

## **BILL ANALYSIS**

Senate Research Center  
85R10866 MEW-F

S.B. 2289  
By: Schwertner  
Health & Human Services  
5/2/2017  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 2289 amends statute related to the Fairfield Hospital District, including amending the notice required for an election and adding language to allow for an election to raise the maximum tax rate. S.B. 2289 was drafted at the request of the district, and the Commissioners Court of Freestone County and the Fairfield Chamber of Commerce have expressed their support for the legislation. S.B. 2289 stipulates that notice of an election of directors shall be published in accordance with Chapter 4 of the Election Code. Additionally, the bill sets forth guidelines under which an increase in the tax rate may be approved at an election, including that the tax rate for all purposes may not exceed the maximum tax rate approved by the voters at the election.

As proposed, S.B. 2289 amends current law relating to the Fairfield Hospital District.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1015.052, Special District Local Laws Code, as follows:

Sec. 1015.052. NOTICE OF ELECTION. Requires that notice of an election of directors be published in accordance with Chapter 4 (Notice of Election), Election Code. Deletes existing text requiring, at least 35 days before the date of an election of directors, that notice of the election be published one time in a newspaper with general circulation in the district.

SECTION 2. Amends Section 1015.252, Special District Local Laws Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Prohibits the tax rate for all purposes, from exceeding 12 cents on each \$100 valuation of all taxable property in the Fairfield Hospital District (district), unless the tax rate is increased as provided by Section 1015.254.

(b-1) Prohibits the tax rate, for all purposes, if an increase in the tax rate is approved at an election under Section 1015.254, from exceeding the maximum tax rate approved by the voters at the election.

SECTION 3. Amends Subchapter F, Chapter 1015, Special District Local Laws Code, by adding Section 1015.254, as follows:

Sec. 1015.254. ELECTION TO INCREASE MAXIMUM TAX RATE. (a) Authorizes the board of directors of the district (board) to order an election to increase the maximum tax rate of the district to a rate not to exceed 25 cents on each \$100 valuation of the taxable property in the district.

(b) Requires the board, subject to Subsection (d), to order an election to increase the maximum tax rate of the district on presentation of a petition that requests the

election, states the maximum tax rate to be voted on at the election, and is signed by at least 100 registered voters of the district, as determined by the most recent official list of registered voters.

(c) Requires the board, by order, to set a time and place to hold a hearing on the petition. Requires the board to set a date for the hearing that is not earlier than the 11th day after the date the board issues the order.

(d) Requires the board, if, after the hearing, the board determines that the petition is in proper form and that an increase of the maximum tax rate would benefit the district, to order an election to authorize the increase of the maximum tax rate to the tax rate stated in the petition.

(e) Requires that the election order state certain information.

SECTION 4. Effective date: upon passage or September 1, 2017.