

By: Perry

H.B. No. 2688

A BILL TO BE ENTITLED

AN ACT

relating to Seminole Hospital District of Gaines County, Texas.

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

SECTION 1. Section 1094.051, Special District Local Laws Code, is amended to read as follows:

Sec. 1094.051. BOARD ELECTION; TERM. (a) The board consists of four directors elected from single-member districts and three ~~seven~~ directors elected from the district at large.

(b) Directors ~~[Unless four-year terms are established under Section 285.081, Health and Safety Code, directors]~~ serve staggered three-year ~~[two-year]~~ terms.

SECTION 2. Section 1094.052, Special District Local Laws Code, is amended to read as follows:

Sec. 1094.052. NOTICE OF ELECTION. Notice ~~[At least 10 days before the date]~~ of an election of directors~~[, notice of the election]~~ shall be published in accordance with Section 4.003, Election Code, ~~[one time]~~ in a newspaper of general circulation in Gaines County.

SECTION 3. Section 1094.053, Special District Local Laws Code, is amended to read as follows:

Sec. 1094.053. BALLOT APPLICATION ~~[PETITION]~~. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary an application in accordance with Chapter 144, Election Code ~~[a petition requesting~~

1 ~~that action. The petition must be:~~

2           ~~[(1) signed by at least 25 voters; and~~

3           ~~[(2) filed at least 25 days before the date of the~~  
4 ~~election].~~

5           SECTION 4. Section 1094.103, Special District Local Laws  
6 Code, is amended to read as follows:

7           Sec. 1094.103. OVERSIGHT AND ~~[MANAGEMENT,~~ CONTROL~~[, AND~~  
8 ~~ADMINISTRATION]~~. The board shall oversee and ~~[manage,~~ control~~[, and~~  
9 ~~administer]~~ the hospital system and the district's money and  
10 resources.

11           SECTION 5. Section 1094.110, Special District Local Laws  
12 Code, is amended to read as follows:

13           Sec. 1094.110. CONSTRUCTION ~~[OR PURCHASE]~~ CONTRACTS. A  
14 construction ~~[or purchase]~~ contract that involves the expenditure  
15 of more than the amount provided by Section 271.024, Local  
16 Government Code, ~~[\$2,000]~~ may be made only after advertising in the  
17 manner provided by Subchapter B, Chapter 271 ~~[Chapter 252 and~~  
18 ~~Subchapter C, Chapter 262]~~, Local Government Code.

19           SECTION 6. Sections 1094.202(c) and (d), Special District  
20 Local Laws Code, are amended to read as follows:

21           (c) Any resident ~~[property taxpayer]~~ of the district is  
22 entitled to be present and participate in ~~[at]~~ the hearing.

23           (d) At the conclusion of the hearing, the board shall adopt  
24 a budget by acting on the budget proposed by the district  
25 administrator. The board may make any changes in the proposed  
26 budget that the board judges to be in the interest of the residents  
27 of the district ~~[taxpayers]~~ and that the law warrants.

1 SECTION 7. Section 1094.205, Special District Local Laws  
2 Code, is amended to read as follows:

3 Sec. 1094.205. FISCAL YEAR. (a) The district operates  
4 according to a fiscal year that begins on October 1 and ends on  
5 September 30, or as established by the board.

6 (b) The fiscal year may not be changed if revenue bonds of  
7 the district are outstanding or more than once in a 24-month period.

8 SECTION 8. Section 1094.209(a), Special District Local Laws  
9 Code, is amended to read as follows:

10 (a) The board shall select one or more banks [~~in the~~  
11 ~~district~~] to serve as a depository for district money.

12 SECTION 9. Section 1094.253(b), Special District Local Laws  
13 Code, is amended to read as follows:

14 (b) The order calling the election shall provide for clerks  
15 as in county elections and must specify:

- 16 (1) the date of the election;
- 17 (2) the location of the polling places;
- 18 (3) the presiding and alternate election judges for  
19 each polling place;
- 20 (4) the amount of the bonds to be authorized; and
- 21 (5) the maximum maturity [~~interest rate~~] of the bonds.

22 SECTION 10. Section 1094.254, Special District Local Laws  
23 Code, is amended to read as follows:

24 Sec. 1094.254. MATURITY OF GENERAL OBLIGATION BONDS.  
25 District general obligation bonds must mature not later than the  
26 maximum maturity stated in the order calling the election [~~40 years~~  
27 ~~after the date of issuance~~].

1 SECTION 11. Subchapter F, Chapter 1094, Special District  
2 Local Laws Code, is amended by adding Section 1094.259 to read as  
3 follows:

4 Sec. 1094.259. ADDITIONAL MEANS OF SECURING REPAYMENT OF  
5 BONDS. In addition to the authority to issue general obligation  
6 bonds and revenue bonds under this subchapter, the board may  
7 provide for the security and payment of district bonds from a pledge  
8 of a combination of ad valorem taxes as authorized by Section  
9 1094.251 and revenue and other sources as authorized by Section  
10 1094.256.

11 SECTION 12. Subchapter F, Chapter 1094, Special District  
12 Local Laws Code, is amended by adding Section 1094.260 to read as  
13 follows:

14 Sec. 1094.260. USE OF BOND PROCEEDS. The district may use  
15 the proceeds of bonds issued under this subchapter to pay:

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

18 (2) interest payments on the bonds during a period of  
19 acquisition or construction of a project or facility to be provided  
20 through the bonds, not to exceed five years;

21 (3) costs related to the physical maintenance of a  
22 project or facility to be provided through the bonds:

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

25 (B) for one year after the project or facility is  
26 acquired or constructed;

27 (4) costs related to the financing of the bond funds,

- 1 including debt service reserve and contingency funds;  
2 (5) costs related to the issuance of the bonds;  
3 (6) costs related to the acquisition of land or  
4 interests in land for a project or facility to be provided through  
5 the bonds; and  
6 (7) costs of construction of a project or facility to  
7 be provided through the bonds, including the payment of related  
8 professional services and expenses.

9 SECTION 13. Section 1094.303, Special District Local Laws  
10 Code, is amended to read as follows:

11 Sec. 1094.303. ASSESSMENT AND COLLECTION OF TAXES [~~BY~~  
12 ~~COUNTY TAX ASSESSOR-COLLECTOR~~]. The board may provide for the  
13 appointment of a tax assessor-collector for the district or may  
14 contract for the assessment and collection of taxes as provided by  
15 the Tax Code. [(a) This section applies unless the board elects to  
16 have taxes assessed and collected under Section 1094.304.

17 [(b) The tax assessor-collector of Gaines County shall  
18 assess and collect taxes imposed by the district.]

19 SECTION 14. Chapter 1094, Special District Local Laws Code,  
20 is amended by adding Subchapter H to read as follows:

21 SUBCHAPTER H. DISSOLUTION

22 Sec. 1094.401. DISSOLUTION; ELECTION. (a) The district may  
23 be dissolved only on approval of a majority of the district voters  
24 voting in an election held for that purpose.

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

1 (c) The order calling the election must state:

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

4 (2) the date of the election;

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

6 (4) the location of the polling places.

7 Sec. 1094.402. NOTICE OF ELECTION. (a) The board shall give  
8 notice of an election under this subchapter by publishing once a  
9 week for two consecutive weeks a substantial copy of the election  
10 order in a newspaper with general circulation in the district.

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

13 Sec. 1094.403. BALLOT. The ballot for an election under  
14 this subchapter must be printed to permit voting for or against the  
15 proposition: "The dissolution of the Seminole Hospital District of  
16 Gaines County, Texas."

17 Sec. 1094.404. ELECTION RESULTS. (a) If a majority of the  
18 votes in an election under this subchapter favor dissolution, the  
19 board shall find that the district is dissolved.

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

25 Sec. 1094.405. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
26 If a majority of the votes in the election held under this  
27 subchapter favor dissolution, the board shall:

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

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

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

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

15           Sec. 1094.406. IMPOSITION OF TAX AND RETURN OF SURPLUS  
16 TAXES. (a) After the board finds that the district is dissolved,  
17 the board shall:

18           (1) determine the debt owed by the district; and  
19           (2) impose on the property included in the district's  
20 tax rolls a tax that is in proportion of the debt to the property  
21 value.

22           (b) On the payment of all outstanding debts and obligations  
23 of the district, the board shall order the secretary to return to  
24 each district taxpayer the taxpayer's pro rata share of all unused  
25 tax money.

26           (c) A taxpayer may request that the taxpayer's share of  
27 surplus tax money be credited to the taxpayer's county taxes. If a

1 taxpayer requests the credit, the board shall direct the secretary  
2 to transmit the money to the county tax assessor-collector.

3 Sec. 1094.407. REPORT; DISSOLUTION ORDER. (a) After the  
4 district has paid all district debts and has disposed of all  
5 district money and other assets as prescribed by this subchapter,  
6 the board shall file a written report with the Commissioners Court  
7 of Gaines County summarizing the board's actions in dissolving the  
8 district.

9 (b) Not later than the 10th day after the date the  
10 Commissioners Court of Gaines County receives the report and  
11 determines that the requirements of this subchapter have been  
12 fulfilled, the commissioners court shall enter an order dissolving  
13 the district and releasing the board from any further duty or  
14 obligation.

15 SECTION 15. The directors elected to Places 3 and 4 in the  
16 election to be held by the district in 2014 shall each serve for a  
17 two-year term, and their successors shall serve for three-year  
18 terms.

19 SECTION 16. This Act takes effect immediately if it  
20 receives a vote of two-thirds of all the members elected to each  
21 house, as provided by Section 39, Article III, Texas Constitution.  
22 If this Act does not receive the vote necessary for immediate  
23 effect, this Act takes effect September 1, 2013.