

House Bill 2688
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

No equivalent provision.

No equivalent provision.

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

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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 __. 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 [~~62nd~~] same 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
(3) specify the single-member district [~~commissioners precinct~~] the candidate wants to represent [~~or specify that the candidate wants to represent the district at large~~]. [FA1]

SECTION 2. Same as House version.

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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 that action. The petition must be:~~

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

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

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

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

SECTION 3. Same as House version.

SECTION 4. Same as House version.

SECTION 5. Same as House version.

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

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

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

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

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

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

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

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

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SECTION 6. Same as House version.

SECTION 7. Sections 1094.202(c) and (d), Special District Local Laws Code, are amended to read as follows:

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

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

SECTION 8. Same as House version.

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

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

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

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

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

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

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

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

Sec. 1094.259. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this

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SECTION 9. Same as House version.

SECTION 10. Same as House version.

SECTION 11. Same as House version.

SECTION 12. Subchapter F, Chapter 1094, Special District Local Laws Code, is amended by adding Section 1094.259 to read as follows:

Sec. 1094.259. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this

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subchapter, the board may provide for the security and payment of district bonds from a pledge of a combination of ad valorem taxes as authorized by Section 1094.251 and revenue and other sources as authorized by Section 1094.256.

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

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

- (1) any expense the board determines is reasonable and necessary to issue, sell, and deliver the bonds;
- (2) interest payments on the bonds during a period of acquisition or construction of a project or facility to be provided through the bonds, not to exceed five years;
- (3) costs related to the physical maintenance of a project or facility to be provided through the bonds:
 - (A) during an estimated period of acquisition or construction, not to exceed five years; and
 - (B) for one year after the project or facility is acquired or constructed;
- (4) costs related to the financing of the bond funds, including debt service reserve and contingency funds;
- (5) costs related to the issuance of the bonds;
- (6) costs related to the acquisition of land or interests in land for a project or facility to be provided through the bonds; and
- (7) costs of construction of a project or facility to be provided through the bonds, including the payment of related professional services and expenses.

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subchapter, the board may provide for the security and payment of district bonds from a pledge of a combination of ad valorem taxes as authorized by Section 1094.252 and revenue and other sources as authorized by Section 1094.256.

SECTION 13. Same as House version.

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

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

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

Sec. 1094.401. 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 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. 1094.402. NOTICE OF ELECTION. (a) The board shall give notice of an election under this subchapter by publishing once a week for two consecutive weeks a substantial copy of the election order in a newspaper with general circulation in

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SECTION 14. Same as House version.

SECTION 15. Same as House version.

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the district.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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SECTION 16. (a) The election of the board of directors of the Seminole Hospital District of Gaines County, Texas, scheduled to be held in 2014 must be held. The directors

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terms.

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

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electd to places 3 and 4 at the election shall serve two-year terms. A director elected to an at-large position on the board at the election held in 2014 shall serve a three-year term.
(b) The election of the board of directors scheduled to be held in 2015 must be held, and all directors elected at that election shall serve three-year terms.
(c) The directors elected at the elections to be held in 2016, 2017, and 2018 shall serve three-year terms.

SECTION 17. (a) Except as provided by Subsection (b) of this section:
(1) this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution; and
(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.
(b) Section 1094.051, Special District Local Laws Code, as amended by this Act, takes effect January 1, 2014.

CONFERENCE