

By: Seliger

S.B. No. 310

A BILL TO BE ENTITLED

AN ACT

relating to the Dallam-Hartley Counties Hospital District.

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

SECTION 1. Section 1018.061, Special District Local Laws Code, is amended by adding Subsections (d) and (e) to read as follows:

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

(e) This section may not be construed as authorizing the board to supervise or control the practice of medicine, as prohibited by Subtitle B, Title 3, Occupations Code.

SECTION 2. Section 1018.161, Special District Local Laws Code, is amended to read as follows:

Sec. 1018.161. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

(a) The board may borrow money at a rate [~~for district operating expenses in an amount~~] not to exceed the maximum annual percentage rate allowed by law for district obligations at the time the loan is made [~~amount of tax or other revenue the district expects to receive during the fiscal year in which the money is borrowed~~].

(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 during

1 the 12-month period following the date of the pledge that is not  
2 pledged to pay the principal of or interest on district bonds; or  
3 (3) district bonds that have 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. [To repay  
9 the debt, the district may pledge all or part of the tax or other  
10 revenue received during the fiscal year in which the board borrows  
11 money under this section.]

12 SECTION 3. Subchapter E, Chapter 1018, Special District  
13 Local Laws Code, is amended by adding Sections 1018.209 and  
14 1018.210 to read as follows:

15 Sec. 1018.209. ADDITIONAL MEANS OF SECURING REPAYMENT OF  
16 BONDS. In addition to the authority to issue general obligation  
17 bonds and revenue bonds under this subchapter, the board may  
18 provide for the security and payment of district bonds from a pledge  
19 of a combination of ad valorem taxes as authorized by Section  
20 1018.202 and revenue and other sources authorized by Section  
21 1018.206.

22 Sec. 1018.210. USE OF BOND PROCEEDS. The district may use  
23 the proceeds of bonds issued under this subchapter to pay:

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

26 (2) interest payments on the bonds during a period of  
27 acquisition or construction of a project or facility to be provided

1 through the bonds, not to exceed five years;

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

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

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

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

10 (5) costs related to the bond issuance;

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

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

17 SECTION 4. Chapter 1018, Special District Local Laws Code,  
18 is amended by adding Subchapter G to read as follows:

19 SUBCHAPTER G. DISSOLUTION

20 Sec. 1018.301. DISSOLUTION; ELECTION. (a) The district  
21 may be dissolved only on approval of a majority of the district  
22 voters voting in an election held for that purpose.

23 (b) The board may order an election on the question of  
24 dissolving the district and disposing of the district's assets and  
25 obligations.

26 (c) The board shall order an election if the board receives  
27 a petition requesting an election that is signed by at least 15

1 percent of the registered voters in the district.

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

3 (1) the nature of the election, including the  
4 proposition to appear on the ballot;

5 (2) the date of the election;

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

7 (4) the location of the polling places.

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

10 Sec. 1018.302. NOTICE OF ELECTION. (a) The board shall  
11 give notice of an election under this subchapter by publishing once  
12 a week for two consecutive weeks a substantial copy of the election  
13 order in a newspaper with general circulation in the district.

14 (b) The first publication of the notice must appear not  
15 later than the 35th day before the date set for the election.

16 Sec. 1018.303. BALLOT. The ballot for an election under  
17 this subchapter must be printed to permit voting for or against the  
18 proposition: "The dissolution of the Dallam-Hartley Counties  
19 Hospital District."

20 Sec. 1018.304. ELECTION RESULTS. (a) If a majority of the  
21 votes in an election under this subchapter favor dissolution, the  
22 board shall find that the district is dissolved.

23 (b) If a majority of the votes in the election do not favor  
24 dissolution, the board shall continue to administer the district  
25 and another election on the question of dissolution may not be held  
26 before the first anniversary of the date of the most recent election  
27 on the question of dissolution.

Sec. 1018.305. TRANSFER OF ADMINISTRATION OF ASSETS. (a)

If a majority of the votes in the election held under this subchapter favor dissolution, the board shall:

(1) transfer the land, buildings, improvements, equipment, and other assets that belong to the district to Dallam County or Hartley County or another governmental entity in Dallam County or Hartley County; or

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

(b) If the district makes the transfer under Subsection (a)(1), the county or entity assumes all debts and obligations of the district at the time of the transfer, and the district is dissolved.

(c) If Subsection (a)(1) does not apply and the board administers the property, assets, and debts of the district under Subsection (a)(2), the district is dissolved when all money has been disposed of and all district debts have been paid or settled.

Sec. 1018.306. 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 in 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 secretary to return to

1 each district taxpayer the taxpayer's pro rata share of all unused  
2 tax money.

3 (c) A taxpayer may request that the taxpayer's share of  
4 surplus tax money be credited to the taxpayer's county taxes. If a  
5 taxpayer requests the credit, the board shall direct the secretary  
6 to transmit the money to the appropriate county tax  
7 assessor-collector.

8 Sec. 1018.307. REPORT; DISSOLUTION ORDER. (a) After the  
9 district has paid all district debts and has disposed of all  
10 district money and other assets as prescribed by this subchapter,  
11 the board shall file a written report with the Commissioners Courts  
12 of Dallam and Hartley Counties summarizing the board's actions in  
13 dissolving the district.

14 (b) Not later than the 10th day after the date the  
15 Commissioners Court of Dallam County receives the report and  
16 determines that the requirements of this subchapter have been  
17 fulfilled, the commissioners court shall enter an order approving  
18 dissolution of the district and releasing the board from any  
19 further duty or obligation as to Dallam County.

20 (c) Not later than the 10th day after the date the  
21 Commissioners Court of Hartley County receives the report and  
22 determines that the requirements of this subchapter have been  
23 fulfilled, the commissioners court shall enter an order approving  
24 dissolution of the district and releasing the board from any  
25 further duty or obligation as to Hartley County.

26 (d) Dissolution under this section is complete on entry of  
27 the later of the two orders described by Subsections (b) and (c).

1           SECTION 5. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2011.