

AN ACT

relating to procedures for the dissolution of the Hamlin Hospital District; authorizing the imposition of a tax.

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. DISSOLUTION

Sec. 1037.301. 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 at least 15 percent of the registered voters in the district.

(d) The election must be ordered in accordance with Section 3.005, Election Code. 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.

Sec. 1037.302. NOTICE OF ELECTION. (a) The board shall

1 give notice of an election under this subchapter by publishing once
2 a week for two consecutive weeks a substantial copy of the election
3 order in a newspaper with general circulation in the district.

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

6 Sec. 1037.303. BALLOT. The ballot for an election under
7 this subchapter must be printed to permit voting for or against the
8 proposition: "The dissolution of the Hamlin Hospital District."

9 Sec. 1037.304. ELECTION RESULTS. (a) If a majority of the
10 votes in an election under this subchapter favor dissolution, the
11 board shall find that the district is dissolved.

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

17 Sec. 1037.305. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS.

18 (a) If a majority of the votes in an election held under this
19 subchapter favor dissolution, the board shall:

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

23 (2) sell the assets and liabilities to another person;

24 or

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

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

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

8 Sec. 1037.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

9 (a) The dissolution of the district and the sale or transfer of the
10 district's assets and liabilities to another person may not
11 contravene a trust indenture or bond resolution relating to the
12 district's outstanding bonds. The dissolution and sale or
13 transfer does not diminish or impair the rights of a holder of an
14 outstanding bond, warrant, or other obligation of the district.

15 (b) The sale or transfer of the district's assets and
16 liabilities must satisfy the debt and bond obligations of the
17 district in a manner that protects the interests of district
18 residents, including the residents' collective property rights in
19 the district's assets.

20 (c) The district may not transfer or dispose of the
21 district's assets except for due compensation unless:

22 (1) the transfer is made to another governmental
23 entity that serves the district; and

24 (2) the transferred assets are to be used for the
25 benefit of the district's residents.

26 Sec. 1037.307. IMPOSITION OF TAX AND RETURN OF SURPLUS

27 TAXES. (a) After the board finds that the district is dissolved,

1 the board shall:

2 (1) determine the debt owed by the district; and

3 (2) impose on the property included in the district's
4 tax rolls a tax that is in proportion of the debt to the property
5 value.

6 (b) On the payment of all outstanding debts and obligations
7 of the district, the board shall order the secretary to return to
8 each district taxpayer the taxpayer's pro rata share of all unused
9 tax money.

10 (c) A taxpayer may request that the taxpayer's share of
11 surplus tax money be credited to the taxpayer's county taxes. If a
12 taxpayer requests the credit, the board shall direct the secretary
13 to transmit the money to the county tax assessor-collector.

14 Sec. 1037.308. REPORT; DISSOLUTION ORDER. (a) After the
15 district has paid all district debts and has disposed of all
16 district money and other assets as prescribed by this subchapter,
17 the board shall file a written report with the Commissioners Court
18 of Jones County summarizing the board's actions in dissolving the
19 district.

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

26 SECTION 2. This Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I certify that H.B. No. 2118 was passed by the House on May 8, 2013, by the following vote: Yeas 147, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2118 was passed by the Senate on May 22, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor