

AN ACT

relating to the Dallam-Hartley Counties Hospital District, the Ector County Hospital District, and the Seminole Hospital District of Gaines County, Texas.

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

SECTION 1. Section 1018.155(b), Special District Local Laws Code, is amended to read as follows:

(b) The fiscal year may not be changed[+]

~~[(1) during the time revenue bonds of the district are outstanding; or~~

~~[(2)]~~ more than once in a 24-month period.

SECTION 2. Section 1024.053, Special District Local Laws Code, is amended to read as follows:

Sec. 1024.053. BALLOT 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 a petition requesting that action. The petition must:

(1) be signed by at least 50 registered voters of the district as determined by the most recent official list of registered voters;

(2) be filed not later than 5 p.m. on the same ~~[62nd]~~ day that an application for a place on the ballot must be filed under Section 144.005, Election Code ~~[before the date of the election]~~; and

1 (3) specify the single-member district [~~commissioners~~
2 ~~precinct~~] the candidate wants to represent [~~or specify that the~~
3 ~~candidate wants to represent the district at large~~].

4 SECTION 3. Section 1094.051, Special District Local Laws
5 Code, is amended to read as follows:

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

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

12 SECTION 4. Section 1094.052, Special District Local Laws
13 Code, is amended to read as follows:

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

19 SECTION 5. Section 1094.053, Special District Local Laws
20 Code, is amended to read as follows:

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

26 [~~(1) signed by at least 25 voters, and~~

27 [~~(2) filed at least 25 days before the date of the~~

1 election].

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

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

8 SECTION 7. Section 1094.110, Special District Local Laws
9 Code, is amended to read as follows:

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

16 SECTION 8. Sections 1094.202(c) and (d), Special District
17 Local Laws Code, are amended to read as follows:

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

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

25 SECTION 9. Section 1094.205, Special District Local Laws
26 Code, is amended to read as follows:

27 Sec. 1094.205. FISCAL YEAR. (a) The district operates

1 according to a fiscal year that begins on October 1 and ends on
2 September 30, or as established by the board.

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

5 SECTION 10. Section 1094.209(a), Special District Local
6 Laws Code, is amended to read as follows:

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

9 SECTION 11. Section 1094.253(b), Special District Local
10 Laws Code, is amended to read as follows:

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

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

19 SECTION 12. Section 1094.254, Special District Local Laws
20 Code, is amended to read as follows:

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

25 SECTION 13. Subchapter F, Chapter 1094, Special District
26 Local Laws Code, is amended by adding Section 1094.259 to read as
27 follows:

1 Sec. 1094.259. ADDITIONAL MEANS OF SECURING REPAYMENT OF
2 BONDS. In addition to the authority to issue general obligation
3 bonds and revenue bonds under this subchapter, the board may
4 provide for the security and payment of district bonds from a pledge
5 of a combination of ad valorem taxes as authorized by Section
6 1094.252 and revenue and other sources as authorized by Section
7 1094.256.

8 SECTION 14. Subchapter F, Chapter 1094, Special District
9 Local Laws Code, is amended by adding Section 1094.260 to read as
10 follows:

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

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

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

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

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

22 (B) for one year after the project or facility is
23 acquired or constructed;

24 (4) costs related to the financing of the bond funds,
25 including debt service reserve and contingency funds;

26 (5) costs related to the issuance of the bonds;

27 (6) costs related to the acquisition of land or

1 interests in land for a project or facility to be provided through
2 the bonds; and

3 (7) costs of construction of a project or facility to
4 be provided through the bonds, including the payment of related
5 professional services and expenses.

6 SECTION 15. Section 1094.303, Special District Local Laws
7 Code, is amended to read as follows:

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

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

16 SECTION 16. Chapter 1094, Special District Local Laws Code,
17 is amended by adding Subchapter H to read as follows:

18 SUBCHAPTER H. DISSOLUTION

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

22 (b) The board may order an election on the question of
23 dissolving the district and disposing of the district's assets and
24 obligations.

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

26 (1) the nature of the election, including the
27 proposition to appear on the ballot;

- 1 (2) the date of the election;
- 2 (3) the hours during which the polls will be open; and
- 3 (4) the location of the polling places.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 Sec. 1094.407. REPORT; DISSOLUTION ORDER. (a) After the

1 district has paid all district debts and has disposed of all
2 district money and other assets as prescribed by this subchapter,
3 the board shall file a written report with the Commissioners Court
4 of Gaines County summarizing the board's actions in dissolving the
5 district.

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

12 SECTION 17. (a) The election of the board of directors of
13 the Seminole Hospital District of Gaines County, Texas, scheduled
14 to be held in 2014 must be held. The directors elected to places 3
15 and 4 at the election shall serve two-year terms. A director
16 elected to an at-large position on the board at the election held in
17 2014 shall serve a three-year term.

18 (b) The election of the board of directors scheduled to be
19 held in 2015 must be held, and all directors elected at that
20 election shall serve three-year terms.

21 (c) The directors elected at the elections to be held in
22 2016, 2017, and 2018 shall serve three-year terms.

23 SECTION 18. (a) Except as provided by Subsection (b) of
24 this section:

25 (1) this Act takes effect immediately if it receives a
26 vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution; and

1 (2) if this Act does not receive the vote necessary for
2 immediate effect, this Act takes effect September 1, 2013.

3 (b) Section 1094.051, Special District Local Laws Code, as
4 amended by this Act, takes effect January 1, 2014.

President of the Senate

Speaker of the House

I certify that H.B. No. 2688 was passed by the House on May 2, 2013, by the following vote: Yeas 147, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2688 on May 22, 2013, by the following vote: Yeas 148, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2688 was passed by the Senate, with amendments, on May 20, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor