

By: Duncan

S.B. No. 1900

A BILL TO BE ENTITLED

AN ACT

relating to the ability to exclude certain territory from the Hamlin Hospital District.

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

SECTION 1. Chapter 1037, Special District Local Laws Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. CHANGE IN BOUNDARIES

Sec. 1037.301. PETITION TO EXCLUDE TERRITORY FROM DISTRICT.

(a) Registered voters of a defined territory included in the district may file a petition with the board requesting that the defined territory be excluded from the district.

(b) The petition must be signed by at least 50 registered voters of the territory or a majority of those voters, whichever is fewer.

Sec. 1037.302. NOTICE OF HEARING. (a) The board by order shall set a time and place to hold a hearing on a petition to exclude a defined territory from the district.

(b) The hearing shall be held at least 30 days after the date the board issues the order.

(c) The board shall notify the governing body of the territory to be excluded of the hearing.

Sec. 1037.303. ORDER OF EXCLUSION. (a) If, after a hearing under Section 1037.302, the board and the governing body of the territory to be excluded determine that exclusion of the territory

1 from the district would benefit the district, the board and the  
2 governing body may approve the exclusion by a resolution entered in  
3 their minutes.

4 (b) The board and the governing body of the territory to be  
5 excluded are not required to exclude all territory described in the  
6 petition if the board and the governing body find that excluding  
7 only a portion of the territory is necessary or desirable.

8 Sec. 1037.304. RATIFICATION ELECTION. (a) Exclusion of  
9 territory is final when approved by a majority of the voters at:

10 (1) an election held in the district; and

11 (2) a separate election held in the territory to be  
12 excluded.

13 (b) The election shall be held not earlier than the 45th day  
14 and not later than the 60th day after the date the election is  
15 ordered.

16 (c) The election may be called by the governing body of the  
17 territory to be excluded on its own motion.

18 (d) The election order must state:

19 (1) the nature of the election, including the  
20 proposition to appear on the ballot;

21 (2) the date of the election;

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

23 (4) the location of the polling places.

24 (e) Section 41.001(a), Election Code, does not apply to an  
25 election held under this section.

26 Sec. 1037.305. NOTICE OF RATIFICATION ELECTION. (a) The  
27 governing body of the territory to be excluded shall give notice of

1 an election under Section 1037.304 by publishing once a week for two  
2 consecutive weeks a substantial copy of the election order in a  
3 newspaper with general circulation in:

- 4 (1) the district; and  
5 (2) the territory proposed to be excluded from the  
6 district.

7 (b) The first publication of the notice must appear at least  
8 35 days before the date of the election.

9 Sec. 1037.306. BALLOT. The ballot for an election under  
10 Section 1037.304 shall be printed to permit voting for or against  
11 the proposition: "Excluding (description of territory to be  
12 excluded) from the Hamlin Hospital District."

13 Sec. 1037.307. SATISFACTION OF PROPORTIONATE SHARE OF DEBT.  
14 The exclusion of territory under this subchapter does not diminish  
15 or impair the rights of the holders of any outstanding and unpaid  
16 bonds, warrants, or other district obligations. The district shall  
17 continue to impose taxes each year on the excluded territory at the  
18 same rate imposed on other territory in the district until the total  
19 amount of taxes collected from the excluded territory equals its  
20 pro rata share of the indebtedness of the district at the time the  
21 territory was excluded. The taxes collected under this section  
22 shall be applied only to the payment of the excluded territory's pro  
23 rata share of indebtedness. The owner of all or part of the  
24 excluded territory at any time may pay in full the owner's share of  
25 the excluded territory's pro rata share of the district's  
26 indebtedness at the time the territory was excluded.

27 Sec. 1037.308. EXCLUSION ORDER. After the territory to be

1 excluded has paid its proportionate share of the district debt, the  
2 board shall enter a resolution in its minutes excluding the  
3 territory from the district and releasing the excluded territory  
4 from any further duty or obligation.

5 SECTION 2. This Act takes effect September 1, 2011.