BILL ANALYSIS

C.S.H.B. 2014 By: Kerwin Intergovernmental Affairs Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill author has informed the committee that, in the initial election of members of the sevenmember board of directors of the Somervell County Hospital District in May 2014, under applicable state law, the four candidates with the highest number of votes were to serve two-year terms and the three candidates with the next highest number of votes were to serve one-year terms. However, the bill author has also informed the committee that two of the seven candidates received the same number of votes, tying for the fourth highest number of votes, and that there was no agreement among the candidates regarding how to decide which of those two candidates would serve a two-year term and which would serve a one-year term. Therefore, the Somervell County Attorney requested an attorney general opinion, and in the opinion, the attorney general stated a court could conclude that two directors of a seven-member board who receive the fourthhighest total number of votes are included in the "majority of the directors who receive the highest number of votes" and that both serve a two-year term under applicable state law. The bill author has also informed the committee that, as a result of that opinion, the board voted in 2015 to implement staggered terms of office for directors and that currently, two directors are elected in odd-numbered years and five directors are elected in even-numbered years. C.S.H.B. 2014 seeks to rectify that unbalanced election schedule and provide for more continuity in the district's governance.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2014 amends the Special District Local Laws Code to establish that the board of directors of the Somervell County Hospital District consists of seven elected directors who serve staggered four-year terms. The bill requires a directors' election to be held on the uniform election date in May of appropriate years to elect the appropriate number of directors.

C.S.H.B. 2014 requires a director of the Somervell County Hospital District who is serving on the day before the bill's effective date to continue to serve until the director's term expires and the director's successor has qualified. The bill requires the directors elected at the directors' election held in May of 2026 to draw lots to determine which two directors must serve two-year terms and which three directors must serve three-year terms and establishes the following:

• the directors elected at the directors' election held in May of 2027 must serve four-year terms; and

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• a director who succeeds a director elected in May of 2026 or May of 2027 must serve a four-year term.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2014 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitutes includes provisions absent from the introduced that do the following:

- for purposes of the bill's provisions, define "director" as a member of the board of directors of the Somervell County Hospital District;
- establish that the board consists of seven elected directors:
- establish that directors serve staggered four-year terms; and
- require a director who is serving on the day before the bill's effective date to continue to serve until the director's term expires and the director's successor has qualified.

The substitute omits the provision from the introduced that reserved certain sections of the Special Districts Local Laws Code for expansion. Additionally, while both the introduced and the substitute require a directors' election to be held on the uniform election date in May to elect the appropriate number of directors, the versions differ in the following ways:

- whereas the introduced required an election to be held in May as appropriate, the substitute requires an election to be held in May of appropriate years; and
- the introduced specified that the appropriate number of directors are elected for fouryear terms, whereas the substitute does not.

The substitute changes the bill's effective date from on passage, or, if the bill does not receive the necessary vote, September 1, 2025, as in the introduced, to September 1, 2025.

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