. As a governmental agency, the district, through the board, may sue and be sued in the district's own name in any court of this state. (Acts 62nd Leg., R.S., Ch. 848, Secs. 4(c) (part), 14 (part).)

[Sections 1111.114-1111.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1111.151. DEPOSITORY. (a) The board by resolution shall designate a bank in Walker County as the district's depository. A designated bank serves for two years and until a successor is designated.

(b) All district money shall be secured in the manner provided for securing county funds. (Acts 62nd Leg., R.S., Ch. 848, Sec. 9.)

[Sections 1111.152-1111.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 1111.201. GENERAL OBLIGATION BONDS. The board may issue and sell general obligation bonds in the name and on the faith and credit of the district for any purpose relating to the purchase, construction, acquisition, repair, or renovation of buildings or improvements and equipping buildings or improvements for hospital purposes. (Acts 62nd Leg., R.S., Ch. 848, Sec. 11(a) (part).)

Sec. 1111.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) An ad valorem tax shall be imposed at a rate sufficient to create an interest and sinking fund to pay the principal of and interest on general obligation bonds issued under Section 1111.201 as the bonds

1 mature.

2 (b) The tax required by this section together with any other
3 ad valorem tax imposed for the district may not in any year exceed
4 75 cents on each \$100 valuation of all taxable property in the
5 district. (Acts 62nd Leg., R.S., Ch. 848, Sec. 11(a) (part).)

6 Sec. 1111.203. GENERAL OBLIGATION BOND ELECTION. (a) The
7 district may issue general obligation bonds only if the bonds are
8 authorized by a majority of the district voters voting in an
9 election held for that purpose.

10 (b) The board may order a bond election on its own motion.

11 (c) The order calling the election must specify:

- 12 (1) the date of the election;
13 (2) the location of the polling places;
14 (3) the presiding election officers;
15 (4) each proposition to be voted on; and
16 (5) any other matter considered necessary or desirable
17 by the board.

18 (d) Notice of a bond election shall be given by publishing a
19 substantial copy of the order calling the election in a newspaper of
20 general circulation in the district once each week for two
21 consecutive weeks. The first publication must occur at least 14
22 days before the date of the election. (Acts 62nd Leg., R.S., Ch.
23 848, Secs. 5 (part), 11(a) (part).)

24 Sec. 1111.204. MATURITY OF GENERAL OBLIGATION BONDS.
25 District general obligation bonds must mature not later than 40
26 years after the date of issuance. (Acts 62nd Leg., R.S., Ch. 848,
27 Sec. 11(a) (part).)

1 Sec. 1111.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a)
2 The board's presiding officer shall execute the general obligation
3 bonds in the district's name.

4 (b) The board secretary shall countersign the bonds. (Acts
5 62nd Leg., R.S., Ch. 848, Sec. 11(a) (part).)

6 Sec. 1111.206. INVESTMENT OF GENERAL OBLIGATION BOND
7 PROCEEDS. Until general obligation bond proceeds are needed to
8 carry out the bond purpose, the proceeds may be:

9 (1) invested in direct obligations of the United
10 States; or

11 (2) placed on time deposit. (Acts 62nd Leg., R.S., Ch.
12 848, Sec. 11(a) (part).)

13 Sec. 1111.207. REVENUE AND SPECIAL OBLIGATION BONDS. (a)
14 The district may, without an election, issue revenue or special
15 obligation bonds as authorized by the laws of this state relating to
16 the issuance of revenue or special obligation bonds, including
17 Sections 264.042-264.049 and 284.031, Health and Safety Code.

18 (b) Bonds issued under this section may be payable from and
19 secured by revenue, encumbrances, and mortgages as authorized by
20 law. Any maintenance and operating expense of the hospital system
21 that is charged against the revenue of the system may include only
22 items set forth and defined in the proceedings authorizing the bond
23 issuance. (Acts 62nd Leg., R.S., Ch. 848, Sec. 11(b).)

24 [Sections 1111.208-1111.250 reserved for expansion]

25 SUBCHAPTER F. TAXES

26 Sec. 1111.251. IMPOSITION OF AD VALOREM TAX. (a) The board
27 shall impose a tax on all taxable property in the district subject

1 to district taxation.

2 (b) The tax shall be imposed for and may be pledged to:

3 (1) meet the requirements of district bonds and
4 indebtedness assumed by the district;

5 (2) provide for the district's maintenance and
6 operating expenses, including the costs or contract payments for
7 hospital care for needy district inhabitants;

8 (3) make improvements and additions to the district's
9 hospitals or hospital system; and

10 (4) acquire necessary sites for the hospitals or
11 hospital system by gift, purchase, lease, or condemnation. (Acts
12 62nd Leg., R.S., Ch. 848, Secs. 6 (part), 7 (part).)

13 Sec. 1111.252. TAX RATE. The board shall impose the tax at
14 a rate not to exceed 75 cents on each \$100 valuation of all taxable
15 property in the district. (Acts 62nd Leg., R.S., Ch. 848, Sec. 6
16 (part).)

17 Sec. 1111.253. ASSESSMENT AND COLLECTION BY COUNTY TAX
18 ASSESSOR-COLLECTOR. Unless the board elects to have taxes assessed
19 and collected by its own tax assessor-collector under Section
20 1111.254, the tax assessor-collector of Walker County shall assess
21 and collect taxes imposed by and for the district. (Acts 62nd Leg.,
22 R.S., Ch. 848, Secs. 7 (part), 7(a) (part).)

23 Sec. 1111.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX
24 ASSESSOR-COLLECTOR. (a) The board by majority vote may elect to
25 have district taxes assessed and collected by a tax
26 assessor-collector appointed by the board. An election under this
27 subsection must be made before December 1 and governs the manner in

which taxes are assessed and collected, until changed by the board.

(b) The district tax assessor-collector must:

(1) reside in the district; and

(2) own real property subject to district taxation.

(c) The board shall prescribe the district tax assessor-collector's term of employment and compensation. (Acts 62nd Leg., R.S., Ch. 848, Secs. 7 (part), 7(b) (part).)

SECTION 1.02. Subtitle E, Title 6, Special District Local Laws Code, is amended by adding Chapters 7806 and 7807 to read as follows:

CHAPTER 7806. NORTHWEST DALLAS COUNTY FLOOD CONTROL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7806.001. DEFINITIONS

Sec. 7806.002. NATURE OF DISTRICT; POLITICAL

SUBDIVISION

Sec. 7806.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 7806.004. DISTRICT TERRITORY

[Sections 7806.005-7806.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 7806.051. COMPOSITION OF BOARD

Sec. 7806.052. ELIGIBILITY

Sec. 7806.053. BOARD VACANCY

Sec. 7806.054. OFFICERS

Sec. 7806.055. COMPENSATION

Sec. 7806.056. MEETINGS

[Sections 7806.057-7806.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7806.101. LEVEE IMPROVEMENT DISTRICT POWERS

Sec. 7806.102. RECLAMATION AND DRAINAGE

Sec. 7806.103. ANNEXATION OR EXCLUSION OF LAND

Sec. 7806.104. COST OF RELOCATING OR ALTERING PROPERTY

Sec. 7806.105. DISTRICT ELECTIONS

[Sections 7806.106-7806.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7806.151. TAX METHOD

Sec. 7806.152. TAX ASSESSMENT AND COLLECTION

Sec. 7806.153. DEPOSITORY

Sec. 7806.154. INVESTMENT OF DISTRICT MONEY

Sec. 7806.155. EXPENDITURES

[Sections 7806.156-7806.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 7806.201. AUTHORITY TO ISSUE BONDS

Sec. 7806.202. ELECTION REQUIRED

CHAPTER 7806. NORTHWEST DALLAS COUNTY FLOOD CONTROL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7806.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a member of the board.

(3) "District" means the Northwest Dallas County Flood Control District. (Acts 69th Leg., R.S., Ch. 472, Sec. 2; New.)

Sec. 7806.002. NATURE OF DISTRICT; POLITICAL SUBDIVISION.

The district is:

(1) a conservation and reclamation district created

1 under Section 59, Article XVI, Texas Constitution; and

2 (2) a political subdivision of this state. (Acts 69th
3 Leg., R.S., Ch. 472, Sec. 1 (part).)

4 Sec. 7806.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
5 The district is created to serve a public use and benefit.

6 (b) All land and other property included in the district's
7 boundaries will benefit from the works and projects of the
8 district.

9 (c) The creation of the district will accomplish the
10 purposes of Section 59, Article XVI, Texas Constitution. (Acts
11 69th Leg., R.S., Ch. 472, Sec. 4 (part).)

12 Sec. 7806.004. DISTRICT TERRITORY. (a) The district is
13 composed of the territory described by Section 3, Chapter 472, Acts
14 of the 69th Legislature, Regular Session, 1985, as that territory
15 may have been modified under:

16 (1) Section 7806.103 of this chapter or its
17 predecessor statute, former Section 14, Chapter 472, Acts of the
18 69th Legislature, Regular Session, 1985;

19 (2) Subchapter J, Chapter 49, Water Code; or

20 (3) other law.

21 (b) The boundaries of the district form a closure. A
22 mistake in the description of the district's boundaries does not
23 affect:

24 (1) the district's organization, existence, or
25 validity; or

26 (2) the exercise of a power, function, or purpose
27 under this chapter. (Acts 69th Leg., R.S., Ch. 472, Sec. 4 (part);

1 New.)

2 [Sections 7806.005-7806.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT ADMINISTRATION

4 Sec. 7806.051. COMPOSITION OF BOARD. The district is
5 governed by a board of three elected directors. (Acts 69th Leg.,
6 R.S., Ch. 472, Secs. 9(a), (g) (part).)

7 Sec. 7806.052. ELIGIBILITY. To serve as a director, a
8 person must:

9 (1) own taxable property in the district; or

10 (2) be a resident of the district. (Acts 69th Leg.,
11 R.S., Ch. 472, Sec. 9(b).)

12 Sec. 7806.053. BOARD VACANCY. A vacancy on the board shall
13 be filled by the remaining directors for the unexpired term. (Acts
14 69th Leg., R.S., Ch. 472, Sec. 9(1).)

15 Sec. 7806.054. OFFICERS. (a) The board shall elect a
16 president, a vice president, and a secretary-treasurer at the first
17 board meeting after each directors' election.

18 (b) The secretary-treasurer:

19 (1) is the custodian of district records; and

20 (2) shall attest to all legal documents executed by
21 the district.

22 (c) The board may employ an assistant secretary to act in
23 the absence of the secretary. (Acts 69th Leg., R.S., Ch. 472, Sec.
24 9(n) (part).)

25 Sec. 7806.055. COMPENSATION. Unless the board by
26 resolution increases the fee to an amount authorized by Section
27 49.060, Water Code, each director is entitled to receive \$50 for

1 each day the director is actually engaged in duties for the
2 district, but not more than \$200 in any month. (Acts 69th Leg.,
3 R.S., Ch. 472, Sec. 9(i) (part); New.)

4 Sec. 7806.056. MEETINGS. (a) The board shall:

5 (1) establish a regular meeting time and place; and

6 (2) publish notice of the meeting time and place in a
7 newspaper with general circulation in the district.

8 (b) The board by order may change the meeting time and place
9 if the board gives notice as provided by this section. (Acts 69th
10 Leg., R.S., Ch. 472, Sec. 9(m).)

11 [Sections 7806.057-7806.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 7806.101. LEVEE IMPROVEMENT DISTRICT POWERS. The
14 district may exercise all of the rights, powers, privileges, and
15 functions conferred or imposed by the general law of this state
16 applicable to a levee improvement district created under Section
17 59, Article XVI, Texas Constitution, including those provided by
18 Chapters 49 and 57, Water Code. (Acts 69th Leg., R.S., Ch. 472,
19 Sec. 5(a) (part); New.)

20 Sec. 7806.102. RECLAMATION AND DRAINAGE. (a) The district
21 may purchase, acquire, construct, own, operate, maintain, repair,
22 rebuild, add to, and make improvements to any works, materials,
23 facilities, plants, equipment, and improvements necessary,
24 helpful, or incident to the reclamation of land in the district and
25 for the proper drainage of land in the district.

26 (b) To accomplish the purposes of Subsection (a), the
27 district may issue bonds and notes, enter into contracts, or incur

obligations in the manner provided by this chapter. (Acts 69th Leg., R.S., Ch. 472, Sec. 6.)

Sec. 7806.103. ANNEXATION OR EXCLUSION OF LAND. (a) The district may annex land to or may, before holding a bond election, exclude land from the district in accordance with Subchapter J, Chapter 49, or Subchapter H, Chapter 54, Water Code.

(b) The district is not required to hold an exclusion hearing unless the board determines the hearing should be held. (Acts 69th Leg., R.S., Ch. 472, Sec. 14; New.)

Sec. 7806.104. COST OF RELOCATING OR ALTERING PROPERTY. If the district's exercise of the powers granted under this chapter makes necessary the relocating, raising, rerouting, changing the grade of, or altering the construction of any highway, railroad, electric transmission or distribution line, pipeline, or telephone or telegraph properties or facilities, the district shall pay all of the actual cost of:

(1) the relocating, raising, rerouting, changing in grade, or altering of construction; and

(2) providing comparable replacement of facilities without enhancement, less the net salvage value of the facilities. (Acts 69th Leg., R.S., Ch. 472, Sec. 16.)

Sec. 7806.105. DISTRICT ELECTIONS. (a) Notice of an election must be published once a week for two consecutive weeks in a newspaper with general circulation in the district, with the first publication occurring at least 14 days before the date of the election.

(b) A bond or maintenance tax election may be held at the

1 same time. (Acts 69th Leg., R.S., Ch. 472, Secs. 10(a), (b)
2 (part).)

3 [Sections 7806.106-7806.150 reserved for expansion]

4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5 Sec. 7806.151. TAX METHOD. (a) The district shall use the
6 ad valorem plan of taxation.

7 (b) The board is not required to hold a hearing on the
8 adoption of a plan of taxation. (Acts 69th Leg., R.S., Ch. 472,
9 Sec. 8.)

10 Sec. 7806.152. TAX ASSESSMENT AND COLLECTION. The district
11 may:

12 (1) employ a tax collector; or

13 (2) contract with any qualified person to assess and
14 collect taxes for the district. (Acts 69th Leg., R.S., Ch. 472,
15 Secs. 9(o) (part), 13(b).)

16 Sec. 7806.153. DEPOSITORY. The board may select one or more
17 depositories. (Acts 69th Leg., R.S., Ch. 472, Sec. 9(o) (part).)

18 Sec. 7806.154. INVESTMENT OF DISTRICT MONEY. District
19 money may be invested by the board or the board's designee under
20 Subchapter E, Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch.
21 472, Sec. 9(p).)

22 Sec. 7806.155. EXPENDITURES. An expenditure of the
23 district must be made by check signed by two directors. (Acts 69th
24 Leg., R.S., Ch. 472, Sec. 9(q).)

25 [Sections 7806.156-7806.200 reserved for expansion]

26 SUBCHAPTER E. BONDS

27 Sec. 7806.201. AUTHORITY TO ISSUE BONDS. (a) The board may

1 issue bonds or notes of the district for any authorized purpose or
2 combination of purposes under Chapter 54, Water Code.

3 (b) Sections 49.181 and 49.182, Water Code, do not apply to
4 the district. (Acts 69th Leg., R.S., Ch. 472, Sec. 11(a).)

5 Sec. 7806.202. ELECTION REQUIRED. The district may not
6 issue bonds, except refunding bonds, secured wholly or partly by
7 the imposition of ad valorem taxes unless the issuance is
8 authorized by a majority of the district voters voting at an
9 election called for that purpose. (Acts 69th Leg., R.S., Ch. 472,
10 Sec. 11(b).)

11 CHAPTER 7807. VALWOOD IMPROVEMENT AUTHORITY OF DALLAS COUNTY, TEXAS

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 7807.001. DEFINITIONS

14 Sec. 7807.002. NATURE OF DISTRICT

15 Sec. 7807.003. DISSOLUTION AND ABOLITION OF DISTRICT

16 Sec. 7807.004. LIBERAL CONSTRUCTION OF CHAPTER

17 [Sections 7807.005-7807.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 7807.051. COMPOSITION OF BOARD; TERMS

20 Sec. 7807.052. QUALIFICATIONS FOR OFFICE

21 Sec. 7807.053. DIRECTOR'S BOND

22 Sec. 7807.054. BOARD VACANCY

23 Sec. 7807.055. OFFICERS AND ASSISTANTS

24 Sec. 7807.056. SECRETARY'S DUTIES

25 Sec. 7807.057. COMPENSATION

26 Sec. 7807.058. BOARD PROCEDURES

27 Sec. 7807.059. MEETING PLACE

[Sections 7807.060-7807.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7807.101. LEVEE IMPROVEMENT DISTRICT POWERS

Sec. 7807.102. EXCLUSION OR ANNEXATION OF LAND

Sec. 7807.103. EMINENT DOMAIN

Sec. 7807.104. COST OF RELOCATING OR ALTERING PROPERTY

Sec. 7807.105. CONTRACTS FOR FACILITIES AND

IMPROVEMENTS; ELECTION NOT REQUIRED

Sec. 7807.106. CONSTRUCTION CONTRACTS: MUNICIPAL

APPROVAL REQUIRED

Sec. 7807.107. CONSTRUCTION CONTRACTS: AWARD

Sec. 7807.108. CONSTRUCTION CONTRACTS: EXECUTION AND

AVAILABILITY

Sec. 7807.109. CONSTRUCTION CONTRACTS: PAYMENT

Sec. 7807.110. FLOOD HAZARD AREAS

Sec. 7807.111. SETBACK LINES

Sec. 7807.112. DISTRICT ELECTIONS

[Sections 7807.113-7807.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7807.151. TAX METHOD

Sec. 7807.152. TAX ASSESSOR AND COLLECTOR

Sec. 7807.153. DEPOSITORY

Sec. 7807.154. INVESTMENT OF DISTRICT MONEY

[Sections 7807.155-7807.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 7807.201. AUTHORITY TO ISSUE BONDS

Sec. 7807.202. FORM OF BONDS

1 Sec. 7807.203. MATURITY

2 Sec. 7807.204. ELECTION REQUIRED

3 Sec. 7807.205. USE OF BOND PROCEEDS

4 Sec. 7807.206. TAXES FOR BONDS

5 Sec. 7807.207. BOND ANTICIPATION NOTES AND PRELIMINARY

6 BONDS

7 Sec. 7807.208. REFUNDING BONDS

8 CHAPTER 7807. VALWOOD IMPROVEMENT AUTHORITY OF DALLAS COUNTY, TEXAS

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 7807.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the district's board of directors.

12 (2) "Director" means a member of the board.

13 (3) "District" means the Valwood Improvement
14 Authority of Dallas County, Texas. (Acts 64th Leg., R.S., Ch. 201,
15 Sec. 2; New.)

16 Sec. 7807.002. NATURE OF DISTRICT. The district is a
17 conservation and reclamation district established under Section
18 59, Article XVI, Texas Constitution. (Acts 64th Leg., R.S., Ch.
19 201, Sec. 1 (part).)

20 Sec. 7807.003. DISSOLUTION AND ABOLITION OF DISTRICT. The
21 Cities of Carrollton and Farmers Branch, and any other municipality
22 in which the district is located, may dissolve and abolish the
23 district at the municipalities' discretion on written notice of the
24 dissolution and abolition to the board, in the same manner and on
25 the same terms and obligations as prescribed by Section 43.076,
26 Local Government Code. (Acts 64th Leg., R.S., Ch. 201, Sec. 11.)

27 Sec. 7807.004. LIBERAL CONSTRUCTION OF CHAPTER. This

chapter shall be liberally construed to effect the purposes, powers, rights, and functions stated in this chapter. (Acts 71st Leg., R.S., Ch. 588, Sec. 4 (part).)

[Sections 7807.005-7807.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 7807.051. COMPOSITION OF BOARD; TERMS. (a) The board consists of seven directors.

(b) Directors serve staggered two-year terms and are appointed as follows:

(1) the Commissioners Court of Dallas County shall appoint one director to a term expiring each even-numbered year;

(2) the city council of the City of Carrollton shall appoint one director to a term expiring each even-numbered year and two directors to terms expiring each odd-numbered year; and

(3) the city council of the City of Farmers Branch shall appoint one director to a term expiring each even-numbered year and two directors to terms expiring each odd-numbered year. (Acts 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

Sec. 7807.052. QUALIFICATIONS FOR OFFICE. (a) A director must own land in the district subject to taxation at the time the person qualifies for office.

(b) Each director must be fully qualified to serve as director before taking office. (Acts 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

Sec. 7807.053. DIRECTOR'S BOND. (a) Each director shall qualify by giving bond in the amount of \$5,000 for the faithful performance of the director's duties.

1 (b) The bond must be:

2 (1) approved by the board; and

3 (2) recorded in the official bond records of the
4 county clerk of Dallas County.

5 (c) Each director shall file the bond as soon as practicable
6 after the director's appointment. (Acts 64th Leg., R.S., Ch. 201,
7 Sec. 3 (part).)

8 Sec. 7807.054. BOARD VACANCY. (a) Except as provided by
9 Subsection (b) or (c), a vacancy on the board shall be filled by
10 appointment to the unexpired term by the governing body that
11 appointed the director in whose position a vacancy exists.

12 (b) If under Subsection (a) the governing body does not fill
13 a vacancy within 60 days after the date the position became vacant,
14 the unexpired term of the position shall be filled by appointment by
15 the remaining directors. The Commissioners Court of Dallas County,
16 after consulting with the Cities of Carrollton and Farmers Branch,
17 shall appoint directors to fill all vacancies on the board when the
18 number of directors is fewer than four.

19 (c) If any director ceases to possess the qualifications
20 prescribed by Section 7807.052, the remaining directors shall
21 declare the person's office vacant and appoint a successor. (Acts
22 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

23 Sec. 7807.055. OFFICERS AND ASSISTANTS. (a) The board
24 shall annually elect a president, one or more vice presidents, a
25 secretary, and a treasurer.

26 (b) The board may appoint one or more assistant secretaries
27 and an assistant treasurer. An assistant secretary or assistant

1 treasurer is not required to be a director. (Acts 64th Leg., R.S.,
2 Ch. 201, Secs. 3 (part), 4 (part).)

3 Sec. 7807.056. SECRETARY'S DUTIES. The board secretary or
4 an assistant secretary shall keep the minutes of the board meetings
5 and all official records of the board and may certify to any action
6 the board takes. (Acts 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

7 Sec. 7807.057. COMPENSATION. Unless the board by
8 resolution increases the fee to an amount authorized by Section
9 49.060, Water Code, each director shall receive a per diem payment
10 of \$50, not to exceed a maximum payment of \$200 per month. (Acts
11 64th Leg., R.S., Ch. 201, Sec. 3 (part); New.)

12 Sec. 7807.058. BOARD PROCEDURES. The board shall designate
13 the proper execution of all contracts, signing of checks, or
14 handling of any other matters entered into by the board as shown in
15 the district's official minutes. (Acts 64th Leg., R.S., Ch. 201,
16 Sec. 3 (part).)

17 Sec. 7807.059. MEETING PLACE. (a) The board shall
18 designate a meeting place or places.

19 (b) Any meeting place of the district is a public place for
20 matters pertaining to the district's business.

21 (c) The board shall give notice of the meeting place and of
22 any changes in the meeting place by publishing the location in a
23 newspaper of general circulation in Dallas County. (Acts 64th
24 Leg., R.S., Ch. 201, Sec. 4 (part).)

25 [Sections 7807.060-7807.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Sec. 7807.101. LEVEE IMPROVEMENT DISTRICT POWERS. (a) The

1 district has all of the rights, powers, privileges, and functions
2 provided by the general law of this state applicable to a levee
3 improvement district created under the authority of Section 59,
4 Article XVI, Texas Constitution, including those conferred by
5 Chapters 49 and 57, Water Code.

6 (b) In the accomplishment of the district's purposes, the
7 district may issue bonds, enter into contracts, or incur debt in the
8 manner prescribed by this chapter. (Acts 64th Leg., R.S., Ch. 201,
9 Sec. 1 (part); New.)

10 Sec. 7807.102. EXCLUSION OR ANNEXATION OF LAND. (a) The
11 board may exclude land from the district or add land to the district
12 in accordance with Subchapter J, Chapter 49, or Subchapter H,
13 Chapter 54, Water Code.

14 (b) Land may not be added to the district until the board has
15 obtained the written consent of the Cities of Carrollton and
16 Farmers Branch to approve any petition for annexation. (Acts 64th
17 Leg., R.S., Ch. 201, Sec. 6.)

18 Sec. 7807.103. EMINENT DOMAIN. (a) The district may
19 exercise the power of eminent domain provided by Chapter 49, Water
20 Code.

21 (b) The district may not exercise the power of eminent
22 domain without first obtaining the approval of any municipality in
23 which the subject property is located. (Acts 64th Leg., R.S., Ch.
24 201, Sec. 10 (part).)

25 Sec. 7807.104. COST OF RELOCATING OR ALTERING PROPERTY.

26 (a) In this section, "sole expense" means the actual cost of
27 relocating, raising, lowering, rerouting, changing the grade of, or

1 altering the construction of a facility described by Subsection (b)
2 in providing comparable replacement without enhancement of the
3 facility, after deducting from that cost the net salvage value of
4 the old facility.

5 (b) If the district's exercise of its power of eminent
6 domain, police power, or any other power conferred by this chapter
7 makes necessary the relocation, raising, lowering, rerouting,
8 changing the grade, or alteration of the construction of a
9 railroad, an electric transmission, telegraph, or telephone line,
10 property, or facility, or a pipeline, the necessary action shall be
11 accomplished at the sole expense of the district. (Acts 64th Leg.,
12 R.S., Ch. 201, Sec. 10 (part).)

13 Sec. 7807.105. CONTRACTS FOR FACILITIES AND IMPROVEMENTS;
14 ELECTION NOT REQUIRED. (a) The district may enter into a contract
15 with the United States, the City of Carrollton, the City of Farmers
16 Branch, another public body, or an individual, corporation, or
17 other entity for the operation and maintenance of or construction
18 of any facility or improvement authorized by this chapter.

19 (b) The district is not required to hold an election to
20 approve a contract described by Subsection (a). (Acts 64th Leg.,
21 R.S., Ch. 201, Sec. 9(a) (part).)

22 Sec. 7807.106. CONSTRUCTION CONTRACTS: MUNICIPAL APPROVAL
23 REQUIRED. Plans and specifications for a construction contract
24 must be approved, before the contract is awarded, by any
25 municipality in which the improvements or facilities are to be
26 constructed. (Acts 64th Leg., R.S., Ch. 201, Sec. 9(a) (part).)

27 Sec. 7807.107. CONSTRUCTION CONTRACTS: AWARD. (a) The

1 board shall award all construction contracts.

2 (b) The board may award contracts to construct improvements
3 included in the approved plan of reclamation for the district at the
4 times and in the amounts that the board considers in the best
5 interest of the district. (Acts 64th Leg., R.S., Ch. 201, Sec. 9(b)
6 (part).)

7 Sec. 7807.108. CONSTRUCTION CONTRACTS: EXECUTION AND
8 AVAILABILITY. (a) A contract under Section 7807.107 must be in
9 writing and be signed by:

10 (1) the contractor; and

11 (2) the president and secretary of the board.

12 (b) A copy of each construction contract shall be kept in
13 the district's records and be subject to public inspection. (Acts
14 64th Leg., R.S., Ch. 201, Sec. 9(b) (part).)

15 Sec. 7807.109. CONSTRUCTION CONTRACTS: PAYMENT. (a) A
16 contract under Section 7807.107 may be paid for in partial payments
17 as the work progresses, based on estimates approved by the
18 district's engineer.

19 (b) The payments may not exceed 90 percent of the amount due
20 at the time of such payments as shown by approved estimates, except
21 that on certification by the district's engineer that the project
22 is substantially complete, the board may authorize payment of not
23 to exceed 95 percent of the amount due at the time of such
24 certification before the acceptance of the job and the certificate
25 of completion of the job. (Acts 64th Leg., R.S., Ch. 201, Sec. 9(b)
26 (part).)

27 Sec. 7807.110. FLOOD HAZARD AREAS. (a) The board shall

1 designate flood hazard areas in the district if the board finds that
2 the public health and safety and the purposes of Section 59, Article
3 XVI, Texas Constitution, will be promoted by the designation.

4 (b) The area to be included in a flood hazard area shall be
5 described by field notes, map, or both.

6 (c) Before designating a flood hazard area, the board shall
7 hold a public hearing. The board must publish notice of the hearing
8 in a newspaper having general circulation in Dallas County at least
9 15 days before the hearing. Any interested person is entitled to an
10 opportunity to be heard.

11 (d) The board may, following notice and a hearing as
12 required by Subsection (c), amend the designated flood hazard areas
13 as necessary. (Acts 64th Leg., R.S., Ch. 201, Sec. 13.)

14 Sec. 7807.111. SETBACK LINES. (a) The board shall
15 establish building setback lines along any waterway in the
16 boundaries of the district if the board finds the setback lines are
17 needed to protect the public health and safety and to accomplish the
18 purposes of Section 59, Article XVI, Texas Constitution.

19 (b) After the establishment of building setback lines, no
20 structure may be erected within the setback lines. In any
21 subsequent eminent domain proceeding instituted by the district to
22 acquire the area within the setback lines, it shall constitute
23 prima facie showing that the person erecting the structure did so at
24 the person's own risk with knowledge of:

25 (1) the fact that erecting the structure interfered
26 with the district's setback provisions; and

27 (2) the district's right to remove the structure

1 erected after the establishment of the setback lines without
2 payment of the value of the structure.

3 (c) The area included within the building setback lines
4 shall be described by field notes, map or plat, or both. A
5 certified copy of the description shall be filed for record
6 immediately with the county clerk of Dallas County.

7 (d) Before establishing building setback lines, the board
8 shall hold a public hearing. The board must:

9 (1) publish notice of the hearing in a newspaper
10 having general circulation in Dallas County at least 15 days before
11 the hearing; and

12 (2) mail notice of the hearing to the latest available
13 address for each landowner affected by the proposed setback lines.

14 (e) After establishing building setback lines, the board
15 may, following notice and a hearing as required by Subsection (d),
16 amend or grant exceptions to the setback lines. (Acts 64th Leg.,
17 R.S., Ch. 201, Sec. 12.)

18 Sec. 7807.112. DISTRICT ELECTIONS. (a) The board shall
19 order each election the district is required to hold.

20 (b) Notice of a district election must be published once a
21 week for two consecutive weeks in a newspaper with general
22 circulation in Dallas County, with the first publication occurring
23 at least 14 days before the date of the election.

24 (c) A district election may be held separately or at the
25 same time as an election for another purpose, including a
26 maintenance tax election that may be held on the same day as a bond
27 election. An election held at the same time as an election for

1 another purpose may be ordered by the board in a single election
2 order, and the results may be canvassed in a single order. (Acts
3 64th Leg., R.S., Ch. 201, Sec. 5 (part).)

4 [Sections 7807.113-7807.150 reserved for expansion]

5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6 Sec. 7807.151. TAX METHOD. (a) The district shall use the
7 ad valorem plan of taxation.

8 (b) Subchapter G, Chapter 54, Water Code, applies to all
9 matters relating to the imposition of district taxes. (Acts 64th
10 Leg., R.S., Ch. 201, Sec. 8 (part).)

11 Sec. 7807.152. TAX ASSESSOR AND COLLECTOR. (a) The board
12 shall appoint a tax assessor and collector and may appoint deputies
13 that the board considers necessary.

14 (b) The tax assessor and collector and each deputy shall
15 qualify by executing a bond for \$10,000 conditioned on the faithful
16 performance of the person's duties. The bond must be payable to the
17 district and approved by the board.

18 (c) The board shall set the compensation of the tax assessor
19 and collector and any deputies. (Acts 64th Leg., R.S., Ch. 201,
20 Sec. 4 (part).)

21 Sec. 7807.153. DEPOSITORY. (a) The district's treasurer
22 shall see that all district money is deposited in the depository
23 bank or banks designated by the board as the official depository of
24 the district.

25 (b) To the extent that money in the depository bank is not
26 insured by the Federal Deposit Insurance Corporation, the money
27 must be secured in the manner provided by law for the security of

1 county funds. (Acts 64th Leg., R.S., Ch. 201, Sec. 4 (part).)

2 Sec. 7807.154. INVESTMENT OF DISTRICT MONEY. District
3 money may be invested by the board, the treasurer, or another
4 qualified representative of the district in direct or indirect
5 obligations of the United States, the state, or any political
6 subdivision of the state, or may be placed in certificates of
7 deposit of state or national banks or savings and loan associations
8 in this state, if that money is secured in the manner provided for
9 the security of county funds. (Acts 64th Leg., R.S., Ch. 201, Sec.
10 4 (part).)

11 [Sections 7807.155-7807.200 reserved for expansion]

12 SUBCHAPTER E. BONDS

13 Sec. 7807.201. AUTHORITY TO ISSUE BONDS. The board may
14 issue district tax bonds to acquire money to carry out any power or
15 accomplish any purpose conferred by this chapter. The bonds may be
16 authorized by a board order. (Acts 64th Leg., R.S., Ch. 201, Secs.
17 7(a) (part), (b) (part).)

18 Sec. 7807.202. FORM OF BONDS. District bonds shall be
19 signed and executed as provided by the board in the order
20 authorizing the issuance of the bonds. (Acts 64th Leg., R.S., Ch.
21 201, Sec. 7(a) (part).)

22 Sec. 7807.203. MATURITY. District bonds must mature not
23 later than 40 years after their date of issuance. (Acts 64th Leg.,
24 R.S., Ch. 201, Sec. 7(a) (part).)

25 Sec. 7807.204. ELECTION REQUIRED. (a) Bonds, other than
26 refunding bonds, may not be issued unless authorized by a majority
27 of the votes cast in an election held to determine whether the bonds

1 should be issued and whether a tax should be imposed to pay the
2 principal of and interest on the bonds.

3 (b) The board may order and provide notice of an election
4 under this section.

5 (c) In addition to other requirements, the ballot shall be
6 printed to provide for voting for or against the proposition: "The
7 issuance of bonds and the imposition of a tax in payment thereof."
8 (Acts 64th Leg., R.S., Ch. 201, Sec. 7(b) (part).)

9 Sec. 7807.205. USE OF BOND PROCEEDS. (a) The board may set
10 aside part of the bond proceeds to:

11 (1) pay interest on the bonds and administrative and
12 operational expenses expected to accrue during the period of
13 construction of the improvements or facilities; and

14 (2) create reserves for the payment of the principal
15 of and interest on the bonds.

16 (b) For purposes of Subsection (a), the period of
17 construction may not exceed two years. (Acts 64th Leg., R.S., Ch.
18 201, Sec. 7(c) (part).)

19 Sec. 7807.206. TAXES FOR BONDS. The board of directors may
20 impose continuing direct annual ad valorem taxes on all taxable
21 property in the district sufficient to:

22 (1) provide for the payment of interest on bonds
23 issued under this subchapter as the interest accrues; and

24 (2) create and provide a sinking fund for the payment
25 of principal of the bonds as the principal matures. (Acts 64th
26 Leg., R.S., Ch. 201, Sec. 7(a) (part).)

27 Sec. 7807.207. BOND ANTICIPATION NOTES AND PRELIMINARY

1 BONDS. (a) The district may issue either bond anticipation notes
2 or preliminary bonds, which need not be designated as such, to
3 provide a fund to pay:

4 (1) the cost of making surveys and investigations,
5 attorneys' fees, and engineers' work;

6 (2) the cost of issuing bonds; and

7 (3) all other costs and expenses incident to the
8 organization of the district and the district's operation in
9 investigating and determining plans for the district's plant and
10 improvements.

11 (b) Preliminary bonds shall be voted and authorized in the
12 manner and under the same provisions applicable to the district's
13 construction bonds and shall be of equal dignity with those
14 construction bonds.

15 (c) The district may issue bond anticipation notes as
16 provided by Section 49.154(c), Water Code. These notes shall be
17 sold on the best terms and for the best price possible. (Acts 64th
18 Leg., R.S., Ch. 201, Secs. 7(d) (part), (e) (part).)

19 Sec. 7807.208. REFUNDING BONDS. (a) The board may issue
20 refunding bonds to refund or refinance all or part of the district's
21 outstanding bonds and matured but unpaid interest coupons.

22 (b) District refunding bonds must mature not later than 40
23 years after their date of issuance. (Acts 64th Leg., R.S., Ch. 201,
24 Sec. 7(g) (part).)

25 SECTION 1.03. Subtitle H, Title 6, Special District Local
26 Laws Code, is amended by adding Chapters 8833, 8835, 8838, 8839,
27 8841, 8843, 8845, 8851, 8854, and 8857 to read as follows:

CHAPTER 8833. GUADALUPE COUNTY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8833.001. DEFINITIONS

Sec. 8833.002. NATURE OF DISTRICT

Sec. 8833.003. FINDINGS OF PUBLIC USE AND BENEFIT

Sec. 8833.004. DISTRICT TERRITORY

[Sections 8833.005-8833.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8833.051. COMPOSITION OF BOARD; SINGLE-MEMBER

DISTRICTS; TERMS

Sec. 8833.052. ELECTION DATE

Sec. 8833.053. QUALIFICATIONS FOR ELECTION

[Sections 8833.054-8833.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8833.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8833.102. LIMITATIONS ON DISTRICT POWERS

CHAPTER 8833. GUADALUPE COUNTY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8833.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Guadalupe County Groundwater Conservation District. (Acts 75th Leg., R.S., Ch. 1066, Sec. 2; New.)

Sec. 8833.002. NATURE OF DISTRICT. The district is a groundwater conservation district in Guadalupe County created

1 under and essential to accomplish the purposes of Section 59,
2 Article XVI, Texas Constitution. (Acts 75th Leg., R.S., Ch. 1066,
3 Secs. 1(a) (part), (b).)

4 Sec. 8833.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The
5 district is created to serve a public use and benefit.

6 (b) All land and other property included in the district
7 will benefit from the works and projects accomplished by the
8 district under the powers conferred by Section 59, Article XVI,
9 Texas Constitution. (Acts 75th Leg., R.S., Ch. 1066, Sec. 4.)

10 Sec. 8833.004. DISTRICT TERRITORY. The district is
11 composed of the territory described by Section 3, Chapter 1066,
12 Acts of the 75th Legislature, Regular Session, 1997, as that
13 territory may have been modified under:

14 (1) Subchapter J, Chapter 36, Water Code; or

15 (2) other law. (New.)

16 [Sections 8833.005-8833.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Sec. 8833.051. COMPOSITION OF BOARD; SINGLE-MEMBER
19 DISTRICTS; TERMS. (a) The district is governed by a board of seven
20 directors elected from single-member districts determined by the
21 Guadalupe County Commissioners Court.

22 (b) Section 36.059(b), Water Code, does not apply to the
23 district.

24 (c) Directors serve staggered four-year terms. (Acts 75th
25 Leg., R.S., Ch. 1066, Secs. 6(a), (d), (i).)

26 Sec. 8833.052. ELECTION DATE. On the uniform election date
27 in November of each odd-numbered year, the district shall hold an

election in the district to elect the appropriate number of directors. (Acts 75th Leg., R.S., Ch. 1066, Sec. 9.)

Sec. 8833.053. QUALIFICATIONS FOR ELECTION. To be qualified to be elected as a director, a person must be a registered voter in the single-member district that the person would represent. (Acts 75th Leg., R.S., Ch. 1066, Sec. 6(h).)

[Sections 8833.054-8833.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8833.101. GROUNDWATER CONSERVATION DISTRICT POWERS AND DUTIES. Except as provided by Section 8833.102, the district has the rights, powers, privileges, functions, and duties provided by the general law of this state, including Chapters 36 and 49, Water Code, applicable to groundwater conservation districts created under Section 59, Article XVI, Texas Constitution. (Acts 75th Leg., R.S., Ch. 1066, Sec. 5(a) (part).)

Sec. 8833.102. LIMITATIONS ON DISTRICT POWERS. The district may not impose:

- (1) a tax; or
- (2) a fee on a well used exclusively for domestic or livestock watering purposes. (Acts 75th Leg., R.S., Ch. 1066, Sec. 5(c).)

CHAPTER 8835. BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8835.001. DEFINITIONS

Sec. 8835.002. NATURE OF DISTRICT

Sec. 8835.003. FINDINGS OF PUBLIC USE AND BENEFIT

Sec. 8835.004. DISTRICT TERRITORY

[Sections 8835.005-8835.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8835.051. COMPOSITION OF BOARD; TERMS

Sec. 8835.052. APPOINTMENT OF DIRECTORS

Sec. 8835.053. BOARD VACANCY

Sec. 8835.054. COMPENSATION; EXPENSES

Sec. 8835.055. VOTE REQUIRED FOR BOARD ACTION

[Sections 8835.056-8835.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8835.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8835.102. GROUNDWATER WELLS UNDER JURISDICTION OF

RAILROAD COMMISSION

Sec. 8835.103. LIMITATION ON POWER OF EMINENT DOMAIN

[Sections 8835.104-8835.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8835.151. FEES

Sec. 8835.152. AUTHORITY TO ISSUE BONDS AND NOTES

Sec. 8835.153. LIMITATION ON AUTHORITY TO IMPOSE TAXES

CHAPTER 8835. BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8835.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Brazos Valley Groundwater Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3; Acts 77th Leg., R.S., Ch. 966, Sec. 3.1302; Acts 77th Leg., R.S.,

1 Ch. 1307, Sec. 2.02; New.)

2 Sec. 8835.002. NATURE OF DISTRICT. The district is a
3 groundwater conservation district created under and essential to
4 accomplish the purposes of Section 59, Article XVI, Texas
5 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),
6 (c).)

7 Sec. 8835.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The
8 district is created to serve a public use and benefit.

9 (b) All land and other property included in the district
10 will benefit from the works and projects accomplished by the
11 district under the powers conferred by Section 59, Article XVI,
12 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

13 Sec. 8835.004. DISTRICT TERRITORY. The district's
14 boundaries are coextensive with the boundaries of Robertson and
15 Brazos Counties unless the district's territory has been modified
16 under:

17 (1) Subchapter J, Chapter 36, Water Code; or

18 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.
19 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.1303; Acts 77th
20 Leg., R.S., Ch. 1307, Sec. 2.03; New.)

21 [Sections 8835.005-8835.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 8835.051. COMPOSITION OF BOARD; TERMS. (a) The
24 district is governed by a board of eight directors.

25 (b) Directors serve staggered four-year terms.

26 (c) A director may serve consecutive terms. (Acts 77th Leg.,
27 R.S., Ch. 966, Secs. 3.1309(a), (c), (f); Acts 77th Leg., R.S., Ch.

1307, Secs. 2.10(a), (c), (f).)

Sec. 8835.052. APPOINTMENT OF DIRECTORS. (a) The Robertson County Commissioners Court shall appoint four directors, of whom:

(1) one must represent municipal interests in the county;

(2) one must be a bona fide agricultural producer who derives a substantial portion of the producer's income from agriculture in the county;

(3) one must be a director or employee of a rural water supply corporation in the county; and

(4) one must represent active industrial interests in the county.

(b) The Brazos County Commissioners Court shall appoint two directors, of whom:

(1) one must be a bona fide agricultural producer who derives a substantial portion of the producer's income from agriculture in the county; and

(2) one must be a director or employee of a rural water supply corporation in the county.

(c) The governing body of the City of Bryan, with the approval of the Brazos County Commissioners Court, shall appoint one director.

(d) The governing body of the City of College Station, with the approval of the Brazos County Commissioners Court, shall appoint one director.

(e) Every two years after January 1 of the second year

1 following the district's confirmation, the appropriate governing
2 body shall appoint the appropriate number of directors. (Acts 77th
3 Leg., R.S., Ch. 966, Secs. 3.1310(c), (d), (f) (part); Acts 77th
4 Leg., R.S., Ch. 1307, Secs. 2.11(a), (b), (c), (d), (f) (part).)

5 Sec. 8835.053. BOARD VACANCY. If there is a vacancy on the
6 board, the governing body of the entity that appointed the director
7 who vacated the office shall appoint a director to serve the
8 remainder of the term. (Acts 77th Leg., R.S., Ch. 966, Sec.
9 3.1309(g); Acts 77th Leg., R.S., Ch. 1307, Sec. 2.10(g).)

10 Sec. 8835.054. COMPENSATION; EXPENSES. (a) A director is
11 not entitled to receive compensation for serving as a director.

12 (b) A director may be reimbursed for actual, reasonable
13 expenses incurred in discharging official duties. (Acts 77th Leg.,
14 R.S., Ch. 966, Sec. 3.1309(h); Acts 77th Leg., R.S., Ch. 1307, Sec.
15 2.10(h).)

16 Sec. 8835.055. VOTE REQUIRED FOR BOARD ACTION. A majority
17 vote of a quorum of the board is required for board action. If there
18 is a tie vote, the proposed action fails. (Acts 77th Leg., R.S.,
19 Ch. 966, Sec. 3.1309(i); Acts 77th Leg., R.S., Ch. 1307, Sec.
20 2.10(i).)

21 [Sections 8835.056-8835.100 reserved for expansion]

22 SUBCHAPTER C. POWERS AND DUTIES

23 Sec. 8835.101. GROUNDWATER CONSERVATION DISTRICT POWERS
24 AND DUTIES. Except as provided by this chapter, the district has
25 the rights, powers, privileges, functions, and duties provided by
26 the general law of this state, including Chapter 36, Water Code,
27 applicable to groundwater conservation districts created under

1 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,
2 R.S., Ch. 966, Sec. 3.1304(a) (part); Acts 77th Leg., R.S., Ch.
3 1307, Sec. 2.04(a) (part).)

4 Sec. 8835.102. GROUNDWATER WELLS UNDER JURISDICTION OF
5 RAILROAD COMMISSION. (a) In this section, "railroad commission"
6 means the Railroad Commission of Texas.

7 (b) A groundwater well drilled or operated in the district
8 under a permit issued by the railroad commission is under the
9 exclusive jurisdiction of the railroad commission and is exempt
10 from regulation by the district.

11 (c) Groundwater produced in an amount authorized by a
12 railroad commission permit may be used in or exported from the
13 district without a permit from the district.

14 (d) To the extent groundwater production exceeds railroad
15 commission authorization, the holder of the railroad commission
16 permit:

17 (1) must apply to the district for the appropriate
18 permit for the excess production; and

19 (2) is subject to the applicable regulatory fees.

20 (e) Groundwater produced from a well under the jurisdiction
21 of the railroad commission is generally exempt from water district
22 fees. However, the district may impose either a pumping fee or an
23 export fee on groundwater produced from an otherwise exempt mine
24 well that is used for municipal purposes or by a public utility. A
25 fee imposed by the district under this subsection may not exceed the
26 fee imposed on other groundwater producers in the district. (Acts
27 77th Leg., R.S., Ch. 966, Sec. 3.1307; Acts 77th Leg., R.S., Ch.

1 1307, Sec. 2.07; New.)

2 Sec. 8835.103. LIMITATION ON POWER OF EMINENT DOMAIN. The
3 district does not have the power of eminent domain granted by
4 Section 36.105, Water Code. (Acts 77th Leg., R.S., Ch. 966, Sec.
5 3.1304(b) (part); Acts 77th Leg., R.S., Ch. 1307, Sec. 2.04(b)
6 (part).)

7 [Sections 8835.104-8835.150 reserved for expansion]

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 8835.151. FEES. (a) The board by rule may impose a
10 reasonable fee on each well that is not exempt from regulation by
11 the district and for which a permit is issued by the district. The
12 fee may be based on:

- 13 (1) the size of column pipe used by the well; or
14 (2) the actual, authorized, or anticipated amount of
15 water to be withdrawn from the well.

16 (b) The board shall base the amount of the initial fee on the
17 amount of water to be withdrawn from the well. The initial fee:

- 18 (1) may not exceed:
19 (A) \$0.25 for each acre-foot for water used to
20 irrigate agricultural crops or operate existing steam electric
21 stations; or
22 (B) \$0.0425 for each thousand gallons for water
23 used for any other purpose; and

24 (2) may be increased at a cumulative rate not to exceed
25 three percent for each year.

26 (c) In addition to the fee authorized under Subsection (b),
27 the district may impose a reasonable fee or surcharge for an export

1 fee using one of the following methods:

2 (1) a fee negotiated between the district and the
3 transporter; or

4 (2) a combined production and export fee not to exceed
5 17 cents for each thousand gallons for water used.

6 (d) Fees authorized by this section may be:

7 (1) assessed annually; and

8 (2) used to pay the cost of operating the district.

9 (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1306; Acts 77th Leg., R.S.,
10 Ch. 1307, Sec. 2.06.)

11 Sec. 8835.152. AUTHORITY TO ISSUE BONDS AND NOTES. The
12 district may issue bonds and notes under Subchapter F, Chapter 36,
13 Water Code, not to exceed \$500,000 of total indebtedness at any
14 time. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1305; Acts 77th Leg.,
15 R.S., Ch. 1307, Sec. 2.05.)

16 Sec. 8835.153. LIMITATION ON AUTHORITY TO IMPOSE TAXES.
17 The district does not have the authority relating to taxes that is
18 granted by Sections 36.020 and 36.201-36.204, Water Code. (Acts
19 77th Leg., R.S., Ch. 966, Sec. 3.1304(b) (part); Acts 77th Leg.,
20 R.S., Ch. 1307, Sec. 2.04(b) (part).)

21 CHAPTER 8838. COW CREEK GROUNDWATER CONSERVATION DISTRICT

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 8838.001. DEFINITIONS

24 Sec. 8838.002. NATURE OF DISTRICT

25 Sec. 8838.003. FINDINGS OF PUBLIC USE AND BENEFIT

26 Sec. 8838.004. DISTRICT TERRITORY

27 Sec. 8838.005. CONFLICTS WITH OTHER LAW

[Sections 8838.006-8838.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8838.051. COMPOSITION OF BOARD; TERMS

Sec. 8838.052. ELECTION OF DIRECTORS

Sec. 8838.053. ELECTION DATE

Sec. 8838.054. ELIGIBILITY

Sec. 8838.055. BOARD VACANCY

[Sections 8838.056-8838.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8838.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8838.102. PROGRAMS TO PRESERVE AND PROTECT

GROUNDWATER RESOURCES

Sec. 8838.103. CONTRACTS WITH OTHER GOVERNMENTAL

BODIES

Sec. 8838.104. WELL PERMITS; AUTHORIZATION OF EXEMPT

WELLS

Sec. 8838.105. BEST MANAGEMENT PRACTICES FOR WATER

RESOURCE MANAGEMENT

Sec. 8838.106. LIMITATIONS ON DISTRICT POWERS

[Sections 8838.107-8838.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8838.151. FEES

Sec. 8838.152. AD VALOREM TAX EXEMPTION FOR PROPERTY

ON WHICH WATER CONSERVATION

INITIATIVE HAS BEEN IMPLEMENTED

Sec. 8838.153. LIMITATION ON TAXES

CHAPTER 8838. COW CREEK GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8838.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Cow Creek Groundwater Conservation District.

(4) "Well" means an excavation drilled or dug into the ground that may intercept or penetrate a water-bearing stratum or formation. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3; Acts 77th Leg., R.S., Ch. 966, Secs. 3.0102(1), (3); Acts 77th Leg., R.S., Ch. 1349, Sec. 2(1); New.)

Sec. 8838.002. NATURE OF DISTRICT. The district is a groundwater conservation district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part), (c).)

Sec. 8838.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the works and projects accomplished by the district under the powers conferred by Section 59, Article XVI, Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

Sec. 8838.004. DISTRICT TERRITORY. The district's boundaries are coextensive with the boundaries of Kendall County unless the district's territory has been modified under:

(1) Subchapter J, Chapter 36, Water Code; or

1 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.
2 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.0103; Acts 77th
3 Leg., R.S., Ch. 1349, Sec. 3; New.)

4 Sec. 8838.005. CONFLICTS WITH OTHER LAW. The following
5 provisions prevail over a conflicting or inconsistent provision of
6 this chapter:

7 (1) Sections 36.1071-36.108, Water Code;

8 (2) Sections 36.159-36.161, Water Code; and

9 (3) Subchapter I, Chapter 36, Water Code. (Acts 77th
10 Leg., R.S., Ch. 1349, Sec. 4(b).)

11 [Sections 8838.006-8838.050 reserved for expansion]

12 SUBCHAPTER B. BOARD OF DIRECTORS

13 Sec. 8838.051. COMPOSITION OF BOARD; TERMS. (a) The
14 district is governed by a board of five directors.

15 (b) Directors serve staggered four-year terms. (Acts 77th
16 Leg., R.S., Ch. 966, Secs. 3.0105(a), (d); Acts 77th Leg., R.S., Ch.
17 1349, Secs. 5(a), (d).)

18 Sec. 8838.052. ELECTION OF DIRECTORS. (a) Directors are
19 elected according to the commissioners precinct method provided by
20 this section.

21 (b) One director is elected by the voters of the entire
22 district. One director is elected from each county commissioners
23 precinct by the voters of that precinct.

24 (c) A person shall indicate on the application for a place
25 on the ballot:

26 (1) the precinct that the person seeks to represent;

27 or

1 (2) that the person seeks to represent the district at
2 large.

3 (d) When the boundaries of the county commissioners
4 precincts are changed, each director in office on the effective
5 date of the change or elected to a term of office beginning on or
6 after the effective date of the change serves in the precinct to
7 which the director was elected for the entire term to which the
8 director was elected, even though the change in boundaries places
9 the person's residence outside the precinct for which the person
10 was elected. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0106(a), (b),
11 (c), (d); Acts 77th Leg., R.S., Ch. 1349, Secs. 6(a), (b), (d).)

12 Sec. 8838.053. ELECTION DATE. On the uniform election date
13 in May of each even-numbered year, the appropriate number of
14 directors shall be elected. (Acts 77th Leg., R.S., Ch. 966, Sec.
15 3.0110; Acts 77th Leg., R.S., Ch. 1349, Sec. 10.)

16 Sec. 8838.054. ELIGIBILITY. (a) To be eligible to be a
17 candidate for or to serve as director at large, a person must be a
18 registered voter in the district.

19 (b) To be eligible to be a candidate for or to serve as a
20 director from a county commissioners precinct, a person must be a
21 registered voter of that precinct, except as provided by Section
22 8838.052(d). (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0106(e); Acts
23 77th Leg., R.S., Ch. 1349, Sec. 6(c); New.)

24 Sec. 8838.055. BOARD VACANCY. (a) The board shall appoint a
25 replacement to fill a vacancy in the office of director.

26 (b) The appointed replacement serves until the next
27 directors' election.

1 (c) At that election, a person is elected to fill the
2 position. If the position is not scheduled to be filled at the
3 election, the person elected to fill the position serves only for
4 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.
5 966, Sec. 3.0105(g); Acts 77th Leg., R.S., Ch. 1349, Sec. 5(g).)

6 [Sections 8838.056-8838.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8838.101. GROUNDWATER CONSERVATION DISTRICT POWERS
9 AND DUTIES. Except as otherwise provided by this chapter, the
10 district has the rights, powers, privileges, functions, and duties
11 provided by the general law of this state, including Chapter 36,
12 Water Code, applicable to groundwater conservation districts
13 created under Section 59, Article XVI, Texas Constitution. (Acts
14 77th Leg., R.S., Ch. 966, Sec. 3.0104 (part); Acts 77th Leg., R.S.,
15 Ch. 1349, Sec. 4(a) (part).)

16 Sec. 8838.102. PROGRAMS TO PRESERVE AND PROTECT GROUNDWATER
17 RESOURCES. The district may develop and implement regulatory,
18 conservation, and recharge programs that preserve and protect
19 groundwater resources located in the district. (Acts 77th Leg.,
20 R.S., Ch. 966, Sec. 3.0101(b).)

21 Sec. 8838.103. CONTRACTS WITH OTHER GOVERNMENTAL BODIES.
22 The district may contract with one or more state agencies or other
23 governmental bodies, including a county, a river authority, or
24 another district, to carry out any function of the district. (Acts
25 77th Leg., R.S., Ch. 966, Sec. 3.0111(a); Acts 77th Leg., R.S., Ch.
26 1349, Sec. 11(a).)

27 Sec. 8838.104. WELL PERMITS; AUTHORIZATION OF EXEMPT WELLS.

1 (a) The district may require a drilling permit before a new well is
2 drilled or an existing well is substantially altered.

3 (b) Notwithstanding an exemption for a well under Section
4 36.117, Water Code, written authorization granted by the district
5 must be received before a new well is drilled or an existing well is
6 substantially altered. (Acts 77th Leg., R.S., Ch. 966, Sec.
7 3.0111(b); Acts 77th Leg., R.S., Ch. 1349, Sec. 11(b).)

8 Sec. 8838.105. BEST MANAGEMENT PRACTICES FOR WATER RESOURCE
9 MANAGEMENT. (a) The district may participate in the construction,
10 implementation, and maintenance of best management practices for
11 water resource management in the district and may engage in and
12 promote the acceptance of best management practices through
13 education efforts sponsored by the district.

14 (b) Construction, implementation, and maintenance of best
15 management practices must address water quantity and quality
16 practices such as brush management, prescribed grazing, recharge
17 structures, water and silt detention and retention structures,
18 plugging of abandoned wells, rainwater harvesting, and other
19 treatment measures for the conservation of water resources. (Acts
20 77th Leg., R.S., Ch. 966, Sec. 3.0111(c); Acts 77th Leg., R.S., Ch.
21 1349, Sec. 11(c).)

22 Sec. 8838.106. LIMITATIONS ON DISTRICT POWERS. (a) In this
23 section, "retail public utility" means a retail public utility as
24 defined by Section 13.002, Water Code, that is providing service in
25 the district on September 1, 2001.

26 (b) The district may not:

27 (1) require the owner of a well used solely for

domestic or livestock purposes to install a meter or measuring device on the well;

(2) sell, transport, or export groundwater outside of the district; or

(3) enter into a contract or engage in an action to supply water to any person in the service area of any municipality or retail public utility located in the district, except with the consent of the municipality or retail public utility. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0102(2), 3.0112 (part); Acts 77th Leg., R.S., Ch. 1349, Sec. 12 (part).)

[Sections 8838.107-8838.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8838.151. FEES. (a) Reasonable fees, as determined by the district, may be imposed on an annual basis on each nonexempt well and on each well exempt from permitting under Section 36.117(b)(1), Water Code. The district shall adopt any rules necessary for the assessment and collection of fees under this subsection.

(b) The district may use money collected from fees:

(1) in any manner necessary for the management and operation of the district;

(2) to pay all or part of the principal of and interest on district bonds or notes; and

(3) for any purpose consistent with the district's approved water management plan. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0111(d), (e); Acts 77th Leg., R.S., Ch. 1349, Secs. 11(d), (e).)

1 Sec. 8838.152. AD VALOREM TAX EXEMPTION FOR PROPERTY ON
2 WHICH WATER CONSERVATION INITIATIVE HAS BEEN IMPLEMENTED. (a) The
3 district may adopt rules providing for granting exemptions from ad
4 valorem taxes on property on which a water conservation initiative
5 has been implemented as provided by Section 11.32, Tax Code.

6 (b) The total amount of the exemption from ad valorem taxes
7 may not exceed one-half of the tax imposed by the district. (Acts
8 77th Leg., R.S., Ch. 966, Secs. 3.0111(f), (h); Acts 77th Leg.,
9 R.S., Ch. 1349, Secs. 11(f), (i).)

10 Sec. 8838.153. LIMITATION ON TAXES. The district may not
11 impose an ad valorem tax for administrative, operation, or
12 maintenance expenses that exceeds the lesser of:

13 (1) the rate approved by the majority of the voters
14 voting in the election authorizing the tax; or

15 (2) three cents per \$100 of assessed valuation. (Acts
16 77th Leg., R.S., Ch. 966, Sec. 3.0112 (part); Acts 77th Leg., R.S.,
17 Ch. 1349, Sec. 12 (part).)

18 CHAPTER 8839. GATEWAY GROUNDWATER CONSERVATION DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 8839.001. DEFINITIONS

21 Sec. 8839.002. DISTRICT TERRITORY

22 [Sections 8839.003-8839.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8839.051. COMPOSITION OF BOARD; TERMS

25 Sec. 8839.052. APPOINTMENT OF DIRECTORS

26 Sec. 8839.053. BOARD VACANCY

27 Sec. 8839.054. COMPENSATION; EXPENSES

[Sections 8839.055-8839.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8839.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

[Sections 8839.102-8839.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8839.151. TAXING AUTHORITY

CHAPTER 8839. GATEWAY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8839.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Gateway Groundwater Conservation District. (Acts 77th Leg., R.S., Ch. 1352, Sec. 2; New.)

Sec. 8839.002. DISTRICT TERRITORY. The district's boundaries are coextensive with the boundaries of Foard and Hardeman Counties unless the district's territory has been modified under:

(1) Subchapter J, Chapter 36, Water Code; or

(2) other law. (Acts 77th Leg., R.S., Ch. 1352, Sec. 3(a); New.)

[Sections 8839.003-8839.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8839.051. COMPOSITION OF BOARD; TERMS. (a) The district is governed by a board in the manner provided by Section 36.051, Water Code.

1 (b) Directors serve staggered four-year terms. (Acts 77th
2 Leg., R.S., Ch. 1352, Secs. 5(a), (d).)

3 Sec. 8839.052. APPOINTMENT OF DIRECTORS. (a) The
4 commissioners court of each county in the district shall appoint an
5 equal number of directors.

6 (b) The appropriate commissioners court shall appoint a
7 director to succeed a director on or before the date the director's
8 term expires. (Acts 77th Leg., R.S., Ch. 1352, Secs. 5(g), 7(a).)

9 Sec. 8839.053. BOARD VACANCY. If there is a vacancy on the
10 board, the appropriate commissioners court shall appoint a director
11 to serve the remainder of the term. (Acts 77th Leg., R.S., Ch.
12 1352, Sec. 5(f).)

13 Sec. 8839.054. COMPENSATION; EXPENSES. A director may not
14 receive a salary or other compensation for service as a director but
15 may be reimbursed for actual expenses of attending meetings. (Acts
16 77th Leg., R.S., Ch. 1352, Sec. 5(h).)

17 [Sections 8839.055-8839.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 8839.101. GROUNDWATER CONSERVATION DISTRICT POWERS
20 AND DUTIES. The district has the rights, powers, privileges,
21 functions, and duties provided by the general law of this state,
22 including Chapter 36, Water Code, applicable to groundwater
23 conservation districts created under Section 59, Article XVI, Texas
24 Constitution. (Acts 77th Leg., R.S., Ch. 1352, Sec. 4(a) (part).)

25 [Sections 8839.102-8839.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 8839.151. TAXING AUTHORITY. The district may impose an

ad valorem tax in the district at a rate not to exceed one cent on each \$100 of assessed valuation. (Acts 77th Leg., R.S., Ch. 1352, Sec. 9.)

CHAPTER 8841. GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8841.001. DEFINITIONS

Sec. 8841.002. NATURE OF DISTRICT

Sec. 8841.003. FINDINGS OF PUBLIC USE AND BENEFIT

Sec. 8841.004. DISTRICT TERRITORY

Sec. 8841.005. DISTRICT NAME CHANGE

Sec. 8841.006. CONFLICTS WITH OTHER LAW

[Sections 8841.007-8841.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8841.051. COMPOSITION OF BOARD; TERMS

Sec. 8841.052. ELECTION DATE

Sec. 8841.053. ELIGIBILITY

Sec. 8841.054. BOARD VACANCY

Sec. 8841.055. OFFICERS

[Sections 8841.056-8841.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8841.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8841.102. REGIONAL COOPERATION

[Sections 8841.103-8841.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8841.151. LIMITATION ON TAXES

CHAPTER 8841. GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8841.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Goliad County Groundwater Conservation District. (Acts 77th Leg., R.S., Ch. 1359, Sec. 2; New.)

Sec. 8841.002. NATURE OF DISTRICT. The district is a groundwater conservation district in Goliad County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1359, Secs. 1(a) (part), (b).)

Sec. 8841.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the works and projects accomplished by the district under the powers conferred by Section 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1359, Sec. 4.)

Sec. 8841.004. DISTRICT TERRITORY. The district's boundaries are coextensive with the boundaries of Goliad County, Texas, unless the district's territory has been modified under:

(1) Subchapter J, Chapter 36, Water Code; or

(2) other law. (Acts 77th Leg., R.S., Ch. 1359, Sec. 3; New.)

Sec. 8841.005. DISTRICT NAME CHANGE. The board may change the district's name if the district annexes territory. (Acts 77th Leg., R.S., Ch. 1359, Sec. 14.)

1 Sec. 8841.006. CONFLICTS WITH OTHER LAW. The following
2 provisions prevail over a conflicting or inconsistent provision of
3 this chapter:

- 4 (1) Sections 36.1071-36.108, Water Code;
5 (2) Sections 36.159-36.161, Water Code; and
6 (3) Subchapter I, Chapter 36, Water Code. (Acts 77th
7 Leg., R.S., Ch. 1359, Sec. 5(b).)

8 [Sections 8841.007-8841.050 reserved for expansion]

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 8841.051. COMPOSITION OF BOARD; TERMS. (a) The
11 district is governed by a board of seven directors elected to
12 numbered places from Goliad County at large by the voters of the
13 district.

14 (b) Directors serve staggered four-year terms. (Acts 77th
15 Leg., R.S., Ch. 1359, Secs. 10(a), (c), 11(a), 12 (part).)

16 Sec. 8841.052. ELECTION DATE. Beginning in the second year
17 following the election that confirmed the creation of the district,
18 an election shall be held on the uniform election date in November
19 every two years to elect the appropriate number of directors. (Acts
20 77th Leg., R.S., Ch. 1359, Sec. 12 (part).)

21 Sec. 8841.053. ELIGIBILITY. To be eligible to serve as a
22 director, a person must be a resident of Goliad County. (Acts 77th
23 Leg., R.S., Ch. 1359, Sec. 6(a).)

24 Sec. 8841.054. BOARD VACANCY. (a) If a vacancy occurs on
25 the board, the remaining directors shall appoint a person to fill
26 the vacancy.

27 (b) A director appointed to fill a vacancy serves for the

unexpired portion of the term. (Acts 77th Leg., R.S., Ch. 1359, Secs. 11(b), (c).)

Sec. 8841.055. OFFICERS. The board shall select from among the directors a presiding officer, assistant presiding officer, and secretary. (Acts 77th Leg., R.S., Ch. 1359, Sec. 10(b).)

[Sections 8841.056-8841.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8841.101. GROUNDWATER CONSERVATION DISTRICT POWERS AND DUTIES. Except as provided by this chapter, the district has the rights, powers, privileges, functions, and duties provided by the general law of this state, including Chapter 36, Water Code, applicable to groundwater conservation districts created under Section 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1359, Sec. 5(a) (part).)

Sec. 8841.102. REGIONAL COOPERATION. (a) In recognition of the need for uniform regional monitoring and regulation of common, scientifically recognized groundwater sources, and in designated management areas, the district shall establish rules that:

(1) require the permitting of each water well that is:

(A) not exempted from permitting by Chapter 36, Water Code; and

(B) capable of producing more than 25,000 gallons each day;

(2) provide for the prevention of waste, as defined by Section 36.001, Water Code;

(3) provide for timely capping or plugging of

1 abandoned wells; and

2 (4) require reports to be filed with the district on
3 each new, nonexempt water well.

4 (b) A report required under Subsection (a)(4) must include:

5 (1) the driller's log;

6 (2) a description of the casing and pumping equipment
7 installed;

8 (3) the capacity of the well; and

9 (4) the intended use of the water.

10 (c) To further regional continuity, the district shall:

11 (1) seek to participate in at least one coordination
12 meeting annually with each adjacent district that shares an aquifer
13 with the district;

14 (2) coordinate the collection of data with adjacent
15 districts in a manner designed to achieve uniformity of data
16 quality;

17 (3) coordinate efforts to monitor water quality with
18 adjacent districts, local governments, and state agencies;

19 (4) investigate any groundwater pollution with the
20 intention of locating its source and report the district's findings
21 to adjacent districts and appropriate state agencies;

22 (5) provide to adjacent districts annually an
23 inventory of new water wells in the district and an estimate of
24 groundwater production in the district; and

25 (6) include adjacent districts on the mailing lists
26 for district newsletters, seminars, public education events, news
27 articles, and field days. (Acts 77th Leg., R.S., Ch. 1359, Sec.

15.)

[Sections 8841.103-8841.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8841.151. LIMITATION ON TAXES. The district may not impose an ad valorem tax at a rate that exceeds five cents on each \$100 valuation of taxable property in the district. (Acts 77th Leg., R.S., Ch. 1359, Sec. 13.)

CHAPTER 8843. HAYS TRINITY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8843.001. DEFINITIONS

Sec. 8843.002. NATURE OF DISTRICT

Sec. 8843.003. FINDINGS OF PUBLIC USE AND BENEFIT

Sec. 8843.004. DISTRICT TERRITORY

[Sections 8843.005-8843.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8843.051. COMPOSITION OF BOARD; TERMS

Sec. 8843.052. ELECTION OF DIRECTORS

Sec. 8843.053. ELECTION DATE

Sec. 8843.054. QUALIFICATIONS FOR OFFICE

Sec. 8843.055. BOARD VACANCY

Sec. 8843.056. REVISION OF SINGLE-MEMBER DISTRICTS

Sec. 8843.057. COMPENSATION; EXPENSES

[Sections 8843.058-8843.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8843.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8843.102. ELECTION ON BOARD DECISION

1 Sec. 8843.103. WELL CONSTRUCTION PERMIT

2 Sec. 8843.104. EXEMPT WELLS

3 Sec. 8843.105. STANDARDS FOR RESIDENTIAL WELLS

4 Sec. 8843.106. ELECTIONS OTHER THAN DIRECTORS'

5 ELECTIONS

6 [Sections 8843.107-8843.150 reserved for expansion]

7 SUBCHAPTER D. FINANCIAL PROVISIONS

8 Sec. 8843.151. WELL CONSTRUCTION PERMIT FEE

9 Sec. 8843.152. SERVICE CONNECTION FEE

10 Sec. 8843.153. TAXES AND OTHER FEES PROHIBITED

11 Sec. 8843.154. BUDGET

12 Sec. 8843.155. AUDIT

13 CHAPTER 8843. HAYS TRINITY GROUNDWATER CONSERVATION DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 8843.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the district's board of directors.

17 (2) "Director" means a board member.

18 (3) "District" means the Hays Trinity Groundwater
19 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;
20 Acts 77th Leg., R.S., Ch. 966, Sec. 3.0302; New.)

21 Sec. 8843.002. NATURE OF DISTRICT. The district is a
22 groundwater conservation district created under and essential to
23 accomplish the purposes of Section 59, Article XVI, Texas
24 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),
25 (c).)

26 Sec. 8843.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The
27 district is created to serve a public use and benefit.

1 (b) All land and other property included in the district
2 will benefit from the works and projects accomplished by the
3 district under the powers conferred by Section 59, Article XVI,
4 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

5 Sec. 8843.004. DISTRICT TERRITORY. The district's
6 boundaries are coextensive with the boundaries of Hays County,
7 excluding any area that on September 1, 2001, was within another
8 groundwater conservation district with authority to require a
9 permit to drill or alter a well for the withdrawal of groundwater,
10 unless the district's territory has been modified under:

11 (1) Subchapter J, Chapter 36, Water Code; or

12 (2) other law. (Acts 77th Leg., R.S., Ch. 966, Sec.
13 3.0303 (part); New.)

14 [Sections 8843.005-8843.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Sec. 8843.051. COMPOSITION OF BOARD; TERMS. (a) The
17 district is governed by a board of five directors.

18 (b) Directors serve staggered two-year terms. (Acts 77th
19 Leg., R.S., Ch. 966, Secs. 3.0307(a), (d).)

20 Sec. 8843.052. ELECTION OF DIRECTORS. (a) The district is
21 divided into five numbered single-member districts for electing
22 directors.

23 (b) One director is elected from each single-member
24 district. A director elected from a single-member district
25 represents the residents of that single-member district. (Acts
26 77th Leg., R.S., Ch. 966, Secs. 3.0308(a), (b).)

27 Sec. 8843.053. ELECTION DATE. On the uniform election date

1 in May of each year, the appropriate number of directors shall be
2 elected. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0310(b).)

3 Sec. 8843.054. QUALIFICATIONS FOR OFFICE. To be qualified
4 to be a candidate for or to serve as director, a person must be a
5 registered voter in the single-member district that the person
6 represents or seeks to represent. (Acts 77th Leg., R.S., Ch. 966,
7 Sec. 3.0308(c).)

8 Sec. 8843.055. BOARD VACANCY. If there is a vacancy on the
9 board, the Hays County Commissioners Court shall appoint a director
10 to serve the remainder of the term. (Acts 77th Leg., R.S., Ch. 966,
11 Sec. 3.0307(g).)

12 Sec. 8843.056. REVISION OF SINGLE-MEMBER DISTRICTS. (a)
13 The board may revise the single-member districts as necessary or
14 appropriate.

15 (b) The board shall revise each single-member district
16 after each federal decennial census to reflect population changes.

17 (c) At the first election after the single-member districts
18 are revised, a new director shall be elected from each district.
19 The directors shall draw lots to determine which two directors
20 serve one-year terms and which three directors serve two-year
21 terms. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0308(d).)

22 Sec. 8843.057. COMPENSATION; EXPENSES. A director may not
23 receive a salary or other compensation for service as a director but
24 may be reimbursed for actual expenses of attending meetings at the
25 rate in effect for employees of Hays County. (Acts 77th Leg., R.S.,
26 Ch. 966, Sec. 3.0307(h).)

27 [Sections 8843.058-8843.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8843.101. GROUNDWATER CONSERVATION DISTRICT POWERS AND DUTIES. The district has the rights, powers, privileges, functions, and duties provided by the general law of this state, including Chapter 36, Water Code, applicable to groundwater conservation districts created under Section 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0304(a) (part).)

Sec. 8843.102. ELECTION ON BOARD DECISION. The Hays County Commissioners Court by resolution may require an election to affirm or reverse a decision of the board not later than six months after the date of the decision. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0304(d).)

Sec. 8843.103. WELL CONSTRUCTION PERMIT. Except as provided by Sections 8843.104(b) and (c), the district may require a permit for the construction of a new well completed after September 1, 2001. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0312(a) (part).)

Sec. 8843.104. EXEMPT WELLS. (a) The following wells are exempt from the requirements of Chapter 36, Water Code, and may not be regulated, permitted, or metered by the district:

(1) a well used for domestic use by a single private residential household and producing less than 25,000 gallons per day; and

(2) a well used for conventional farming and ranching activities, including such intensive operations as aquaculture, livestock feedlots, or poultry operations.

1 (b) The district may not require a permit to construct a
2 well described by Subsection (a)(2).

3 (c) A well used for dewatering and monitoring in the
4 production of coal or lignite is exempt from permit requirements,
5 regulations, and fees imposed by the district.

6 (d) The district may not enter property to inspect an exempt
7 well without the property owner's permission. (Acts 77th Leg.,
8 R.S., Ch. 966, Secs. 3.0304(c), 3.0305.)

9 Sec. 8843.105. STANDARDS FOR RESIDENTIAL WELLS. The
10 district may not adopt standards for the construction of a
11 residential well that are more stringent than state standards for a
12 residential well. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0304(e).)

13 Sec. 8843.106. ELECTIONS OTHER THAN DIRECTORS' ELECTIONS.
14 An election held by the district, other than an election under
15 Section 8843.053, must be scheduled to coincide with a general
16 election in May or November. (Acts 77th Leg., R.S., Ch. 966, Sec.
17 3.0311.)

18 [Sections 8843.107-8843.150 reserved for expansion]

19 SUBCHAPTER D. FINANCIAL PROVISIONS

20 Sec. 8843.151. WELL CONSTRUCTION PERMIT FEE. The district
21 may charge and collect a construction permit fee not to exceed \$300
22 for a well for which the district requires a permit under Section
23 8843.103. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0312(a) (part).)

24 Sec. 8843.152. SERVICE CONNECTION FEE. (a) This section
25 does not apply to a water utility that has surface water as its sole
26 source of water.

27 (b) The district may levy and collect a water utility

1 service connection fee not to exceed \$300 for each new water service
2 connection made after September 1, 2001. (Acts 77th Leg., R.S., Ch.
3 966, Sec. 3.0312(b).)

4 Sec. 8843.153. TAXES AND OTHER FEES PROHIBITED.
5 Notwithstanding Section 8843.101 or Subchapter G, Chapter 36, Water
6 Code, the district may not:

- 7 (1) impose a tax; or
8 (2) assess or collect any fees except as authorized by
9 Section 8843.151 or 8843.152. (Acts 77th Leg., R.S., Ch. 966, Sec.
10 3.0312(c).)

11 Sec. 8843.154. BUDGET. (a) The district shall annually:

- 12 (1) prepare a budget showing proposed expenditures and
13 disbursements and estimated receipts and collections for the next
14 fiscal year; and

- 15 (2) hold a public hearing on the proposed budget.

16 (b) The district must publish notice of the hearing at least
17 once in a newspaper of general circulation in the county not later
18 than the 10th day before the date of the hearing.

19 (c) A taxpayer of the district is entitled to appear at the
20 hearing to be heard regarding any item in the proposed budget.
21 (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0306(a).)

22 Sec. 8843.155. AUDIT. At the written request of the Hays
23 County Commissioners Court, the county auditor shall audit the
24 performance of the district. The commissioners court may request a
25 general audit of the performance of the district or may request an
26 audit of only one or more district matters. (Acts 77th Leg., R.S.,
27 Ch. 966, Sec. 3.0306(b).)

CHAPTER 8845. IRION COUNTY WATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

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SUBCHAPTER B. DISTRICT ADMINISTRATION

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Sec. 8845.057. VOTE REQUIRED FOR OFFICIAL BOARD ACTION

Sec. 8845.058. OFFICERS

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Sec. 8845.060. TREASURER AND ATTORNEY

Sec. 8845.061. ENGINEER

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Sec. 8845.063. DISTRICT OFFICE

1 Sec. 8845.064. MEETINGS
2 Sec. 8845.065. RECORDS
3 [Sections 8845.066-8845.100 reserved for expansion]
4 SUBCHAPTER C. POWERS AND DUTIES
5 Sec. 8845.101. GENERAL POWERS AND DUTIES
6 Sec. 8845.102. RULES
7 Sec. 8845.103. EMINENT DOMAIN
8 Sec. 8845.104. CONTROL, STORAGE, AND PRESERVATION OF
9 STORM WATER AND FLOODWATER
10 Sec. 8845.105. RECLAMATION
11 Sec. 8845.106. SOIL CONSERVATION AND IMPROVEMENT
12 Sec. 8845.107. ACQUISITION OF PROPERTY
13 Sec. 8845.108. SALE AND DISPOSAL OF PROPERTY
14 Sec. 8845.109. IMPROVEMENTS AND FACILITIES
15 Sec. 8845.110. INPUT WELLS
16 Sec. 8845.111. STUDIES AND SURVEYS
17 Sec. 8845.112. RESEARCH; INFORMATION
18 Sec. 8845.113. DISTRICT PLANS
19 Sec. 8845.114. SERVICE OF PROCESS
20 Sec. 8845.115. PAYMENT OF JUDGMENTS
21 Sec. 8845.116. CERTAIN PERMIT DENIALS PROHIBITED
22 Sec. 8845.117. PROHIBITION: SUPPLY OF WATER
23 [Sections 8845.118-8845.150 reserved for expansion]
24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
25 Sec. 8845.151. MAINTENANCE AND OPERATIONS TAX;
26 ELECTION
27 Sec. 8845.152. NOTICE; HEARING; ADOPTION OF BUDGET

1 Sec. 8845.153. INVESTMENT OF DISTRICT MONEY

2 Sec. 8845.154. ANNUAL AUDIT

3 Sec. 8845.155. BORROWING MONEY

4 Sec. 8845.156. PROHIBITION ON BONDS

5 Sec. 8845.157. RESTRICTION ON EXPENDITURES

6 CHAPTER 8845. IRION COUNTY WATER CONSERVATION DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 8845.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the district's board of directors.

10 (2) "Director" means a board member.

11 (3) "District" means the Irion County Water
12 Conservation District. (Acts 69th Leg., R.S., Ch. 65, Sec. 2; New.)

13 Sec. 8845.002. NATURE AND PURPOSE OF DISTRICT. The
14 district is created under Section 59, Article XVI, Texas
15 Constitution, to provide for the conservation, preservation,
16 protection, recharge, and prevention of waste and pollution of the
17 district's groundwater and surface water, consistent with:

18 (1) the objectives of Section 59, Article XVI, Texas
19 Constitution, and Chapter 36, Water Code; and

20 (2) the powers and duties under Subchapters H and I,
21 Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch. 65, Secs. 1
22 (part), 29.)

23 Sec. 8845.003. LEGISLATIVE FINDINGS. The legislature finds
24 that:

25 (1) the organization of the district is feasible and
26 practicable;

27 (2) the land to be included in and the residents of the

1 district will benefit from the creation of the district;

2 (3) there is a public necessity for the district; and

3 (4) the creation of the district will further the
4 public welfare. (Acts 69th Leg., R.S., Ch. 65, Sec. 3.)

5 Sec. 8845.004. DISTRICT TERRITORY. The district is
6 composed of all the territory in Irion County unless the district's
7 territory has been modified by:

8 (1) annexation under Subchapter J or consolidation
9 under Subchapter K, Chapter 36, Water Code; or

10 (2) other law. (Acts 69th Leg., R.S., Ch. 65, Sec. 4;
11 New.)

12 Sec. 8845.005. DISTRICT NAME CHANGE. The name of the
13 district may be changed if:

14 (1) additional territory is annexed to the district;
15 or

16 (2) the district consolidates with another district.
17 (Acts 69th Leg., R.S., Ch. 65, Sec. 28.)

18 Sec. 8845.006. OWNERSHIP OF GROUNDWATER AND SURFACE WATER
19 RIGHTS. The ownership and rights of the owner of land, the owner's
20 lessees, and assigns in groundwater and any surface water rights
21 are recognized, and this chapter does not deprive or divest the
22 owner, the owner's lessees, or assigns of those ownership rights.
23 (Acts 69th Leg., R.S., Ch. 65, Sec. 45.)

24 [Sections 8845.007-8845.050 reserved for expansion]

25 SUBCHAPTER B. DISTRICT ADMINISTRATION

26 Sec. 8845.051. COMPOSITION OF BOARD; TERMS. (a) The board
27 is composed of five directors.

1 (b) Directors serve staggered four-year terms.

2 (c) A director takes office at the first regular meeting of
3 the board following the director's election to the board. (Acts
4 69th Leg., R.S., Ch. 65, Secs. 8(a), 11, 12; New.)

5 Sec. 8845.0511. TERMS FOR CERTAIN DIRECTORS. (a)
6 Notwithstanding Section 8845.051(b), a director whose term expires
7 in May 2009 shall serve a term that expires on the uniform election
8 date in May 2012.

9 (b) A director elected to replace a director whose term
10 expires in May 2010 shall serve a four-year term as provided by
11 Section 8845.051(b).

12 (c) Section 8845.051(b) applies to any regularly scheduled
13 election of directors held in 2012 or a later year.

14 (d) This section expires June 1, 2014. (Acts 81st Leg.,
15 R.S., Ch. 113, Sec. 13; New.)

16 Sec. 8845.052. ELECTION OF DIRECTORS. One director is
17 elected from the district at large. One director is elected from
18 each county commissioners precinct. (Acts 69th Leg., R.S., Ch. 65,
19 Sec. 8(b).)

20 Sec. 8845.053. ELECTION DATE. Each even-numbered year, an
21 election shall be held on the uniform election date in May to elect
22 the appropriate number of directors. (Acts 69th Leg., R.S., Ch. 65,
23 Sec. 10.)

24 Sec. 8845.054. QUALIFICATIONS FOR ELECTION; ELIGIBILITY TO
25 SERVE. (a) To be qualified for election as a director, a person
26 must be:

27 (1) a resident of the district; and

1 (2) at least 18 years of age.

2 (b) In addition to the requirements of Subsection (a), a
3 person who is a director from a county commissioners precinct must
4 be a resident of that precinct unless the composition of the board
5 changes under Section 8845.056. (Acts 69th Leg., R.S., Ch. 65, Sec.
6 9.)

7 Sec. 8845.055. BOARD VACANCY. If a vacancy occurs on the
8 board, the remaining directors shall appoint a director for the
9 unexpired term. (Acts 69th Leg., R.S., Ch. 65, Sec. 13.)

10 Sec. 8845.056. COMPOSITION OF BOARD FOLLOWING ANNEXATION OR
11 CONSOLIDATION. If the district annexes territory or consolidates
12 with another district, the composition of the board shall be
13 determined in a manner that is:

14 (1) equitable for the residents of the district as
15 provided by Chapter 36, Water Code; and

16 (2) otherwise in compliance with Subchapter K, Chapter
17 36, Water Code. (Acts 69th Leg., R.S., Ch. 65, Sec. 8(c).)

18 Sec. 8845.057. VOTE REQUIRED FOR OFFICIAL BOARD ACTION. An
19 official action of the board is not valid without the affirmative
20 vote of a majority of the directors. (Acts 69th Leg., R.S., Ch. 65,
21 Sec. 17 (part).)

22 Sec. 8845.058. OFFICERS. (a) After each directors'
23 election, the board shall:

24 (1) hold a regular meeting at the district office; and

25 (2) organize by electing from the directors a
26 president, a vice president, and a secretary.

27 (b) A person selected to serve as president, vice president,

1 or secretary serves in that capacity for a two-year term.

2 (c) The president, vice president, and secretary shall
3 perform the duties and may exercise the powers specifically
4 provided by this chapter or by order of the board. (Acts 69th Leg.,
5 R.S., Ch. 65, Secs. 16(a), (b), (d).)

6 Sec. 8845.059. GENERAL MANAGER. (a) The general manager
7 may execute a bond in the amount determined by the board, payable to
8 the district, and conditioned on the faithful performance of the
9 general manager's duties. The district shall pay for the bond.

10 (b) The general manager is entitled to receive the
11 compensation provided by the district's budget. (Acts 69th Leg.,
12 R.S., Ch. 65, Secs. 19(b), (c).)

13 Sec. 8845.060. TREASURER AND ATTORNEY. (a) The board may
14 appoint a treasurer and an attorney for the district.

15 (b) The person appointed as treasurer shall execute a bond
16 in the amount determined by the board, payable to the district,
17 conditioned on the faithful performance of the treasurer's duties.
18 The district shall pay for the bond.

19 (c) A person appointed under this section is entitled to the
20 compensation provided by the district's budget. (Acts 69th Leg.,
21 R.S., Ch. 65, Sec. 18.)

22 Sec. 8845.061. ENGINEER. The board may:

23 (1) appoint or contract with a competent professional
24 engineer for the district; and

25 (2) determine the amount of compensation to be paid to
26 the engineer. (Acts 69th Leg., R.S., Ch. 65, Sec. 20.)

27 Sec. 8845.062. EMPLOYEES AND CONTRACT PERSONNEL. (a) The

1 general manager or the board may:

2 (1) employ other persons necessary to properly handle
3 the district's business and operation; and

4 (2) employ or contract with expert and specialized
5 personnel who are necessary to carry out this chapter.

6 (b) The board shall determine the terms of employment and
7 the compensation to be paid to employees under this section.

8 (c) The district shall pay for any bond that an employee of
9 or a person under contract with the district is required to furnish
10 under Section 36.057(d), Water Code.

11 (d) The general manager or the board may dismiss an employee
12 of the district. (Acts 69th Leg., R.S., Ch. 65, Secs. 21(a), (b),
13 (c), (d) (part).)

14 Sec. 8845.063. DISTRICT OFFICE. The board shall maintain
15 an office in the district for conducting district business. (Acts
16 69th Leg., R.S., Ch. 65, Sec. 22.)

17 Sec. 8845.064. MEETINGS. The board shall hold regular
18 meetings at the district office on dates established by the board.
19 (Acts 69th Leg., R.S., Ch. 65, Sec. 23.)

20 Sec. 8845.065. RECORDS. (a) The board shall keep a
21 complete written account of board meetings and other proceedings
22 and shall preserve the board's minutes, contracts, plans, notices,
23 accounts, receipts, and other records in a secure manner at the
24 district's office.

25 (b) Minutes, contracts, plans, notices, accounts, receipts,
26 and other records are the property of the district and are subject
27 to public inspection. (Acts 69th Leg., R.S., Ch. 65, Sec. 24.)

[Sections 8845.066-8845.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8845.101. GENERAL POWERS AND DUTIES. Except to the extent of any conflict with this chapter or as specifically limited by this chapter, the district may exercise the powers granted by, and shall exercise the duties provided by, Chapter 36 and Subchapters H and I, Chapter 49, Water Code, to carry out the purpose of the district and this chapter. (Acts 69th Leg., R.S., Ch. 65, Sec. 31.)

Sec. 8845.102. RULES. (a) The board may adopt rules necessary to carry out the purpose and powers under this chapter and may enforce those rules by injunction, mandatory injunction, or other appropriate remedies in court.

(b) In addition to the rules adopted under Subsection (a), the board may:

(1) adopt and enforce rules as provided by Chapter 36, Water Code; and

(2) adopt rules necessary for the exercise of district powers and duties under Subchapters H and I, Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch. 65, Sec. 30.)

Sec. 8845.103. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in property in the district if the property interest is necessary to the exercise of the authority conferred by this chapter.

(b) The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, but the

1 district is not required to deposit in the trial court money or a
2 bond as provided by Section 21.021(a), Property Code. (Acts 69th
3 Leg., R.S., Ch. 65, Secs. 42(a), (b).)

4 Sec. 8845.104. CONTROL, STORAGE, AND PRESERVATION OF STORM
5 WATER AND FLOODWATER. Subject to obtaining the permits required by
6 law, the district may control, store, and preserve the storm water
7 and floodwater in the district and the water of the rivers and
8 streams in the district for:

- 9 (1) irrigation of arid land;
10 (2) prevention of floods and flood damage in the
11 district; and
12 (3) domestic, agricultural, and industrial uses.
13 (Acts 69th Leg., R.S., Ch. 65, Sec. 36.)

14 Sec. 8845.105. RECLAMATION. The district may:

- 15 (1) reclaim land in the district; and
16 (2) construct works, facilities, and improvements
17 necessary to accomplish that purpose. (Acts 69th Leg., R.S., Ch.
18 65, Sec. 37.)

19 Sec. 8845.106. SOIL CONSERVATION AND IMPROVEMENT. The
20 district may construct and maintain terraces or other structures on
21 land in the district and may engage in or promote land treatment
22 measures for soil conservation and improvement. (Acts 69th Leg.,
23 R.S., Ch. 65, Sec. 38.)

24 Sec. 8845.107. ACQUISITION OF PROPERTY. The district may
25 acquire land or other property necessary to carry out this chapter
26 by gift, grant, devise, lease, purchase, or condemnation. (Acts
27 69th Leg., R.S., Ch. 65, Sec. 41.)

1 Sec. 8845.108. SALE AND DISPOSAL OF PROPERTY. Subject to
2 this chapter and Chapter 36 and Subchapters H and I, Chapter 49,
3 Water Code, the district may sell or otherwise dispose of land and
4 other property of the district that is not necessary to carry out
5 the purpose or powers of the district as determined by the board.
6 (Acts 69th Leg., R.S., Ch. 65, Sec. 43.)

7 Sec. 8845.109. IMPROVEMENTS AND FACILITIES. (a) The
8 district may construct or acquire and improve and maintain works,
9 facilities, and improvements necessary to carry out the purpose,
10 powers, and plans of the district.

11 (b) The district shall construct and acquire works,
12 facilities, and improvements in the manner provided by Subchapters
13 H and I, Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch. 65, Sec.
14 39.)

15 Sec. 8845.110. INPUT WELLS. The district may drill, equip,
16 operate, and maintain input wells, pumps, and other facilities to
17 carry out its purpose and powers under this chapter. (Acts 69th
18 Leg., R.S., Ch. 65, Sec. 40.)

19 Sec. 8845.111. STUDIES AND SURVEYS. (a) The board may have
20 a professional engineer conduct studies and surveys of the
21 groundwater and surface water supplies in the district and the
22 facilities available for use in the conservation, preservation,
23 protection, recharge, and prevention of waste and pollution of
24 those water resources.

25 (b) A professional engineer may determine the quantities of
26 groundwater and surface water available in the district. (Acts
27 69th Leg., R.S., Ch. 65, Sec. 33.)

1 Sec. 8845.112. RESEARCH; INFORMATION. The district may
2 engage in research projects and develop information to be used by
3 the district in preparing and implementing the district's plans and
4 in carrying out the district's powers and duties under this
5 chapter. (Acts 69th Leg., R.S., Ch. 65, Sec. 35.)

6 Sec. 8845.113. DISTRICT PLANS. (a) The district shall
7 develop and implement comprehensive plans for the conservation,
8 preservation, protection, recharge, and prevention of waste and
9 pollution of groundwater and surface water in the district.

10 (b) The plans must include all works, facilities, and
11 improvements necessary to implement the plans and the
12 specifications for those works, facilities, and improvements.
13 (Acts 69th Leg., R.S., Ch. 65, Sec. 34.)

14 Sec. 8845.114. SERVICE OF PROCESS. Service of process in a
15 suit may be had by serving the general manager. (Acts 69th Leg.,
16 R.S., Ch. 65, Sec. 27(a) (part).)

17 Sec. 8845.115. PAYMENT OF JUDGMENTS. A court of this state
18 that renders a money judgment against the district may require the
19 board to pay the judgment from money in the district depository that
20 is not dedicated to the payment of any indebtedness of the district.
21 (Acts 69th Leg., R.S., Ch. 65, Sec. 27(c).)

22 Sec. 8845.116. CERTAIN PERMIT DENIALS PROHIBITED. If the
23 district regulates production of groundwater by permit as
24 authorized by Chapter 36, Water Code, the board may not deny a
25 permit to drill a well to the owner of land or the owner's heirs,
26 assigns, and lessees on that land that complies with rules adopted
27 by the district. (Acts 69th Leg., R.S., Ch. 65, Sec. 32.)

1 Sec. 8845.117. PROHIBITION: SUPPLY OF WATER. The district
2 may not contract to or take an action to supply groundwater or
3 surface water inside or outside the district. (Acts 69th Leg.,
4 R.S., Ch. 65, Sec. 44(a).)

5 [Sections 8845.118-8845.150 reserved for expansion]

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Sec. 8845.151. MAINTENANCE AND OPERATIONS TAX; ELECTION.

8 (a) The district may annually impose an ad valorem tax on property
9 in the district for use in maintaining district facilities and
10 paying district operating expenses.

11 (b) The district may not impose a maintenance and operations
12 tax until it is approved by a majority vote of the district voters
13 voting at an election held for that purpose.

14 (c) The directors shall publish notice of a maintenance and
15 operations tax election at least one time in a newspaper or
16 newspapers that have general circulation in the district. The
17 notice must be published before the 30th day preceding the date of
18 the election.

19 (d) The directors shall declare the result of a maintenance
20 and operations tax election. (Acts 69th Leg., R.S., Ch. 65, Secs.
21 6(c), (e) (part), 58(a), (b), (c) (part).)

22 Sec. 8845.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)
23 The board shall hold a public hearing on the annual budget.

24 (b) Notice of the hearing must be published in a newspaper
25 or newspapers having general circulation in the district at least
26 10 days before the date of the hearing.

27 (c) Any district resident is entitled to be present at and

1 participate in the hearing.

2 (d) At the conclusion of the hearing, the board shall act on
3 the budget and may make changes in the proposed budget that in the
4 board's judgment the interests of the taxpayers demand. (Acts 69th
5 Leg., R.S., Ch. 65, Sec. 50.)

6 Sec. 8845.153. INVESTMENT OF DISTRICT MONEY. (a) District
7 money may be invested by the board or its authorized representative
8 in direct or indirect obligations of the United States, the state,
9 or any political subdivision of the state.

10 (b) District money may be placed in certificates of deposit
11 of state or national banks or savings and loan associations in this
12 state, if that money is secured in the manner provided for the
13 security of county funds. (Acts 69th Leg., R.S., Ch. 65, Secs.
14 55(a), (b).)

15 Sec. 8845.154. ANNUAL AUDIT. The board shall annually have
16 an audit made of the financial condition of the district. (Acts
17 69th Leg., R.S., Ch. 65, Sec. 47.)

18 Sec. 8845.155. BORROWING MONEY. The district may borrow
19 money for any purpose authorized by this chapter or any combination
20 of those purposes. (Acts 69th Leg., R.S., Ch. 65, Sec. 57.)

21 Sec. 8845.156. PROHIBITION ON BONDS. The district may not
22 issue bonds or impose an ad valorem tax to secure the payment of
23 bonds. (Acts 69th Leg., R.S., Ch. 65, Sec. 44(b).)

24 Sec. 8845.157. RESTRICTION ON EXPENDITURES. Money may be
25 spent only for an expense included in the annual budget or an
26 amendment to the annual budget. (Acts 69th Leg., R.S., Ch. 65, Sec.
27 52.)

CHAPTER 8851. MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8851.001. DEFINITIONS

Sec. 8851.002. NATURE OF DISTRICT

Sec. 8851.003. FINDINGS OF PUBLIC USE AND BENEFIT

Sec. 8851.004. DISTRICT TERRITORY

[Sections 8851.005-8851.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8851.051. COMPOSITION OF BOARD; TERMS

Sec. 8851.052. ELECTION OF DIRECTORS

Sec. 8851.053. ELECTION DATE

Sec. 8851.054. QUALIFICATIONS FOR OFFICE

Sec. 8851.055. BOARD VACANCY

Sec. 8851.056. COMPENSATION; EXPENSES

[Sections 8851.057-8851.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8851.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8851.102. POWERS AND DUTIES NOT SUBJECT TO STATE

SUPERVISION

Sec. 8851.103. LIMITATION ON RULEMAKING POWER NOT

APPLICABLE

Sec. 8851.104. GROUNDWATER FOR USE OUTSIDE DISTRICT

CHAPTER 8851. MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8851.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Middle Pecos Groundwater Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3; Acts 77th Leg., R.S., Ch. 1299, Sec. 2; New.)

Sec. 8851.002. NATURE OF DISTRICT. The district is a groundwater conservation district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part), (c).)

Sec. 8851.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the works and projects accomplished by the district under the powers conferred by Section 59, Article XVI, Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

Sec. 8851.004. DISTRICT TERRITORY. The district's boundaries are coextensive with the boundaries of Pecos County unless the district's territory has been modified under:

(1) Subchapter J, Chapter 36, Water Code; or

(2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec. 2(a) (part); Acts 77th Leg., R.S., Ch. 1299, Sec. 3; New.)

[Sections 8851.005-8851.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8851.051. COMPOSITION OF BOARD; TERMS. (a) The district is governed by a board of 11 directors.

(b) Directors serve staggered four-year terms. (Acts 77th Leg., R.S., Ch. 1299, Secs. 5(a), (d).)

1 Sec. 8851.052. ELECTION OF DIRECTORS. (a) Directors are
2 elected according to the method provided by this section.

3 (b) One director is elected by the voters of the entire
4 district. Two directors are elected from each county commissioners
5 precinct by the voters of that precinct. One director is elected
6 from Iraan by the voters of that municipality. One director is
7 elected from Fort Stockton by the voters of that municipality.

8 (c) A person shall indicate on the application for a place
9 on the ballot:

10 (1) the precinct or municipality that the person seeks
11 to represent; or

12 (2) that the person seeks to represent the district at
13 large.

14 (d) At the first election after the county commissioners
15 precincts are redrawn under Section 18, Article V, Texas
16 Constitution, eight new directors are elected to represent the
17 precincts. The directors shall draw lots to determine which four
18 directors serve two-year terms and which four directors serve
19 four-year terms. (Acts 77th Leg., R.S., Ch. 1299, Secs. 6(a), (b),
20 (d), (e).)

21 Sec. 8851.053. ELECTION DATE. On the uniform election date
22 in May of each even-numbered year, the appropriate number of
23 directors shall be elected. (Acts 77th Leg., R.S., Ch. 1299, Sec. 8
24 (part).)

25 Sec. 8851.054. QUALIFICATIONS FOR OFFICE. (a) To be
26 qualified to be a candidate for or to serve as director at large, a
27 person must be a registered voter in the district.

1 (b) To be qualified to be a candidate for or to serve as
2 director from a county commissioners precinct, a person must be a
3 registered voter of that precinct.

4 (c) To be qualified to be a candidate for or to serve as
5 director from a municipality, a person must be a registered voter of
6 that municipality. (Acts 77th Leg., R.S., Ch. 1299, Sec. 6(c).)

7 Sec. 8851.055. BOARD VACANCY. (a) If there is a vacancy on
8 the board, the remaining directors shall appoint a director to
9 serve the remainder of the term.

10 (b) If at any time there are fewer than three qualified
11 directors, the Pecos County Commissioners Court shall appoint the
12 necessary number of persons to fill all the vacancies on the board.
13 (Acts 77th Leg., R.S., Ch. 1299, Sec. 5(g).)

14 Sec. 8851.056. COMPENSATION; EXPENSES. A director may not
15 receive a salary or other compensation for service as a director but
16 may be reimbursed for actual expenses of attending meetings at the
17 rate in effect for employees of Pecos County. (Acts 77th Leg.,
18 R.S., Ch. 1299, Sec. 5(h).)

19 [Sections 8851.057-8851.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8851.101. GROUNDWATER CONSERVATION DISTRICT POWERS
22 AND DUTIES. The district has the rights, powers, privileges,
23 functions, and duties provided by the general law of this state,
24 including Chapter 36, Water Code, applicable to groundwater
25 conservation districts created under Section 59, Article XVI, Texas
26 Constitution. (Acts 77th Leg., R.S., Ch. 1299, Sec. 4(a) (part).)

27 Sec. 8851.102. POWERS AND DUTIES NOT SUBJECT TO STATE

1 SUPERVISION. The rights, powers, privileges, functions, and duties
2 of the district are not subject to the continuing right of
3 supervision of the state through the Texas Commission on
4 Environmental Quality. (Acts 77th Leg., R.S., Ch. 1299, Sec.
5 4(d).)

6 Sec. 8851.103. LIMITATION ON RULEMAKING POWER NOT
7 APPLICABLE. Section 36.121, Water Code, does not apply to the
8 district. (Acts 77th Leg., R.S., Ch. 1299, Sec. 4(c).)

9 Sec. 8851.104. GROUNDWATER FOR USE OUTSIDE DISTRICT. (a)
10 The district may not impose a rule on the production of groundwater
11 for use outside the district that is in addition to the rules the
12 district imposes on the production of groundwater for use inside
13 the district.

14 (b) In addition to other fees assessed by the district, the
15 district may assess a fee on groundwater transferred out of the
16 district in an amount not to exceed 10 percent of the amount of the
17 fee assessed for the production of water for use in the district.
18 (Acts 77th Leg., R.S., Ch. 1299, Secs. 4(e), (f).)

19 CHAPTER 8854. REFUGIO GROUNDWATER CONSERVATION DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 8854.001. DEFINITIONS

22 Sec. 8854.002. NATURE OF DISTRICT

23 Sec. 8854.003. FINDINGS OF PUBLIC USE AND BENEFIT

24 Sec. 8854.004. DISTRICT TERRITORY

25 [Sections 8854.005-8854.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 8854.051. COMPOSITION OF BOARD; TERMS

1 Sec. 8854.052. ELECTION OF DIRECTORS

2 Sec. 8854.053. ELECTION DATE

3 Sec. 8854.054. QUALIFICATIONS FOR OFFICE

4 Sec. 8854.055. APPOINTMENT ON FAILURE TO QUALIFY

5 [Sections 8854.056-8854.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 8854.101. GROUNDWATER CONSERVATION DISTRICT

8 POWERS AND DUTIES

9 Sec. 8854.102. AUTHORITY TO SET FEES

10 CHAPTER 8854. REFUGIO GROUNDWATER CONSERVATION DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 8854.001. DEFINITIONS. In this chapter:

13 (1) "Board" means the district's board of directors.

14 (2) "Director" means a board member.

15 (3) "District" means the Refugio Groundwater
16 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;
17 Acts 77th Leg., R.S., Ch. 966, Sec. 3.0902; Acts 77th Leg., R.S.,
18 Ch. 1314, Sec. 2; New.)

19 Sec. 8854.002. NATURE OF DISTRICT. The district is a
20 groundwater conservation district created under and essential to
21 accomplish the purposes of Section 59, Article XVI, Texas
22 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),
23 (c).)

24 Sec. 8854.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The
25 district is created to serve a public use and benefit.

26 (b) All land and other property included in the district
27 will benefit from the works and projects accomplished by the

1 district under the powers conferred by Section 59, Article XVI,
2 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

3 Sec. 8854.004. DISTRICT TERRITORY. The district's
4 boundaries are coextensive with the boundaries of Refugio County
5 unless the district's territory has been modified under:

6 (1) Subchapter J, Chapter 36, Water Code; or

7 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.
8 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.0903; Acts 77th
9 Leg., R.S., Ch. 1314, Sec. 3; New.)

10 [Sections 8854.005-8854.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8854.051. COMPOSITION OF BOARD; TERMS. (a) The
13 district is governed by a board of five directors.

14 (b) Directors serve staggered four-year terms. (Acts 77th
15 Leg., R.S., Ch. 966, Secs. 3.0905(a), (d); Acts 77th Leg., R.S., Ch.
16 1314, Secs. 6(a), (d).)

17 Sec. 8854.052. ELECTION OF DIRECTORS. (a) Directors are
18 elected according to the commissioners precinct method as provided
19 by this section.

20 (b) One director is elected by the voters of the entire
21 district. One director is elected from each county commissioners
22 precinct by the voters of that precinct.

23 (c) A person shall indicate on the application for a place
24 on the ballot:

25 (1) the precinct that the person seeks to represent;

26 or

27 (2) that the person seeks to represent the district at

1 large.

2 (d) When the boundaries of the county commissioners
3 precincts are changed, each director in office on the effective
4 date of the change or elected to a term of office beginning on or
5 after the effective date of the change serves in the precinct to
6 which the director was elected for the entire term to which the
7 director was elected, even though the change in boundaries places
8 the person's residence outside the precinct for which the person
9 was elected. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0906(a), (b),
10 (d), (e); Acts 77th Leg., R.S., Ch. 1314, Secs. 7(a), (b), (d).)

11 Sec. 8854.053. ELECTION DATE. On the uniform election date
12 in November of each even-numbered year, the appropriate number of
13 directors shall be elected. (Acts 77th Leg., R.S., Ch. 966, Sec.
14 3.0908(b); Acts 77th Leg., R.S., Ch. 1314, Sec. 9(b).)

15 Sec. 8854.054. QUALIFICATIONS FOR OFFICE. (a) To be
16 qualified to be a candidate for or to serve as director at large, a
17 person must be a registered voter in the district.

18 (b) To be a candidate for or to serve as director from a
19 county commissioners precinct, a person must be a registered voter
20 of that precinct, except as provided by Section 8854.052(d). (Acts
21 77th Leg., R.S., Ch. 966, Sec. 3.0906(c); Acts 77th Leg., R.S., Ch.
22 1314, Sec. 7(c); New.)

23 Sec. 8854.055. APPOINTMENT ON FAILURE TO QUALIFY. If a
24 director fails to qualify for office, the commissioners court shall
25 appoint a person to fill the vacancy. (Acts 77th Leg., R.S., Ch.
26 966, Sec. 3.0905(g) (part); Acts 77th Leg., R.S., Ch. 1314, Sec.
27 6(g) (part).)

[Sections 8854.056-8854.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8854.101. GROUNDWATER CONSERVATION DISTRICT POWERS AND DUTIES. The district has the rights, powers, privileges, functions, and duties provided by the general law of this state, including Chapter 36, Water Code, applicable to groundwater conservation districts created under Section 59, Article XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0904 (part); Acts 77th Leg., R.S., Ch. 1314, Sec. 4(a) (part).)

Sec. 8854.102. AUTHORITY TO SET FEES. (a) In this section, "agriculture" includes:

- (1) cultivating the soil;
- (2) producing crops for:
 - (A) human food;
 - (B) animal feed;
 - (C) planting seed; or
 - (D) the production of fibers;
- (3) floriculture, viticulture, silviculture, and horticulture, including the cultivation of plants in containers or non-soil media;
- (4) raising, feeding, or keeping livestock or other animals for the production of food or fiber, leather, pelts, or other tangible products having a commercial value;
- (5) wildlife management;
- (6) planting cover crops, including cover crops cultivated for transplantation; and
- (7) leaving land idle for the purpose of participating

1 in any governmental program or normal crop or livestock rotation
2 procedure.

3 (b) The district may set and collect fees for all services
4 provided outside the boundaries of the district. The fees may not
5 unreasonably exceed the cost to the district of providing the
6 services outside the district.

7 (c) The district may assess a production fee based on the
8 amount of water a permit authorizes to be withdrawn from a well or
9 the amount actually withdrawn. The district may assess a
10 production fee instead of or in conjunction with any tax otherwise
11 imposed by the district. The district may use production fee
12 revenue for any lawful purpose. Production fees may not exceed:

13 (1) \$1 per acre-foot for water used for agriculture;
14 or

15 (2) \$10 per acre-foot annually for water used for
16 another purpose.

17 (d) The district may assess a production fee under
18 Subsection (c) for water that is:

19 (1) produced under an exemption under Section 36.117,
20 Water Code; and

21 (2) subsequently sold to another person.

22 (e) Notwithstanding Section 36.117, Water Code, the
23 district may assess a production fee under Subsection (c) of this
24 section for any water produced for injection into a geologic
25 formation for the recovery of oil or natural gas. (Acts 77th Leg.,
26 R.S., Ch. 1314, Secs. 5(a), (c), (d), (e), (f).)

CHAPTER 8857. TEXANA GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8857.001. DEFINITIONS

Sec. 8857.002. NATURE OF DISTRICT

Sec. 8857.003. FINDINGS OF PUBLIC USE AND BENEFIT

Sec. 8857.004. DISTRICT TERRITORY

[Sections 8857.005-8857.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8857.051. COMPOSITION OF BOARD; TERMS

Sec. 8857.052. ELECTION OF DIRECTORS

Sec. 8857.053. ELECTION DATE

Sec. 8857.054. QUALIFICATIONS FOR OFFICE

Sec. 8857.055. BOARD VACANCY

Sec. 8857.056. COMPENSATION; EXPENSES

[Sections 8857.057-8857.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8857.101. GROUNDWATER CONSERVATION DISTRICT

POWERS AND DUTIES

Sec. 8857.102. CONTRACTS WITH OTHER GOVERNMENTAL

ENTITIES

[Sections 8857.103-8857.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8857.151. LIMITATION ON TAXES

CHAPTER 8857. TEXANA GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8857.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Director" means a board member.

(3) "District" means the Texana Groundwater Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3; Acts 77th Leg., R.S., Ch. 307, Sec. 2; Acts 77th Leg., R.S., Ch. 966, Sec. 3.1102; New.)

Sec. 8857.002. NATURE OF DISTRICT. The district is a groundwater conservation district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part), (c).)

Sec. 8857.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the works and projects accomplished by the district under the powers conferred by Section 59, Article XVI, Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

Sec. 8857.004. DISTRICT TERRITORY. The district's boundaries are coextensive with the boundaries of Jackson County unless the district's territory has been modified under:

(1) Subchapter J, Chapter 36, Water Code; or

(2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec. 2(a) (part); Acts 77th Leg., R.S., Ch. 307, Sec. 3; Acts 77th Leg., R.S., Ch. 966, Sec. 3.1103; New.)

[Sections 8857.005-8857.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8857.051. COMPOSITION OF BOARD; TERMS. (a) The district is governed by a board of seven directors.

1 (b) Directors serve staggered four-year terms. (Acts 77th
2 Leg., R.S., Ch. 307, Secs. 5(a), (d); Acts 77th Leg., R.S., Ch. 966,
3 Secs. 3.1105(a), (d).)

4 Sec. 8857.052. ELECTION OF DIRECTORS. (a) Directors are
5 elected according to the commissioners precinct method provided by
6 this section.

7 (b) Three directors are elected by the voters of the entire
8 district. One director is elected from each county commissioners
9 precinct by the voters of that precinct.

10 (c) A person shall indicate on the application for a place
11 on the ballot:

12 (1) the precinct that the person seeks to represent;
13 or

14 (2) that the person seeks to represent the district at
15 large.

16 (d) When the boundaries of the county commissioners
17 precincts are changed, each director in office on the effective
18 date of the change or elected to a term of office beginning on or
19 after the effective date of the change serves in the precinct to
20 which the director was elected for the entire term to which the
21 director was elected, even though the change in boundaries places
22 the person's residence outside the precinct for which the person
23 was elected. (Acts 77th Leg., R.S., Ch. 307, Secs. 6(a), (b), (d);
24 Acts 77th Leg., R.S., Ch. 966, Secs. 3.1106(a), (b), (d), (e).)

25 Sec. 8857.053. ELECTION DATE. On the uniform election date
26 in May of each even-numbered year, the appropriate number of
27 directors shall be elected. (Acts 77th Leg., R.S., Ch. 307, Sec.

1 8(b); Acts 77th Leg., R.S., Ch. 966, Sec. 3.1108(b).)

2 Sec. 8857.054. QUALIFICATIONS FOR OFFICE. (a) To be
3 qualified to be a candidate for or to serve as director at large, a
4 person must be a registered voter in the district.

5 (b) To be a candidate for or to serve as director from a
6 county commissioners precinct, a person must be a registered voter
7 of that precinct, except as provided by Section 8857.052(d). (Acts
8 77th Leg., R.S., Ch. 307, Sec. 6(c); Acts 77th Leg., R.S., Ch. 966,
9 Sec. 3.1106(c); New.)

10 Sec. 8857.055. BOARD VACANCY. If there is a vacancy on the
11 board, the remaining directors shall appoint a director to serve
12 the remainder of the term. (Acts 77th Leg., R.S., Ch. 307, Sec.
13 5(g); Acts 77th Leg., R.S., Ch. 966, Sec. 3.1105(g).)

14 Sec. 8857.056. COMPENSATION; EXPENSES. A director may not
15 receive a salary or other compensation for service as a director but
16 may be reimbursed for actual expenses of attending meetings at the
17 rate in effect for employees of Jackson County. (Acts 77th Leg.,
18 R.S., Ch. 307, Sec. 5(h); Acts 77th Leg., R.S., Ch. 966, Sec.
19 3.1105(h).)

20 [Sections 8857.057-8857.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 8857.101. GROUNDWATER CONSERVATION DISTRICT POWERS
23 AND DUTIES. The district has the rights, powers, privileges,
24 functions, and duties provided by the general law of this state,
25 including Chapter 36, Water Code, applicable to groundwater
26 conservation districts created under Section 59, Article XVI, Texas
27 Constitution. (Acts 77th Leg., R.S., Ch. 307, Sec. 4(a) (part);

Acts 77th Leg., R.S., Ch. 966, Sec. 3.1104 (part).)

Sec. 8857.102. CONTRACTS WITH OTHER GOVERNMENTAL ENTITIES.

(a) The district may contract with other governmental entities.

(b) The district may contract with other governmental entities, including a river authority in the district, to perform district functions.

(c) A river authority that contracts with the district under Subsection (b) may perform district functions as provided by the contract. (Acts 77th Leg., R.S., Ch. 307, Sec. 10; Acts 77th Leg., R.S., Ch. 966, Sec. 3.1110.)

[Sections 8857.103-8857.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8857.151. LIMITATION ON TAXES. The district may not impose an ad valorem tax at a rate that exceeds two cents on each \$100 valuation of taxable property in the district. (Acts 77th Leg., R.S., Ch. 307, Sec. 9; Acts 77th Leg., R.S., Ch. 966, Sec. 3.1109.)

SECTION 1.04. Title 6, Special District Local Laws Code, is amended by adding Subtitle M to read as follows:

SUBTITLE M. WATER POWER CONTROL DISTRICTS

CHAPTER 9701. RED BLUFF WATER POWER CONTROL DISTRICT: TRANSFER OF FUNDS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9701.001. DEFINITIONS

Sec. 9701.002. NATURE OF DISTRICT

Sec. 9701.003. MEMBER DISTRICTS

[Sections 9701.004-9701.150 reserved for expansion]

SUBCHAPTER B. GENERAL FINANCIAL PROVISIONS

Sec. 9701.151. USE OF MONEY

Sec. 9701.152. ALLOCATION OF EARNED INTEREST

Sec. 9701.153. INVESTMENT AND EXPENDITURE OF PRINCIPAL

Sec. 9701.154. ANNUAL ACCOUNTING

SUBTITLE M. WATER POWER CONTROL DISTRICTS

CHAPTER 9701. RED BLUFF WATER POWER CONTROL DISTRICT: TRANSFER OF FUNDS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9701.001. DEFINITIONS. In this chapter:

(1) "Member district" means a district listed as a member of the Red Bluff District in Section 9701.003.

(2) "Principal amount" means the amount of \$13.8 million, representing the amount received by this state by order of the United States Supreme Court in the case of Texas v. New Mexico (494 U.S. 111 (1990)) and deposited to the credit of the Pecos River compact account established by Section 1, Chapter 3, Acts of the 71st Legislature, 5th Called Session, 1990.

(3) "Red Bluff District" means the Red Bluff Water Power Control District. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs. 10.01(3) (part), (4), (5), (6) (part).)

Sec. 9701.002. NATURE OF DISTRICT. The Red Bluff District is a water power control district created under Chapter 76, General Laws, Acts of the 43rd Legislature, Regular Session, 1933 (Article 7807d, Vernon's Texas Civil Statutes). (Acts 72nd Leg., 1st C.S., Ch. 4, Sec. 10.01(6) (part).)

Sec. 9701.003. MEMBER DISTRICTS. The Red Bluff District is

composed of the following member districts:

- (1) Loving County Water Improvement District No. 1;
- (2) Reeves County Water Improvement District No. 2;
- (3) Ward County Irrigation District No. 3;
- (4) Ward County Irrigation District No. 1;
- (5) Ward County Water Improvement District No. 2;
- (6) Pecos County Water Improvement District No. 2; and
- (7) Pecos County Water Improvement District No. 3.

(Acts 72nd Leg., 1st C.S., Ch. 4, Sec. 10.01(3).)

[Sections 9701.004-9701.150 reserved for expansion]

SUBCHAPTER B. GENERAL FINANCIAL PROVISIONS

Sec. 9701.151. USE OF MONEY. (a) The money received by the Red Bluff District under Chapter 4, Acts of the 72nd Legislature, 1st Called Session, 1991, and any interest earned on the money, may be used by the Red Bluff District or a member district only for agricultural or irrigation projects, including an associated water quality improvement project that affects surface water irrigators in Loving, Pecos, Reeves, or Ward County.

(b) A project authorized under Subsection (a) may include:

- (1) the operation of the Red Bluff District or a member district; and
- (2) the maintenance of a water supply reservoir, associated downstream diversion facility, or internal distribution system of the Red Bluff District or a member district. (Acts 72nd Leg., 1st C.S., Ch. 4, Sec. 10.03.)

Sec. 9701.152. ALLOCATION OF EARNED INTEREST. The Red Bluff District shall annually distribute interest earned on the

1 principal amount as follows:

2 (1) one-third to the Red Bluff District; and

3 (2) two-thirds to the member districts, to be
4 allocated among the member districts in the same percentages as
5 each member district's pro rata share of water under the master
6 contract between the Red Bluff District and the member districts
7 dated March 8, 1934. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs.
8 10.01(2), 10.04(a), (d).)

9 Sec. 9701.153. INVESTMENT AND EXPENDITURE OF PRINCIPAL.

10 (a) The Red Bluff District shall invest the principal amount in
11 accordance with Chapter 2256, Government Code.

12 (b) The Red Bluff District shall comply with Chapter 2257,
13 Government Code, to the extent applicable.

14 (c) The Red Bluff District may not spend any portion of the
15 principal amount unless the expenditure is approved by an
16 affirmative vote of:

17 (1) the board of directors of the Red Bluff District;
18 and

19 (2) the boards of directors of at least five member
20 districts. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs. 10.04(c), (e).)

21 Sec. 9701.154. ANNUAL ACCOUNTING. The Red Bluff District
22 shall provide to each member district and the Texas Water
23 Development Board an annual accounting of the Red Bluff District's
24 administration of money under this chapter and of the amount of
25 interest earned. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs. 10.01(1),
26 10.05.)

ARTICLE 2. CONFORMING AMENDMENTS

SECTION 2.01. Section 1(a), Chapter 1331, Acts of the 76th Legislature, Regular Session, 1999, is amended to read as follows:

(a) The following groundwater conservation districts are created:

- (1) ~~[Cow Creek Groundwater Conservation District,~~
- ~~[(2) Brazos Valley Groundwater Conservation District,~~
- ~~[(3)] Crossroads Groundwater Conservation District;~~
- (2) ~~[(4) Hays Trinity Groundwater Conservation~~
- ~~District,~~
- ~~[(5)] McMullen Groundwater Conservation District;~~
- (3) ~~[(6) Middle Pecos Groundwater Conservation~~
- ~~District,~~
- ~~[(7)] Red Sands Groundwater Conservation District;~~
- and
- (4) ~~[(8) Refugio Groundwater Conservation District,~~
- ~~[(9)] Southeast Trinity Groundwater Conservation~~
- ~~District[, and~~
- ~~[(10) Texana Groundwater Conservation District].~~

SECTION 2.02. Section 2(a), Chapter 1331, Acts of the 76th Legislature, Regular Session, 1999, is amended to read as follows:

(a) The boundaries of the following groundwater conservation districts are coextensive with county boundaries as follows:

- (1) ~~[the boundaries of the Cow Creek Groundwater Conservation District are coextensive with the boundaries of Kendall County,~~

1 ~~[(2) the boundaries of the Brazos Valley Groundwater~~
2 ~~Conservation District are coextensive with the boundaries of~~
3 ~~Robertson and Brazos Counties;~~

4 ~~[(3)]~~ the boundaries of the Crossroads Groundwater
5 Conservation District are coextensive with the boundaries of
6 Victoria County; and

7 (2) ~~[(4)]~~ the boundaries of the McMullen Groundwater
8 Conservation District are coextensive with the boundaries of
9 McMullen County~~;~~

10 ~~[(5) the boundaries of the Middle Pecos Groundwater~~
11 ~~Conservation District are coextensive with the boundaries of Pecos~~
12 ~~County;~~

13 ~~[(6) the boundaries of the Refugio Groundwater~~
14 ~~Conservation District are coextensive with the boundaries of~~
15 ~~Refugio County; and~~

16 ~~[(7) the boundaries of the Texana Groundwater~~
17 ~~Conservation District are coextensive with the boundaries of~~
18 ~~Jackson County].~~

19 ARTICLE 3. REPEALERS

20 SECTION 3.01. The following statutes are repealed:

21 (1) Chapter 38, Acts of the 60th Legislature, Regular
22 Session, 1967;

23 (2) Chapter 1017, Acts of the 70th Legislature,
24 Regular Session, 1987;

25 (3) Chapter 183, Acts of the 60th Legislature, Regular
26 Session, 1967;

27 (4) Chapter 431, Acts of the 60th Legislature, Regular

1 Session, 1967;
2 (5) Article 3, Chapter 132, Acts of the 74th
3 Legislature, Regular Session, 1995;
4 (6) Chapter 548, Acts of the 71st Legislature, Regular
5 Session, 1989;
6 (7) Chapter 54, Acts of the 58th Legislature, Regular
7 Session, 1963;
8 (8) Chapter 470, Acts of the 61st Legislature, Regular
9 Session, 1969;
10 (9) Chapter 200, Acts of the 62nd Legislature, Regular
11 Session, 1971;
12 (10) Chapter 1047, Acts of the 68th Legislature,
13 Regular Session, 1983;
14 (11) Chapter 135, Acts of the 58th Legislature,
15 Regular Session, 1963;
16 (12) Chapter 16, Acts of the 59th Legislature, Regular
17 Session, 1965;
18 (13) Chapter 1055, Acts of the 68th Legislature,
19 Regular Session, 1983;
20 (14) Chapter 653, Acts of the 59th Legislature,
21 Regular Session, 1965;
22 (15) Sections 2 and 3, Chapter 838, Acts of the 66th
23 Legislature, Regular Session, 1979;
24 (16) Chapter 24, Acts of the 72nd Legislature, Regular
25 Session, 1991;
26 (17) Chapter 422, Acts of the 60th Legislature,
27 Regular Session, 1967;

1 (18) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,
2 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, Chapter 265, Acts
3 of the 67th Legislature, Regular Session, 1981; and

4 (19) Chapter 848, Acts of the 62nd Legislature,
5 Regular Session, 1971.

6 SECTION 3.02. The following statutes are repealed:

7 (1) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,
8 15, and 16, Chapter 472, Acts of the 69th Legislature, Regular
9 Session, 1985;

10 (2) Chapter 201, Acts of the 64th Legislature, Regular
11 Session, 1975;

12 (3) Sections 3, 4, and 5, Chapter 588, Acts of the 71st
13 Legislature, Regular Session, 1989;

14 (4) Sections 1, 2, 4, 5, 6, 7, 8, 9, and 10, Chapter
15 1066, Acts of the 75th Legislature, Regular Session, 1997;

16 (5) Section 7, Chapter 1141, Acts of the 76th
17 Legislature, Regular Session, 1999;

18 (6) Sections 3 and 4, Chapter 410, Acts of the 81st
19 Legislature, Regular Session, 2009;

20 (7) Part 13, Article 3, Chapter 966, Acts of the 77th
21 Legislature, Regular Session, 2001;

22 (8) Article 2, Chapter 1307, Acts of the 77th
23 Legislature, Regular Session, 2001;

24 (9) Part 1, Article 3, Chapter 966, Acts of the 77th
25 Legislature, Regular Session, 2001;

26 (10) Chapter 1349, Acts of the 77th Legislature,
27 Regular Session, 2001;

1 (11) Sections 4 and 5, Chapter 1064, Acts of the 81st
2 Legislature, Regular Session, 2009;

3 (12) Chapter 1352, Acts of the 77th Legislature,
4 Regular Session, 2001;

5 (13) Sections 9 and 10, Chapter 192, Acts of the 80th
6 Legislature, Regular Session, 2007;

7 (14) Chapter 1359, Acts of the 77th Legislature,
8 Regular Session, 2001;

9 (15) Section 2, Chapter 12, Acts of the 81st
10 Legislature, Regular Session, 2009;

11 (16) Section 2(b), Chapter 1331, Acts of the 76th
12 Legislature, Regular Session, 1999;

13 (17) Part 3, Article 3, Chapter 966, Acts of the 77th
14 Legislature, Regular Session, 2001;

15 (18) Chapter 65, Acts of the 69th Legislature, Regular
16 Session, 1985;

17 (19) Sections 13 and 14, Chapter 113, Acts of the 81st
18 Legislature, Regular Session, 2009;

19 (20) Chapter 1299, Acts of the 77th Legislature,
20 Regular Session, 2001;

21 (21) Part 9, Article 3, Chapter 966, Acts of the 77th
22 Legislature, Regular Session, 2001;

23 (22) Chapter 1314, Acts of the 77th Legislature,
24 Regular Session, 2001;

25 (23) Chapter 307, Acts of the 77th Legislature,
26 Regular Session, 2001;

27 (24) Part 11, Article 3, Chapter 966, Acts of the 77th

1 Legislature, Regular Session, 2001; and

2 (25) Article 10, Chapter 4, Acts of the 72nd
3 Legislature, 1st Called Session, 1991.

4 ARTICLE 4. GENERAL MATTERS

5 SECTION 4.01. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.

6 This Act is enacted under Section 43, Article III, Texas
7 Constitution. This Act is intended as a codification only, and no
8 substantive change in the law is intended by this Act. This Act
9 does not increase or decrease the territory of any special district
10 of the state as those boundaries exist on the effective date of this
11 Act.

12 SECTION 4.02. PRESERVATION OF VALIDATION MADE BY PREVIOUS

13 LAW. (a) The repeal of a law, including a validating law, by this
14 Act does not remove, void, or otherwise affect in any manner a
15 validation under the repealed law. The validation is preserved and
16 continues to have the same effect that it would have if the law were
17 not repealed.

18 (b) Subsection (a) of this section does not diminish the
19 saving provisions prescribed by Section 311.031, Government Code.

20 SECTION 4.03. EFFECTIVE DATE. This Act takes effect April

21 1, 2013.