

By: Seliger

S.B. No. 1325

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) ~~[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~~[~~  
9 ~~and 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. Section 1094.202, Special District Local Laws  
20 Code, is amended by amending subsections (c) and (d) to read as  
21 follows:

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

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

1 of the district [~~taxpayers~~] and that the law warrants.

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

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

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

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

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

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

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

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

23 SECTION 10. Section 1094.253, Special District Local Laws  
24 Code, is amended by adding subsection (d) to read as follows:

25 (d) Section 41.001(a), Election Code, does not apply to an  
26 election ordered under this section.

27 SECTION 11. Section 1094.254, Special District Local Laws

1 Code, is amended to read as follows:

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

6       SECTION 12. Section 1094.259, Special District Local Laws  
7 Code, is added to read as follows:

8       Sec. 1094.259. ADDITIONAL MEANS OF SECURING REPAYMENT OF  
9 BONDS. In addition to the authority to issue general obligation  
10 bonds and revenue bonds under this subchapter, the board may  
11 provide for the security and payment of district bonds from a pledge  
12 of a combination of ad valorem taxes as authorized by Section  
13 1094.251 and revenue and other sources as authorized by Section  
14 1094.256.

15       SECTION 13. Section 1094.260, Special District Local Laws  
16 Code, is added to read as follows:

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

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

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

24               (3) costs related to the operation and maintenance of  
25 a project or facility to be provided through the bonds:

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

1                   (B) for one year after the project or facility is  
2 acquired or constructed;

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

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

6                   (6) costs related to the acquisition of land or  
7 interests in land for a project or facility to be provided through  
8 the bonds; and

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

12           SECTION 14. Section 1094.303, Special District Local Laws  
13 Code, is revised to read as follows:

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

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

22           SECTION 15. Section 1094.304, Special District Local Laws  
23 Code, is repealed.

24           SECTION 16. Subchapter H, Chapter 1094, Special District  
25 Local Laws Code, is added to read as follows:

26                                   SUBCHAPTER H. DISSOLUTION

27           Sec. 1094.401. DISSOLUTION; ELECTION. (a) The district may

1 be dissolved only on approval of a majority of the district voters  
2 voting in an election held for that purpose.

3 (b) The board may order an election on the question of  
4 dissolving the district and disposing of the district's assets and  
5 obligations.

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

7 (1) the nature of the election, including the  
8 proposition to appear on the ballot;

9 (2) the date of the election;

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

11 (4) the location of the polling places.

12 (d) Section 41.001, Election Code, does not apply to an  
13 election ordered under this section.

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

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

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

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

27 (b) If a majority of the votes in the election do not favor

1 dissolution, the board shall continue to administer the district  
2 and another election on the question of dissolution may not be held  
3 before the first anniversary of the date of the most recent election  
4 to dissolve the district.

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

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

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

14 (b) If the district makes the transfer under Subsection  
15 (a)(1), the county or entity assumes all debts and obligations of  
16 the district at the time of the transfer, and the district is  
17 dissolved.

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

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

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

26 (2) impose on the property included in the district's  
27 tax rolls a tax that is in proportion of the debt to the property

1 value.

2 (b) On the payment of all outstanding debts and obligations  
3 of the district, the board shall order the secretary to return to  
4 each district taxpayer the taxpayer's pro rata share of all unused  
5 tax money.

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

10 Sec. 1094.407. REPORT; DISSOLUTION ORDER. (a) After the  
11 district has paid all district debts and has disposed of all  
12 district money and other assets as prescribed by this subchapter,  
13 the board shall file a written report with the Commissioners Court  
14 of Gaines County summarizing the board's actions in dissolving the  
15 district.

16 (b) Not later than the 10th day after the date the  
17 Commissioners Court of Gaines County receive the report and  
18 determines that the requirements of this subchapter have been  
19 fulfilled, the commissioners court shall enter an order dissolving  
20 the district and releasing the board from any further duty or  
21 obligation.

22 SECTION 17. The directors elected to Places 3 and 4 in the  
23 election to be held by the district in 2015 shall each serve for a  
24 two-year term, and their successors shall serve for three-year  
25 terms.

26 SECTION 18. This act takes effect immediately if it  
27 receives a vote of two-thirds of all the members elected to each



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1 house, as provided by Section 39, Article III, Texas Constitution.  
2 If this act does not receive the vote necessary for immediate  
3 effect, this act takes effect September 1, 2013.