1-1 By: Flynn (Senate Sponsor - Hall)
1-2 (In the Senate - Received from the House April 20, 2015;
1-3 April 30, 2015, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 13, 2015, reported favorably by
1-5 the following vote: Yeas 6, Nays 0; May 13, 2015, sent to printer.)

1-6 COMMITTEE VOTE

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1-7		Yea	Nay	Absent	PNV
1-8	Lucio	Χ	_		
1-9	Bettencourt	Χ			
1-10	Campbell	Χ			
1-11	Garcia	Χ			
1-12	Menéndez	Χ			
1-13	Nichols			X	
1-14	Taylor of Galveston	Χ			

A BILL TO BE ENTITLED AN ACT

relating to the Hunt Memorial Hospital District; authorizing the issuance of bonds.

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

SECTION 1. Section 1044.052, Special District Local Laws Code, is amended to read as follows:

Sec. 1044.052. 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, [at least one time] in a newspaper of general circulation in the district.

SECTION 2. Section 1044.053, Special District Local Laws Code, is amended to read as follows:

Sec. 1044.053. BALLOT <u>APPLICATION</u> [<u>PETITION</u>]. 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 <u>an application in accordance with Chapter 144, Election Code</u> [<u>a petition requesting that action. The petition must:</u>

[(1) be signed by at least 25 registered voters who reside in the district;

[(2) be filed at least 31 days before the date of the election; and

[(3) specify the county commissioners precinct the candidate wants to represent or specify that the candidate wants to represent the district at large].

SECTION 3. Section 1044.103, Special District Local Laws Code, is amended to read as follows:

Sec. 1044.103. MEDICAL FACILITIES; LEGISLATIVE INTENT. It is the intent of the legislature that the people of Hunt County be provided with the best and most modern health care available. To achieve that intent, the district may locate [provide] a medical or related facility in the city of Commerce, [and] in another area [other areas] of Hunt County, or in another county if the board finds that providing a facility is feasible and in the best interest of district residents.

SECTION 4. Subchapter E, Chapter 1044, Special District Local Laws Code, is amended by adding Sections 1044.206, 1044.207, 1044.208, and 1044.209 to read as follows:

Sec. 1044.206. REVENUE BONDS. (a) The board may issue revenue bonds to:

(1) acquire, purchase, construct, repair, renovate, or equip buildings or improvements for hospital purposes; or

(2) acquire sites to be used for hospital purposes.

(b) The bonds must be payable from and secured by a pledge of all or part of the revenues derived from the operation of the district's hospital system, including district facilities.

H.B. No. 797

(c) The bonds may be additionally secured by a mortgage or deed of trust lien on all or part of the district property.

(d) The bonds must be issued in the manner and in accordance with the procedures and requirements prescribed by Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health and Safety Code, for issuance of revenue bonds by county hospital authorities.

Sec. 1044.207. REFUNDING BONDS. (a) The board may issue refunding bonds to refund outstanding indebtedness issued or assumed by the district.

(b) A refunding bond may be:

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(1) sold, with the proceeds of the refunding bond applied to the payment of the outstanding indebtedness; or

(2) exchanged wholly or partly for not less than a similar principal amount of outstanding indebtedness.

Sec. 1044.208. ADDITIONAL MEANS OF SECURING REPAYMENT OF

Sec. 1044.208. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this 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 1044.202 and revenue and other sources authorized by Section 1044.206.

Sec. 1044.209. 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 financing of the bond funds, including debt service reserve and contingency funds;

(4) costs related to the bond issuance;

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

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

SECTION 5. 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, 2015.

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