

AN ACT

relating to the dissolution of the Cisco Hospital District;
authorizing the imposition of a tax.

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

SECTION 1. Chapter 30, Acts of the 59th Legislature,
Regular Session, 1965, is amended by adding Section 7A to read as
follows:

Sec. 7A. (a) The District may be dissolved only on approval
of a majority of the voters of the District voting in an election
held for that purpose.

(b) The board of directors of the District may order an
election on the question of dissolving the District and disposing
of the assets and obligations of the District.

(c) The board of directors shall order an election if the
board receives a petition requesting an election that is signed by
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) The board of directors shall give notice of an election
under this section by publishing once a week for two consecutive

1 weeks a substantial copy of the election order in a newspaper with
2 general circulation in the District.

3 (f) The first publication of the notice must appear not
4 later than the 35th day before the date set for the election.

5 (g) The ballot for an election under this section must be
6 printed to permit voting for or against the proposition: "The
7 dissolution of the Cisco Hospital District."

8 (h) If a majority of the votes in an election under this
9 section favor dissolution, the board of directors shall find that
10 the District is dissolved.

11 (i) If a majority of the votes in the election do not favor
12 dissolution, the board of directors shall continue to administer
13 the District and another election on the question of dissolution
14 may not be held before the first anniversary of the most recent
15 election to dissolve the District.

16 (j) If a majority of the votes in the election under this
17 section favor dissolution, the board of directors shall:

18 (1) transfer the land, buildings, improvements,
19 equipment, and other assets that belong to the District to Eastland
20 County or another governmental entity in Eastland County;

21 (2) sell the assets and liabilities to another person;
22 or

23 (3) administer the property, assets, and debts until
24 all money has been disposed of and all debts of the District have
25 been paid or settled.

26 (k) If the District makes the transfer under Subsection
27 (j)(1) of this section, the county or entity assumes all debts and

1 obligations of the District at the time of the transfer, and the
2 District is dissolved.

3 (1) If Subsections (j)(1) and (2) of this section do not
4 apply and the board of directors administers the property, assets,
5 and debts under Subsection (j)(3) of this section, the District is
6 dissolved when all money is disposed of and all District debts have
7 been paid or settled.

8 (m) The sale or transfer of the District's assets and
9 liabilities must satisfy the debt and bond obligations of the
10 District in a manner that protects the interests of the residents of
11 the District, including the residents' collective property rights
12 in the District's assets.

13 (n) The District may not transfer or dispose of the
14 District's assets except for due compensation unless:

15 (1) the transfer is made to a governmental agency that
16 serves the District; and

17 (2) the transferred assets are to be used for the
18 benefit of the residents of the District.

19 (o) After the board of directors finds that the District is
20 dissolved, the board shall:

21 (1) determine the debt owed by the District; and

22 (2) impose on the property included in the District's
23 tax rolls a tax that is in proportion of the debt to the property
24 value.

25 (p) On payment of all outstanding debts and obligations of
26 the District, the board of directors shall order the secretary to
27 return to each taxpayer of the District the taxpayer's pro rata

1 share of all unused tax money.

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

7 (r) After the District has paid all debts of the District
8 and has disposed of all money and other assets of the District as
9 prescribed by this section, the board of directors shall file a
10 written report with the Commissioners Court of Eastland County
11 summarizing the board's actions in dissolving the District.

12 (s) Not later than the 10th day after the date the
13 Commissioners Court of Eastland County receives the report and
14 determines that the requirements of this section have been
15 fulfilled, the commissioners court shall enter an order dissolving
16 the District and releasing the board of directors from any further
17 duty or obligation.

18 (t) If all positions on the board of directors of the
19 District are vacant, the county judge of Eastland County has all the
20 powers and duties otherwise provided by law to the board of
21 directors of the District.

22 SECTION 2. All proceedings, resolutions, orders, and other
23 acts or attempted acts of the board of directors of the Cisco
24 Hospital District relating to the intended dissolution of the
25 district and the sale or transfer of any district assets and
26 liabilities pursuant to the intended dissolution of the district
27 occurring before the effective date of this Act are validated in all

1 respects as of the dates they occurred and may not be held invalid
2 because they were not performed in accordance with law.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I certify that H.B. No. 1259 was passed by the House on April 18, 2013, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1259 was passed by the Senate on May 17, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor