

1-1 By: Keffer (Senate Sponsor - Duncan) H.B. No. 1259
1-2 (In the Senate - Received from the House April 22, 2013;
1-3 April 22, 2013, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 10, 2013, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 10, 2013, sent to
1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	<u>Hinojosa</u>	X		
1-10	<u>Nichols</u>	X		
1-11	<u>Garcia</u>	X		
1-12	<u>Paxton</u>	X		
1-13	<u>Taylor</u>	X		

1-14 A BILL TO BE ENTITLED
1-15 AN ACT

1-16 relating to the dissolution of the Cisco Hospital District;
1-17 authorizing the imposition of a tax.

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-19 SECTION 1. Chapter 30, Acts of the 59th Legislature,
1-20 Regular Session, 1965, is amended by adding Section 7A to read as
1-21 follows:

1-22 Sec. 7A. (a) The District may be dissolved only on approval
1-23 of a majority of the voters of the District voting in an election
1-24 held for that purpose.

1-25 (b) The board of directors of the District may order an
1-26 election on the question of dissolving the District and disposing
1-27 of the assets and obligations of the District.

1-28 (c) The board of directors shall order an election if the
1-29 board receives a petition requesting an election that is signed by
1-30 at least 15 percent of the registered voters in the District.

1-31 (d) The order calling the election must state:

1-32 (1) the nature of the election, including the
1-33 proposition to appear on the ballot;

1-34 (2) the date of the election;

1-35 (3) the hours during which the polls will be open; and

1-36 (4) the location of the polling places.

1-37 (e) The board of directors shall give notice of an election
1-38 under this section by publishing once a week for two consecutive
1-39 weeks a substantial copy of the election order in a newspaper with
1-40 general circulation in the District.

1-41 (f) The first publication of the notice must appear not
1-42 later than the 35th day before the date set for the election.

1-43 (g) The ballot for an election under this section must be
1-44 printed to permit voting for or against the proposition: "The
1-45 dissolution of the Cisco Hospital District."

1-46 (h) If a majority of the votes in an election under this
1-47 section favor dissolution, the board of directors shall find that
1-48 the District is dissolved.

1-49 (i) If a majority of the votes in the election do not favor
1-50 dissolution, the board of directors shall continue to administer
1-51 the District and another election on the question of dissolution
1-52 may not be held before the first anniversary of the most recent
1-53 election to dissolve the District.

1-54 (j) If a majority of the votes in the election under this
1-55 section favor dissolution, the board of directors shall:

1-56 (1) transfer the land, buildings, improvements,
1-57 equipment, and other assets that belong to the District to Eastland
1-58 County or another governmental entity in Eastland County;

1-59 (2) sell the assets and liabilities to another person;

1-60 or

1-61 (3) administer the property, assets, and debts until

2-1 all money has been disposed of and all debts of the District have
2-2 been paid or settled.

2-3 (k) If the District makes the transfer under Subsection
2-4 (j)(1) of this section, the county or entity assumes all debts and
2-5 obligations of the District at the time of the transfer, and the
2-6 District is dissolved.

2-7 (l) If Subsections (j)(1) and (2) of this section do not
2-8 apply and the board of directors administers the property, assets,
2-9 and debts under Subsection (j)(3) of this section, the District is
2-10 dissolved when all money is disposed of and all District debts have
2-11 been paid or settled.

2-12 (m) The sale or transfer of the District's assets and
2-13 liabilities must satisfy the debt and bond obligations of the
2-14 District in a manner that protects the interests of the residents of
2-15 the District, including the residents' collective property rights
2-16 in the District's assets.

2-17 (n) The District may not transfer or dispose of the
2-18 District's assets except for due compensation unless:

2-19 (1) the transfer is made to a governmental agency that
2-20 serves the District; and

2-21 (2) the transferred assets are to be used for the
2-22 benefit of the residents of the District.

2-23 (o) After the board of directors finds that the District is
2-24 dissolved, the board shall:

2-25 (1) determine the debt owed by the District; and

2-26 (2) impose on the property included in the District's
2-27 tax rolls a tax that is in proportion of the debt to the property
2-28 value.

2-29 (p) On payment of all outstanding debts and obligations of
2-30 the District, the board of directors shall order the secretary to
2-31 return to each taxpayer of the District the taxpayer's pro rata
2-32 share of all unused tax money.

2-33 (q) A taxpayer may request that the taxpayer's share of
2-34 surplus tax money be credited to the taxpayer's county taxes. If a
2-35 taxpayer requests the credit, the board of directors shall direct
2-36 the secretary to transmit the money to the county tax
2-37 assessor-collector.

2-38 (r) After the District has paid all debts of the District
2-39 and has disposed of all money and other assets of the District as
2-40 prescribed by this section, the board of directors shall file a
2-41 written report with the Commissioners Court of Eastland County
2-42 summarizing the board's actions in dissolving the District.

2-43 (s) Not later than the 10th day after the date the
2-44 Commissioners Court of Eastland County receives the report and
2-45 determines that the requirements of this section have been
2-46 fulfilled, the commissioners court shall enter an order dissolving
2-47 the District and releasing the board of directors from any further
2-48 duty or obligation.

2-49 (t) If all positions on the board of directors of the
2-50 District are vacant, the county judge of Eastland County has all the
2-51 powers and duties otherwise provided by law to the board of
2-52 directors of the District.

2-53 SECTION 2. All proceedings, resolutions, orders, and other
2-54 acts or attempted acts of the board of directors of the Cisco
2-55 Hospital District relating to the intended dissolution of the
2-56 district and the sale or transfer of any district assets and
2-57 liabilities pursuant to the intended dissolution of the district
2-58 occurring before the effective date of this Act are validated in all
2-59 respects as of the dates they occurred and may not be held invalid
2-60 because they were not performed in accordance with law.

2-61 SECTION 3. This Act takes effect immediately if it receives
2-62 a vote of two-thirds of all the members elected to each house, as
2-63 provided by Section 39, Article III, Texas Constitution. If this
2-64 Act does not receive the vote necessary for immediate effect, this
2-65 Act takes effect September 1, 2013.

2-66 * * * * *