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17 CHAPTER 1011. SCHLEICHER COUNTY HOSPITAL DISTRICT

18 SUBCHAPTER A. GENERAL PROVISIONS

19 Sec. 1011.001. DEFINITIONS. In this chapter:

20 (1) "Board" means the board of directors of the  
21 district.

22 (2) "Director" means a member of the board.

23 (3) "District" means the Schleicher County Hospital  
24 District. (New.)

25 Sec. 1011.002. AUTHORITY FOR OPERATION. The Schleicher  
26 County Hospital District operates in accordance with and has the  
27 powers and responsibilities provided by Section 9, Article IX,

1 Texas Constitution. (Acts 60th Leg., R.S., Ch. 38, Sec. 1 (part).)

2       Sec. 1011.003. POLITICAL SUBDIVISION. The district is a  
3 political subdivision of this state. (Acts 60th Leg., R.S., Ch. 38,  
4 Sec. 16 (part).)

5       Sec. 1011.004. DISTRICT TERRITORY. The boundaries of the  
6 district are coextensive with the boundaries of Schleicher County.  
7 (Acts 60th Leg., R.S., Ch. 38, Sec. 1 (part).)

8       Sec. 1011.005. CORRECTION OF INVALID PROCEDURES. If a  
9 court holds that any procedure under this chapter violates the  
10 constitution of this state or of the United States, the district by  
11 resolution may provide an alternative procedure that conforms with  
12 the constitution. (Acts 60th Leg., R.S., Ch. 38, Sec. 17 (part).)

13       [Sections 1011.006-1011.050 reserved for expansion]

14                   SUBCHAPTER B. DISTRICT ADMINISTRATION

15       Sec. 1011.051. BOARD ELECTION; TERM. (a) Except as  
16 provided by Section 1011.064, the board consists of seven directors  
17 elected from the district at large.

18       (b) Unless four-year terms are established under Section  
19 285.081, Health and Safety Code:

20               (1) directors serve staggered two-year terms; and

21               (2) a directors' election shall be held annually on a  
22 date authorized by Chapter 41, Election Code. (Acts 60th Leg.,  
23 R.S., Ch. 38, Secs. 3(a) (part), (c) (part).)

24       Sec. 1011.052. NOTICE OF ELECTION. At least 10 days before  
25 the date of a directors' election, notice of the election must be  
26 published one time in a newspaper of general circulation in  
27 Schleicher County. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(c))

1 (part).)

2           Sec. 1011.053. BALLOT PETITION. (a) A person who wants to  
3 have the person's name printed on the ballot as a candidate for  
4 director must file with the board secretary a petition requesting  
5 that action. The petition must be signed by not fewer than 10  
6 registered voters.

7           (b) The petition and an application for a place on the  
8 ballot that meets the requirements of the Election Code must be  
9 filed in the manner provided by Chapter 144, Election Code. (Acts  
10 60th Leg., R.S., Ch. 38, Sec. 3(c) (part).)

11           Sec. 1011.054. QUALIFICATIONS FOR OFFICE. A person may not  
12 be appointed or elected as a director unless the person is:

13                   (1) a resident of the district; and

14                   (2) at least 18 years of age at the time of the  
15 appointment or election. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(a)  
16 (part).)

17           Sec. 1011.055. BOND; RECORD OF BOND AND OATH. (a) Each  
18 director shall execute a good and sufficient bond for \$1,000 that  
19 is:

20                   (1) payable to the district; and

21                   (2) conditioned on the faithful performance of the  
22 director's duties.

23           (b) Each director's bond and constitutional oath of office  
24 shall be deposited with the district's depository bank for  
25 safekeeping. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(a) (part).)

26           Sec. 1011.056. BOARD VACANCY. (a) If a vacancy occurs in  
27 the office of director, the remaining directors shall appoint a

1 director for the unexpired term.

2 (b) If the number of directors is reduced to fewer than four  
3 for any reason, the remaining directors shall immediately call a  
4 special election to fill the vacancies. If the remaining directors  
5 do not call the election, a district court, on application of a  
6 district voter or taxpayer, may order the directors to hold the  
7 election. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(b) (part).)

8 Sec. 1011.057. OFFICERS. The board shall elect from among  
9 its members a president and a secretary. (Acts 60th Leg., R.S., Ch.  
10 38, Sec. 3(b) (part).)

11 Sec. 1011.058. COMPENSATION; EXPENSES. A director serves  
12 without compensation but may be reimbursed for actual expenses  
13 incurred in the performance of official duties on approval of the  
14 expenses by the board. (Acts 60th Leg., R.S., Ch. 38, Sec. 4  
15 (part).)

16 Sec. 1011.059. VOTING REQUIREMENT. A concurrence of a  
17 majority of directors is sufficient in any matter relating to  
18 district business. (Acts 60th Leg., R.S., Ch. 38, Sec. 3(b)  
19 (part).)

20 Sec. 1011.060. MEETINGS. (a) A board meeting may be  
21 called by the president or a majority of the directors.

22 (b) Notice of the time and place of a board meeting must be  
23 given to each director not later than the seventh day before the  
24 time of the meeting.

25 (c) This section does not prevent the board from  
26 establishing by resolution a regular time and place for meetings  
27 for which special notice is not required. (Acts 60th Leg., R.S.,

1 Ch. 38, Sec. 3(b) (part).)

2       Sec. 1011.061. EMPLOYEES. The board may employ a general  
3 manager and other necessary professional and clerical personnel.  
4 (Acts 60th Leg., R.S., Ch. 38, Sec. 7(a) (part).)

5       Sec. 1011.062. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
6 Except as provided by Section 1011.055, all district records,  
7 including books, accounts, notices, and minutes, and all other  
8 matters of the district and the operation of its facilities shall  
9 be:

- 10           (1) maintained at the district office; and  
11           (2) open to public inspection at the district office  
12 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(b).)

13       Sec. 1011.063. SEAL. The board may adopt a seal for the  
14 district. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(a) (part).)

15       Sec. 1011.064. ALTERNATIVE ELECTION OF DIRECTORS BY  
16 PRECINCT. (a) The board may adopt an order to elect directors from  
17 five districts according to the commissioners precinct method.

18           (b) If the board adopts an order under Subsection (a), one  
19 director is elected by the voters of the district at large and one  
20 director is elected from each county commissioners precinct by the  
21 voters of that precinct.

22           (c) Except as provided by Subsection (e), a person must be:

23               (1) a resident of the district to be eligible to be a  
24 candidate for or to serve as a director at large; and

25               (2) a resident of the precinct to be a candidate for or  
26 to serve as a director from that precinct.

27           (d) A person shall indicate on the application for a place

1 on the ballot:

2           (1) that the person seeks to represent the district at  
3 large; or

4           (2) the precinct that the person seeks to represent.

5           (e) When the boundaries of the county commissioners  
6 precincts are redrawn to reflect population changes after each  
7 federal decennial census, a director in office on the effective  
8 date of the change, or elected or appointed before the effective  
9 date of the change to a term of office beginning on or after the  
10 effective date of the change, shall serve the term or the remainder  
11 of the term in the precinct to which elected or appointed even if  
12 the change in boundaries places the director's residence outside  
13 the precinct for which the director was elected or appointed.

14           (f) At the first directors' election after the adoption of  
15 an order under Subsection (a), five new directors shall be elected.  
16 After the canvass of the returns of the election, the terms of all  
17 directors serving at the time of the election expire.

18           (g) At the first meeting of the directors elected under this  
19 section, the directors shall draw lots to determine which three  
20 directors serve two-year terms and which two directors serve  
21 one-year terms. After the terms of the initial directors elected  
22 under this section expire, each director serves a two-year term.  
23 (Acts 60th Leg., R.S., Ch. 38, Sec. 3A.)

24           [Sections 1011.065-1011.100 reserved for expansion]

25                           SUBCHAPTER C. POWERS AND DUTIES

26           Sec. 1011.101. DISTRICT RESPONSIBILITY. The district has  
27 full responsibility for providing medical and hospital care for the



1 district's residents, including the district's needy and indigent  
2 residents. (Acts 60th Leg., R.S., Ch. 38, Secs. 2(a) (part), 12  
3 (part).)

4 Sec. 1011.102. RESTRICTION ON COUNTY OR MUNICIPAL  
5 TAXATION. Schleicher County or a municipality in Schleicher County  
6 may not impose a tax for hospital purposes. (Acts 60th Leg., R.S.,  
7 Ch. 38, Sec. 12 (part).)

8 Sec. 1011.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
9 management and control of the district is vested in the board.  
10 (Acts 60th Leg., R.S., Ch. 38, Sec. 4 (part).)

11 Sec. 1011.104. RULES. (a) The board may adopt rules  
12 governing the operation of the district and district facilities.

13 (b) The rules, on approval by the board, may be published in  
14 booklet form at district expense and may be made available to any  
15 taxpayer on request. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(c).)

16 Sec. 1011.105. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
17 The board may prescribe the method and manner of making purchases  
18 and expenditures by and for the district.

19 (b) The board shall prescribe:

20 (1) all accounting and control procedures; and

21 (2) the method of purchasing necessary supplies,  
22 materials, and equipment. (Acts 60th Leg., R.S., Ch. 38, Sec. 7(a)  
23 (part).)

24 Sec. 1011.106. EMINENT DOMAIN. (a) The district may  
25 exercise the power of eminent domain to acquire a fee simple or  
26 other interest in any type of property located in district  
27 territory, if the interest is necessary or convenient for the

1 district to exercise a right, power, privilege, or function  
2 conferred on the district by this chapter.

3 (b) The district must exercise the power of eminent domain  
4 in the manner provided by Chapter 21, Property Code, except the  
5 district is not required to deposit in the trial court money or a  
6 bond as provided by Section 21.021(a), Property Code.

7 (c) In a condemnation proceeding brought by the district,  
8 the district is not required to:

9 (1) pay in advance or provide bond or other security  
10 for costs in the trial court;

11 (2) provide bond for the issuance of a temporary  
12 restraining order or a temporary injunction; or

13 (3) provide a bond for costs or a supersedeas bond on  
14 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 38,  
15 Sec. 9.)

16 Sec. 1011.107. GIFTS AND ENDOWMENTS. The board may accept  
17 for the district a gift or endowment to be held in trust and  
18 administered by the board for the purposes and under the  
19 directions, limitations, or other provisions prescribed in writing  
20 by the donor that are not inconsistent with the proper management  
21 and objectives of the district. (Acts 60th Leg., R.S., Ch. 38, Sec.  
22 14.)

23 Sec. 1011.108. PROVISION OF SERVICES OUTSIDE DISTRICT. On  
24 approval of the board, the district may provide primary care,  
25 emergency services, preventive medical services, and other  
26 health-related services outside the district if the services serve  
27 the district's purpose. (Acts 60th Leg., R.S., Ch. 38, Sec. 1

1 (part).)

2           Sec. 1011.109. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
3 When a patient who claims to be indigent is admitted to a district  
4 facility, the board shall have an inquiry made into the  
5 circumstances of:

6                   (1) the patient; and

7                   (2) the patient's relatives legally liable for the  
8 patient's support.

9           (b) If an agent designated by the district to handle the  
10 inquiry determines that the patient or those relatives cannot pay  
11 for all or part of the patient's care and treatment in the hospital,  
12 the amount that cannot be paid becomes a charge against the  
13 district.

14           (c) If it is determined that the patient or those relatives  
15 are liable to pay for all or part of the patient's care and  
16 treatment, the patient or those relatives shall be ordered to pay to  
17 the district's treasurer a specified amount each week for the  
18 patient's support. The amount ordered must be proportionate to  
19 their financial ability and may not exceed the actual per capita  
20 cost of maintenance.

21           (d) The district may collect the amount from the patient's  
22 estate, or from those relatives legally liable for the patient's  
23 support, in the manner provided by law for the collection of  
24 expenses of the last illness of a deceased person.

25           (e) If there is a dispute as to the ability to pay or doubt  
26 in the mind of the district's designated agent, the board shall hold  
27 a hearing and, after calling witnesses, shall:

1 (1) resolve the dispute or doubt; and

2 (2) issue any appropriate order.

3 (f) The order may be appealed to the district court. (Acts  
4 60th Leg., R.S., Ch. 38, Sec. 13.)

5 Sec. 1011.110. AUTHORITY TO SUE AND BE SUED. As a  
6 governmental agency, the district may sue and be sued in its own  
7 name in any court in this state. (Acts 60th Leg., R.S., Ch. 38, Sec.  
8 16 (part).)

9 [Sections 1011.111-1011.150 reserved for expansion]

10 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

11 Sec. 1011.151. BUDGET. The board annually shall have a  
12 budget prepared for the next fiscal year that includes:

13 (1) proposed expenditures and disbursements;

14 (2) estimated receipts and collections; and

15 (3) the amount of taxes required to be imposed for the  
16 year. (Acts 60th Leg., R.S., Ch. 38, Sec. 8(b) (part).)

17 Sec. 1011.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
18 The board shall hold a public hearing on the proposed budget.

19 (b) Notice of the hearing must be published at least once in  
20 a newspaper of general circulation in Schleicher County not later  
21 than the 10th day before the date of the hearing.

22 (c) Any district taxpayer is entitled to:

23 (1) appear at the time and place designated in the  
24 notice; and

25 (2) be heard regarding any item included in the  
26 proposed budget. (Acts 60th Leg., R.S., Ch. 38, Sec. 8(b) (part).)

27 Sec. 1011.153. FISCAL YEAR. The district's fiscal year

1 begins on January 1 and ends on December 31. (Acts 60th Leg., R.S.,  
2 Ch. 38, Sec. 8(a) (part).)

3       Sec. 1011.154. ANNUAL AUDIT. (a) The board annually shall  
4 have an independent audit made of the district's books and records  
5 for the preceding fiscal year.

6       (b) Not later than March 31 each year, the audit shall be  
7 filed:

8             (1) with the comptroller; and

9             (2) at the district's office. (Acts 60th Leg., R.S.,  
10 Ch. 38, Sec. 8(a) (part).)

11       Sec. 1011.155. DEPOSITORY OR TREASURER. (a) The board by  
12 resolution shall designate a bank or banks in Schleicher County as  
13 the district's depository or treasurer. A designated bank serves  
14 for two years and until a successor is designated.

15       (b) All income received by the district shall be deposited  
16 with the district depository.

17       (c) All district money shall be secured in the manner  
18 provided for securing county funds. (Acts 60th Leg., R.S., Ch. 38,  
19 Secs. 5(b) (part), 10.)

20             [Sections 1011.156-1011.200 reserved for expansion]

21                             SUBCHAPTER E. BONDS

22       Sec. 1011.201. GENERAL OBLIGATION BONDS. The board may  
23 issue and sell general obligation bonds in the name and on the faith  
24 and credit of the district for any purpose relating to the purchase,  
25 construction, acquisition, repair, or renovation of buildings or  
26 improvements and equipping buildings and improvements for hospital  
27 purposes. (Acts 60th Leg., R.S., Ch. 38, Sec. 6(a) (part).)

1           Sec. 1011.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)  
2 The board shall impose an ad valorem tax at a rate sufficient to  
3 create an interest and sinking fund to pay the principal of and  
4 interest on general obligation bonds issued under Section 1011.201  
5 as the bonds mature.

6           (b) The tax required by this section together with any  
7 maintenance and operations tax the district imposes may not in any  
8 year exceed 75 cents on each \$100 valuation of all taxable property  
9 in the district. (Acts 60th Leg., R.S., Ch. 38, Sec. 6(a) (part).)

10          Sec. 1011.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
11 district may issue general obligation bonds only if the bonds are  
12 authorized by a majority of the district voters voting at an  
13 election held for that purpose.

14          (b) The board may order a bond election on its own motion.

15          (c) The order must specify:

- 16               (1) the location of the polling places;  
17               (2) the presiding election officers;  
18               (3) the purpose for which the bonds are to be issued;  
19               (4) the amount of the bonds to be authorized;  
20               (5) the maximum interest rate of the bonds; and  
21               (6) the maximum maturity date of the bonds.

22          (d) Notice of a bond election shall be given by publishing a  
23 substantial copy of the order in a newspaper of general circulation  
24 in Schleicher County once each week for two consecutive weeks  
25 before the date of the election. The first publication must occur at  
26 least 14 days before the date of the election. (Acts 60th Leg.,  
27 R.S., Ch. 38, Sec. 6(a) (part).)



1 bonds issued by the district for hospital purposes as provided by  
2 this chapter;

3           (2) provide for the maintenance and operations of the  
4 hospital, hospital system, or related facilities;

5           (3) make improvements and additions to the hospital  
6 system; and

7           (4) acquire necessary sites for the hospital system by  
8 purchase, lease, or condemnation. (Acts 60th Leg., R.S., Ch. 38,  
9 Secs. 5(a) (part), (b) (part), 8(b) (part).)

10           Sec. 1011.252. TAX RATE. The board may impose the tax at a  
11 rate not to exceed 75 cents on each \$100 valuation of all taxable  
12 property in the district. (Acts 60th Leg., R.S., Ch. 38, Sec. 5(a)  
13 (part).)

14           Sec. 1011.253. TAX ASSESSOR-COLLECTOR.           The tax  
15 assessor-collector of Schleicher County shall assess and collect  
16 taxes imposed by the district. (Acts 60th Leg., R.S., Ch. 38, Secs.  
17 5(b) (part), 8(b) (part).)

18           CHAPTER 1034. HALL COUNTY HOSPITAL DISTRICT

19                   SUBCHAPTER A. GENERAL PROVISIONS

20           Sec. 1034.001. DEFINITIONS

21           Sec. 1034.002. AUTHORITY FOR OPERATION

22           Sec. 1034.003. ESSENTIAL PUBLIC FUNCTION

23           Sec. 1034.004. DISTRICT TERRITORY

24           Sec. 1034.005. DISTRICT SUPPORT OR MAINTENANCE NOT

25                   STATE OBLIGATION

26           Sec. 1034.006. RESTRICTION ON STATE FINANCIAL

27                   ASSISTANCE



1 [Sections 1034.007-1034.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Sec. 1034.051. BOARD ELECTION; TERM

4 Sec. 1034.052. NOTICE OF ELECTION

5 Sec. 1034.053. BALLOT PETITION

6 Sec. 1034.054. QUALIFICATIONS FOR OFFICE

7 Sec. 1034.055. BOARD VACANCY

8 Sec. 1034.056. OFFICERS

9 Sec. 1034.057. COMPENSATION; EXPENSES

10 Sec. 1034.058. VOTING REQUIREMENT

11 Sec. 1034.059. DISTRICT ADMINISTRATOR

12 Sec. 1034.060. GENERAL DUTIES OF DISTRICT

13 ADMINISTRATOR

14 Sec. 1034.061. ASSISTANT DISTRICT ADMINISTRATOR;

15 ATTORNEY

16 Sec. 1034.062. APPOINTMENT OF STAFF AND EMPLOYEES

17 Sec. 1034.063. RETIREMENT BENEFITS

18 [Sections 1034.064-1034.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 1034.101. DISTRICT RESPONSIBILITY

21 Sec. 1034.102. RESTRICTION ON COUNTY TAXATION AND DEBT

22 Sec. 1034.103. MANAGEMENT, CONTROL, AND ADMINISTRATION

23 Sec. 1034.104. RULES

24 Sec. 1034.105. PURCHASING AND ACCOUNTING PROCEDURES

25 Sec. 1034.106. MOBILE EMERGENCY MEDICAL SERVICE

26 Sec. 1034.107. DISTRICT PROPERTY, FACILITIES, AND

27 EQUIPMENT

- 1 Sec. 1034.108. EMINENT DOMAIN  
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3 Sec. 1034.110. GIFTS AND ENDOWMENTS  
4 Sec. 1034.111. CONSTRUCTION CONTRACTS  
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20 RECORDS  
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22 Sec. 1034.159. DEPOSITORY  
23 Sec. 1034.160. SPENDING AND INVESTMENT RESTRICTIONS  
24 [Sections 1034.161-1034.200 reserved for expansion]  
25 SUBCHAPTER E. BONDS  
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27 Sec. 1034.202. TAX TO PAY GENERAL OBLIGATION BONDS

1 Sec. 1034.203. GENERAL OBLIGATION BOND ELECTION

2 Sec. 1034.204. REVENUE BONDS

3 Sec. 1034.205. REFUNDING BONDS

4 Sec. 1034.206. MATURITY OF BONDS

5 Sec. 1034.207. EXECUTION OF BONDS

6 Sec. 1034.208. BONDS EXEMPT FROM TAXATION

7 [Sections 1034.209-1034.250 reserved for expansion]

8 SUBCHAPTER F. TAXES

9 Sec. 1034.251. IMPOSITION OF AD VALOREM TAX

10 Sec. 1034.252. TAX RATE

11 Sec. 1034.253. ELECTION TO INCREASE MAXIMUM TAX RATE

12 Sec. 1034.254. TAX ASSESSOR-COLLECTOR

13 CHAPTER 1034. HALL COUNTY HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1034.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the  
17 district.

18 (2) "Director" means a member of the board.

19 (3) "District" means the Hall County Hospital  
20 District. (Acts 70th Leg., R.S., Ch. 1017, Sec. 1.01.)

21 Sec. 1034.002. AUTHORITY FOR OPERATION. The Hall County  
22 Hospital District operates and is financed as provided by Section  
23 9, Article IX, Texas Constitution, and by this chapter. (Acts 70th  
24 Leg., R.S., Ch. 1017, Sec. 1.02.)

25 Sec. 1034.003. ESSENTIAL PUBLIC FUNCTION. The district is  
26 a public entity performing an essential public function. (Acts  
27 70th Leg., R.S., Ch. 1017, Sec. 7.11 (part).)

1           Sec. 1034.004. DISTRICT TERRITORY. The boundaries of the  
2 district are coextensive with the boundaries of Hall County, Texas.  
3 (Acts 70th Leg., R.S., Ch. 1017, Sec. 1.03.)

4           Sec. 1034.005. DISTRICT SUPPORT OR MAINTENANCE NOT STATE  
5 OBLIGATION. This state may not be obligated for the support or  
6 maintenance of the district. (Acts 70th Leg., R.S., Ch. 1017, Sec.  
7 9.01 (part).)

8           Sec. 1034.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
9 The legislature may not make a direct appropriation for the  
10 construction, maintenance, or improvement of a district facility.  
11 (Acts 70th Leg., R.S., Ch. 1017, Sec. 9.01 (part).)

12           [Sections 1034.007-1034.050 reserved for expansion]

13                           SUBCHAPTER B. DISTRICT ADMINISTRATION

14           Sec. 1034.051. BOARD ELECTION; TERM. (a) The district is  
15 governed by a board of five directors elected from the district at  
16 large.

17           (b) Unless four-year terms are established under Section  
18 285.081, Health and Safety Code:

- 19                           (1) directors serve staggered two-year terms; and  
20                           (2) an election shall be held annually on the May  
21 uniform election date to elect the appropriate number of directors.  
22 (Acts 70th Leg., R.S., Ch. 1017, Secs. 4.01(a), 4.03(a), (c)  
23 (part).)

24           Sec. 1034.052. NOTICE OF ELECTION. At least 35 days before  
25 the date of a directors' election, notice of the election must be  
26 published one time in a newspaper with general circulation in the  
27 district. (Acts 70th Leg., R.S., Ch. 1017, Sec. 4.04.)

1           Sec. 1034.053. BALLOT PETITION. A person who wants to have  
2 the person's name printed on the ballot as a candidate for director  
3 must file with the board secretary a petition requesting that  
4 action. The petition must be:

5           (1) signed by at least three registered voters of the  
6 district as determined by the most recent official list of  
7 registered voters; and

8           (2) filed by the deadline imposed by Section 144.005,  
9 Election Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 4.05.)

10          Sec. 1034.054. QUALIFICATIONS FOR OFFICE. (a) To be  
11 eligible to be a candidate for or to serve as a director, a person  
12 must be:

13           (1) a resident of the district; and

14           (2) a qualified voter.

15          (b) A district employee may not serve as a director. (Acts  
16 70th Leg., R.S., Ch. 1017, Sec. 4.06.)

17          Sec. 1034.055. BOARD VACANCY. If a vacancy occurs in the  
18 office of director, the remaining directors shall appoint a  
19 director for the unexpired term. (Acts 70th Leg., R.S., Ch. 1017,  
20 Sec. 4.07.)

21          Sec. 1034.056. OFFICERS. (a) The board shall elect from  
22 among its members a president and a vice president.

23          (b) The board shall appoint a secretary, who need not be a  
24 director.

25          (c) Each officer of the board serves a one-year term.

26          (d) The board shall fill a vacancy in a board office for the  
27 unexpired term. (Acts 70th Leg., R.S., Ch. 1017, Secs. 4.08, 4.09.)

1           Sec. 1034.057. COMPENSATION; EXPENSES. A director or  
2 officer serves without compensation but may be reimbursed for  
3 actual expenses incurred in the performance of official duties.  
4 The expenses must be:

- 5                   (1) reported in the district's records; and  
6                   (2) approved by the board. (Acts 70th Leg., R.S., Ch.  
7 1017, Sec. 4.10.)

8           Sec. 1034.058. VOTING REQUIREMENT. A concurrence of a  
9 majority of the directors voting is necessary in matters relating  
10 to district business. (Acts 70th Leg., R.S., Ch. 1017, Sec. 4.11.)

11           Sec. 1034.059. DISTRICT ADMINISTRATOR. (a) The board may  
12 appoint a qualified person as district administrator.

13           (b) The district administrator serves at the will of the  
14 board and is entitled to compensation as determined by the board.

15           (c) Before assuming the duties of district administrator,  
16 the administrator must execute a bond in an amount determined by the  
17 board of not less than \$5,000 that is:

- 18                   (1) payable to the district; and  
19                   (2) conditioned on the faithful performance of the  
20 administrator's duties under this chapter.

21           (d) The board may pay for the bond with district money.  
22 (Acts 70th Leg., R.S., Ch. 1017, Secs. 4.12(a) (part), (b) (part),  
23 (c) (part), (d).)

24           Sec. 1034.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
25 Subject to the limitations prescribed by the board, the district  
26 administrator shall:

- 27                   (1) supervise the work and activities of the district;

1 and

2 (2) direct the general affairs of the district. (Acts  
3 70th Leg., R.S., Ch. 1017, Sec. 4.15.)

4 Sec. 1034.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

5 (a) The board may appoint qualified persons as:

6 (1) the assistant district administrator; and

7 (2) the attorney for the district.

8 (b) The assistant district administrator and the attorney  
9 for the district serve at the will of the board and are entitled to  
10 compensation as determined by the board. (Acts 70th Leg., R.S., Ch.  
11 1017, Secs. 4.12(a) (part), (b) (part), (c) (part).)

12 Sec. 1034.062. APPOINTMENT OF STAFF AND EMPLOYEES.

13 (a) The board may appoint to the staff any doctors the board  
14 considers necessary for the efficient operation of the district and  
15 may make temporary appointments as considered necessary.

16 (b) The district may employ technicians, nurses, fiscal  
17 agents, accountants, architects, additional attorneys, and other  
18 necessary employees.

19 (c) The board may delegate to the district administrator the  
20 authority to employ persons for the district. (Acts 70th Leg.,  
21 R.S., Ch. 1017, Secs. 4.13, 4.14.)

22 Sec. 1034.063. RETIREMENT BENEFITS. The board may provide  
23 retirement benefits for district employees by:

24 (1) establishing or administering a retirement  
25 program; or

26 (2) participating in:

27 (A) the Texas County and District Retirement

1 System; or

2 (B) another statewide retirement system in which  
3 the district is eligible to participate. (Acts 70th Leg., R.S., Ch.  
4 1017, Sec. 4.16.)

5 [Sections 1034.064-1034.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 1034.101. DISTRICT RESPONSIBILITY. The district has  
8 full responsibility for operating hospital facilities and for  
9 providing medical and hospital care for the district's needy  
10 inhabitants. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.02 (part).)

11 Sec. 1034.102. RESTRICTION ON COUNTY TAXATION AND DEBT.  
12 Hall County may not impose a tax or issue bonds or other obligations  
13 for hospital purposes or to provide medical care for district  
14 residents. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.01(b).)

15 Sec. 1034.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
16 The board shall manage, control, and administer the hospital system  
17 and the district's money and resources. (Acts 70th Leg., R.S., Ch.  
18 1017, Sec. 5.03.)

19 Sec. 1034.104. RULES. The board may adopt rules governing:

20 (1) the operation of the hospital and hospital system;  
21 and

22 (2) the duties, functions, and responsibilities of  
23 district staff and employees. (Acts 70th Leg., R.S., Ch. 1017, Sec.  
24 5.04.)

25 Sec. 1034.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
26 board may prescribe:

27 (1) the method of making purchases and expenditures by



1 and for the district; and

2           (2) accounting and control procedures for the  
3 district. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.05.)

4           Sec. 1034.106. MOBILE EMERGENCY MEDICAL SERVICE. The  
5 district may operate or provide for the operation of a mobile  
6 emergency medical service. (Acts 70th Leg., R.S., Ch. 1017, Sec.  
7 5.02 (part).)

8           Sec. 1034.107. DISTRICT PROPERTY, FACILITIES, AND  
9 EQUIPMENT. (a) The board shall determine:

10           (1) the type, number, and location of buildings  
11 required to maintain an adequate hospital system; and

12           (2) the type of equipment necessary for hospital care.

13           (b) The board may:

14           (1) acquire property, including facilities and  
15 equipment, for the district for use in the hospital system; and

16           (2) mortgage or pledge the property as security for  
17 payment of the purchase price.

18           (c) The board may lease hospital facilities for the  
19 district.

20           (d) The board may sell or otherwise dispose of property,  
21 including facilities or equipment, for the district. (Acts 70th  
22 Leg., R.S., Ch. 1017, Sec. 5.06.)

23           Sec. 1034.108. EMINENT DOMAIN. (a) The district may  
24 exercise the power of eminent domain to acquire a fee simple or  
25 other interest in property located in district territory if the  
26 interest is necessary to exercise a right or authority conferred by  
27 this chapter.

1           (b) The district must exercise the power of eminent domain  
2 in the manner provided by Chapter 21, Property Code, except that the  
3 district is not required to deposit in the trial court money or a  
4 bond as provided by Section 21.021(a), Property Code.

5           (c) In a condemnation proceeding brought by the district,  
6 the district is not required to:

7                   (1) pay in advance or provide a bond or other security  
8 for costs in the trial court;

9                   (2) provide a bond for the issuance of a temporary  
10 restraining order or a temporary injunction; or

11                   (3) provide a bond for costs or a supersedeas bond on  
12 an appeal or petition for review. (Acts 70th Leg., R.S., Ch. 1017,  
13 Sec. 5.09.)

14           Sec. 1034.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
15 exercising the power of eminent domain, if the board requires  
16 relocating, raising, lowering, rerouting, changing the grade, or  
17 altering the construction of any railroad, highway, pipeline, or  
18 electric transmission and electric distribution, telegraph, or  
19 telephone line, conduit, pole, or facility, the district must bear  
20 the actual cost of relocating, raising, lowering, rerouting,  
21 changing the grade, or altering the construction to provide  
22 comparable replacement without enhancement of facilities, after  
23 deducting the net salvage value derived from the old facility.  
24 (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.10.)

25           Sec. 1034.110. GIFTS AND ENDOWMENTS. The board may accept  
26 for the district a gift or endowment to be held in trust for any  
27 purpose and under any direction, limitation, or other provision

1 prescribed in writing by the donor that is consistent with the  
2 proper management of the district. (Acts 70th Leg., R.S., Ch. 1017,  
3 Sec. 5.14.)

4 Sec. 1034.111. CONSTRUCTION CONTRACTS. (a) The board may  
5 enter into construction contracts for the district.

6 (b) The board may enter into a construction contract that  
7 involves the expenditure of more than the amount provided by  
8 Section 271.024, Local Government Code, only after competitive  
9 bidding as provided by Subchapter B, Chapter 271, Local Government  
10 Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.07(a).)

11 Sec. 1034.112. OPERATING AND MANAGEMENT CONTRACTS. The  
12 board may enter into an operating or management contract relating  
13 to a hospital facility for the district. (Acts 70th Leg., R.S., Ch.  
14 1017, Sec. 5.08.)

15 Sec. 1034.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
16 SERVICES. The board may contract with a political subdivision of  
17 this state or with a state or federal agency for the district to:

- 18 (1) furnish a mobile emergency medical service; or  
19 (2) provide for the investigatory or welfare needs of  
20 district inhabitants. (Acts 70th Leg., R.S., Ch. 1017, Sec. 5.13.)

21 Sec. 1034.114. PAYMENT FOR TREATMENT; PROCEDURES.

22 (a) When an individual who resides in the district is admitted as a  
23 patient to a district facility, the district administrator may have  
24 an inquiry made into the financial circumstances of:

- 25 (1) the patient; and  
26 (2) a relative of the patient legally responsible for  
27 the patient's support.

1 (b) To the extent that the patient or the relative of the  
2 patient legally responsible for the patient's support cannot pay  
3 for care and treatment provided by the district, the district shall  
4 supply the care and treatment without charging the patient or the  
5 relative.

6 (c) On determining that the patient or a relative legally  
7 responsible for the patient's support can pay for all or part of the  
8 care and treatment provided by the district, the district  
9 administrator shall report that determination to the board, and the  
10 board shall issue an order directing the patient or the relative to  
11 pay the district a specified amount each week. The amount must be  
12 based on the individual's ability to pay.

13 (d) The district administrator may collect money owed to the  
14 district from the patient's estate or from the estate of a relative  
15 legally responsible for the patient's support in the manner  
16 provided by law for the collection of expenses in the last illness  
17 of a deceased person.

18 (e) If there is a dispute relating to an individual's  
19 ability to pay or if the district administrator has any doubt  
20 concerning an individual's ability to pay, the board shall:

- 21 (1) call witnesses;  
22 (2) hear and resolve the question; and  
23 (3) issue a final order.

24 (f) The final order of the board may be appealed to a  
25 district court in Hall County. The substantial evidence rule  
26 applies to the appeal. (Acts 70th Leg., R.S., Ch. 1017, Secs.  
27 5.11(b), (c), (d), (e), (f).)

1           Sec. 1034.115. REIMBURSEMENT FOR SERVICES. (a) The board  
2 shall require a county, municipality, or public hospital located  
3 outside the district to reimburse the district for the district's  
4 care and treatment of a sick or injured person of that county,  
5 municipality, or public hospital, as provided by Chapter 61, Health  
6 and Safety Code.

7           (b) The board shall require the sheriff of Hall County to  
8 reimburse the district for the district's care and treatment of a  
9 person confined in a jail facility of Hall County who is not a  
10 district resident.

11           (c) On behalf of the district, the board may contract with  
12 the state or federal government for that government to reimburse  
13 the district for treatment of a sick or injured person. (Acts 70th  
14 Leg., R.S., Ch. 1017, Sec. 5.12.)

15           Sec. 1034.116. AUTHORITY TO SUE AND BE SUED. The board may  
16 sue and be sued on behalf of the district. (Acts 70th Leg., R.S.,  
17 Ch. 1017, Sec. 5.15.)

18           [Sections 1034.117-1034.150 reserved for expansion]

19           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

20           Sec. 1034.151. BUDGET. (a) The district administrator  
21 shall prepare a proposed annual budget for the district.

22           (b) The proposed budget must contain a complete financial  
23 statement, including a statement of:

- 24                   (1) the outstanding obligations of the district;
- 25                   (2) the amount of cash on hand to the credit of each  
26 district fund;
- 27                   (3) the amount of money received by the district from

1 all sources during the previous year;

2 (4) the amount of money available to the district from  
3 all sources during the ensuing year;

4 (5) the amount of the balances expected at the end of  
5 the year in which the budget is being prepared;

6 (6) the estimated amount of revenue and balances  
7 available to cover the proposed budget; and

8 (7) the estimated tax rate required. (Acts 70th Leg.,  
9 R.S., Ch. 1017, Sec. 6.04.)

10 Sec. 1034.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)

11 The board shall hold a public hearing on the proposed annual budget.

12 (b) The board shall publish notice of the hearing in a  
13 newspaper of general circulation in the district not later than the  
14 10th day before the date of the hearing.

15 (c) Any district resident is entitled to be present and  
16 participate at the hearing.

17 (d) At the conclusion of the hearing, the board shall adopt  
18 a budget by acting on the budget proposed by the district  
19 administrator. The board may make any changes in the proposed  
20 budget that the board judges to be in the interests of the  
21 taxpayers.

22 (e) The budget is effective only after adoption by the  
23 board. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.05.)

24 Sec. 1034.153. AMENDMENTS TO BUDGET. After the annual  
25 budget is adopted, the budget may be amended on the board's  
26 approval. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.06.)

27 Sec. 1034.154. RESTRICTION ON EXPENDITURES. Money may be

1 spent only for an expense included in the annual budget or an  
2 amendment to the budget. (Acts 70th Leg., R.S., Ch. 1017, Sec.  
3 6.07.)

4 Sec. 1034.155. FISCAL YEAR. (a) The district operates  
5 according to a fiscal year established by the board.

6 (b) The fiscal year may not be changed:

7 (1) during a period that revenue bonds of the district  
8 are outstanding; or

9 (2) more than once in a 24-month period. (Acts 70th  
10 Leg., R.S., Ch. 1017, Sec. 6.01.)

11 Sec. 1034.156. ANNUAL AUDIT. The board annually shall have  
12 an audit made of the district's financial condition. (Acts 70th  
13 Leg., R.S., Ch. 1017, Sec. 6.02.)

14 Sec. 1034.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
15 RECORDS. The annual audit and other district records shall be open  
16 to inspection during regular business hours at the district's  
17 principal office. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.03.)

18 Sec. 1034.158. FINANCIAL REPORT. As soon as practicable  
19 after the close of the fiscal year, the district administrator  
20 shall prepare for the board:

21 (1) a sworn statement of the amount of district money;

22 and

23 (2) an account of the disbursements of that money.

24 (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.08.)

25 Sec. 1034.159. DEPOSITORY. (a) The board shall select at  
26 least one bank to serve as a depository for district money.

27 (b) District money, other than money invested as provided by

1 Section 1034.160(b) and money transmitted to a bank for payment of  
2 bonds or obligations issued or assumed by the district, shall be  
3 deposited as received with the depository bank and shall remain on  
4 deposit. This subsection does not limit the power of the board to:

- 5 (1) place a part of district money on time deposit; or  
6 (2) purchase certificates of deposit. (Acts 70th  
7 Leg., R.S., Ch. 1017, Secs. 6.10(a), (b).)

8 Sec. 1034.160.. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
9 Except as provided by Sections 1034.111, 1034.201, 1034.204, and  
10 1034.205, the district may not incur a debt payable from district  
11 revenue other than the revenue on hand or to be on hand in the  
12 current and immediately following district fiscal years.

13 (b) The board may invest operating, depreciation, or  
14 building reserves only in funds or securities specified by Chapter  
15 2256, Government Code. (Acts 70th Leg., R.S., Ch. 1017, Sec. 6.09.)

16 [Sections 1034.161-1034.200 reserved for expansion]

17 SUBCHAPTER E. BONDS

18 Sec. 1034.201. GENERAL OBLIGATION BONDS. If authorized by  
19 an election, the board may issue and sell general obligation bonds  
20 in the name and on the faith and credit of the district to:

- 21 (1) purchase, construct, acquire, repair, or renovate  
22 buildings or improvements;  
23 (2) equip buildings or improvements for hospital  
24 purposes; or  
25 (3) acquire and operate a mobile emergency medical  
26 service. (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.01.)

27 Sec. 1034.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At



1 the time general obligation bonds are issued by the district, the  
2 board shall impose an ad valorem tax at a rate sufficient to create  
3 an interest and sinking fund to pay the principal of and interest on  
4 the bonds as the bonds mature.

5 (b) The tax required by this section together with any other  
6 ad valorem tax the district imposes may not in any year exceed the  
7 limit approved by the voters at the election authorizing the  
8 imposition of the tax. (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.02.)

9 Sec. 1034.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
10 district may issue general obligation bonds only if the bonds are  
11 authorized by a majority of the district voters voting at an  
12 election held for that purpose.

13 (b) The board may order a bond election.

14 (c) The order calling the election must specify:

- 15 (1) the nature and date of the election;  
16 (2) the hours during which the polls will be open;  
17 (3) the location of the polling places;  
18 (4) the amount of the bonds to be authorized; and  
19 (5) the maximum maturity of the bonds.

20 (d) Notice of a bond election shall be given as provided by  
21 Section 1251.003, Government Code.

22 (e) The board shall declare the results of the election.  
23 (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.03.)

24 Sec. 1034.204. REVENUE BONDS. (a) The board may issue  
25 revenue bonds to:

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

1           (2) acquire sites to be used for hospital purposes; or  
2           (3) acquire and operate a mobile emergency medical  
3 service to assist the district in carrying out its hospital  
4 purposes.

5           (b) The bonds must be payable from and secured by a pledge of  
6 all or part of the revenue derived from the operation of the  
7 district's hospital system.

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

10           (d) The bonds must be issued in the manner provided by  
11 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
12 Health and Safety Code, for issuance of revenue bonds by a county  
13 hospital authority. (Acts 70th Leg., R.S., Ch. 1017, Sec. 7.04.)

14           Sec. 1034.205. REFUNDING BONDS. (a) The board may issue  
15 refunding bonds to refund outstanding indebtedness issued or  
16 assumed by the district.

17           (b) Refunding bonds may be:

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

20                 (2) exchanged wholly or partly for not less than a  
21 similar principal amount of outstanding indebtedness. (Acts 70th  
22 Leg., R.S., Ch. 1017, Secs. 7.05(a), (c) (part).)

23           Sec. 1034.206. MATURITY OF BONDS. District bonds must  
24 mature not later than 50 years after the date of issuance. (Acts  
25 70th Leg., R.S., Ch. 1017, Sec. 7.06 (part).)

26           Sec. 1034.207. EXECUTION OF BONDS. The board president  
27 shall execute district bonds in the district's name, and the board



1 each \$100 valuation of all taxable property in the district.

2 (c) In setting the tax rate, the board shall consider the  
3 income of the district from sources other than taxation. (Acts 70th  
4 Leg., R.S., Ch. 1017, Secs. 8.01(a) (part), (b), 8.03 (part).)

5 Sec. 1034.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)  
6 The board may order an election to increase the district's maximum  
7 tax rate to 75 cents on each \$100 valuation of taxable property in  
8 the district. The board shall order the election if the board  
9 receives a petition requesting an election that is signed by at  
10 least 50 qualified voters in the district.

11 (b) The ballot for the election shall be printed to permit  
12 voting for or against the proposition: "The imposition of annual  
13 taxes by the district for hospital purposes at a rate not to exceed  
14 75 cents on the \$100 valuation of all taxable property in the  
15 district."

16 (c) If the board finds that the election results favor the  
17 proposition, the board may impose taxes as authorized by the  
18 proposition. If the board finds that the election results do not  
19 favor the proposition, another election on the question of  
20 increasing the district's maximum tax rate may not be held before  
21 the first anniversary of the date of the most recent election at  
22 which voters disapproved the proposition.

23 (d) Section 41.001(a), Election Code, does not apply to an  
24 election ordered under this section. (Acts 70th Leg., R.S., Ch.  
25 1017, Secs. 8.01A(a), (b) (part), (c) (part), (d) (part).)

26 Sec. 1034.254. TAX ASSESSOR-COLLECTOR. The board may  
27 provide for the appointment of a tax assessor-collector for the

1 district or may contract for the assessment and collection of taxes  
2 as provided by the Tax Code. (Acts 70th Leg., R.S., Ch. 1017, Sec.  
3 8.04(b).)

4 CHAPTER 1058. MCCAMEY COUNTY HOSPITAL DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 1058.001. DEFINITIONS

7 Sec. 1058.002. AUTHORITY FOR CREATION

8 Sec. 1058.003. POLITICAL SUBDIVISION

9 Sec. 1058.004. DISTRICT TERRITORY

10 Sec. 1058.005. CONSOLIDATION OF DISTRICT AND RANKIN

11 COUNTY HOSPITAL DISTRICT

12 [Sections 1058.006-1058.050 reserved for expansion]

13 SUBCHAPTER B. DISTRICT ADMINISTRATION

14 Sec. 1058.051. BOARD ELECTION; TERM

15 Sec. 1058.052. NOTICE OF ELECTION

16 Sec. 1058.053. QUALIFICATIONS FOR OFFICE

17 Sec. 1058.054. BOND; RECORD OF BOND AND OATH

18 Sec. 1058.055. BOARD VACANCY

19 Sec. 1058.056. OFFICERS

20 Sec. 1058.057. VOTING REQUIREMENT

21 Sec. 1058.058. RECORDS OF PROCEEDINGS

22 Sec. 1058.059. DISTRICT ADMINISTRATOR

23 Sec. 1058.060. GENERAL DUTIES OF DISTRICT

24 ADMINISTRATOR

25 Sec. 1058.061. ASSISTANT TO DISTRICT ADMINISTRATOR

26 Sec. 1058.062. LEGAL COUNSEL

27 Sec. 1058.063. RETIREMENT PROGRAM

- 1 Sec. 1058.064. MAINTENANCE OF RECORDS; PUBLIC  
2 INSPECTION  
3 Sec. 1058.065. SEAL  
4 [Sections 1058.066-1058.100 reserved for expansion]  
5 SUBCHAPTER C. POWERS AND DUTIES  
6 Sec. 1058.101. DISTRICT RESPONSIBILITY  
7 Sec. 1058.102. RESTRICTION ON COUNTY OR MUNICIPAL  
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9 Sec. 1058.103. MANAGEMENT AND CONTROL OF DISTRICT  
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13 Sec. 1058.107. CONTRACTS WITH GOVERNMENTAL ENTITIES  
14 FOR CARE AND TREATMENT  
15 Sec. 1058.108. PAYMENT FOR TREATMENT; PROCEDURES  
16 Sec. 1058.109. AUTHORITY TO SUE AND BE SUED  
17 [Sections 1058.110-1058.150 reserved for expansion]  
18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
19 Sec. 1058.151. BUDGET  
20 Sec. 1058.152. PROPOSED BUDGET: NOTICE AND HEARING  
21 Sec. 1058.153. FISCAL YEAR  
22 Sec. 1058.154. ANNUAL AUDIT  
23 Sec. 1058.155. FINANCIAL REPORT  
24 Sec. 1058.156. DEPOSITORY  
25 [Sections 1058.157-1058.200 reserved for expansion]  
26 SUBCHAPTER E. BONDS  
27 Sec. 1058.201. GENERAL OBLIGATION BONDS

- 1 Sec. 1058.202. TAX TO PAY GENERAL OBLIGATION BONDS
- 2 Sec. 1058.203. GENERAL OBLIGATION BOND ELECTION
- 3 Sec. 1058.204. MATURITY OF GENERAL OBLIGATION BONDS
- 4 Sec. 1058.205. EXECUTION OF GENERAL OBLIGATION BONDS
- 5 [Sections 1058.206-1058.250 reserved for expansion]

SUBCHAPTER F. TAXES

- 7 Sec. 1058.251. IMPOSITION OF AD VALOREM TAX
- 8 Sec. 1058.252. TAX RATE
- 9 Sec. 1058.253. ASSESSMENT AND COLLECTION BY COUNTY TAX
- 10 ASSESSOR-COLLECTOR
- 11 Sec. 1058.254. ELECTION FOR SEPARATE TAX ASSESSOR AND
- 12 TAX COLLECTOR
- 13 Sec. 1058.255. APPOINTMENT OF SEPARATE TAX ASSESSOR
- 14 AND COLLECTOR

CHAPTER 1058. MCCAMEY COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

- 17 Sec. 1058.001. DEFINITIONS. In this chapter:
- 18 (1) "Board" means the board of directors of the
- 19 district.
- 20 (2) "Director" means a member of the board.
- 21 (3) "District" means the McCamey County Hospital
- 22 District. (New.)
- 23 Sec. 1058.002. AUTHORITY FOR CREATION. The McCamey County
- 24 Hospital District is created under the authority of Section 9,
- 25 Article IX, Texas Constitution, and has the rights, powers, and
- 26 duties provided by this chapter. (Acts 60th Leg., R.S., Ch. 183,
- 27 Sec. 1 (part).)

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1           Sec. 1058.003. POLITICAL SUBDIVISION. The district is a  
2 political subdivision of this state. (Acts 60th Leg., R.S., Ch.  
3 183, Sec. 21 (part).)

4           Sec. 1058.004. DISTRICT TERRITORY. The boundaries of the  
5 district are coextensive with the boundaries of the McCamey  
6 Independent School District, as those boundaries existed on January  
7 1, 1967. (Acts 60th Leg., R.S., Ch. 183, Sec. 1 (part).)

8           Sec. 1058.005. CONSOLIDATION OF DISTRICT AND RANKIN COUNTY  
9 HOSPITAL DISTRICT. (a) The McCamey County Hospital District may be  
10 consolidated into the Rankin County Hospital District as provided  
11 by this section.

12           (b) On the request of 25 percent or more of the qualified  
13 taxpaying voters of each hospital district, the commissioners court  
14 of Upton County shall submit the consolidation proposal for vote.

15           (c) Consolidation of the district and the Rankin County  
16 Hospital District must be separately approved by a two-thirds  
17 majority of the voters voting in each hospital district at an  
18 election ordered and held for that purpose.

19           (d) At the consolidation election, five directors shall be  
20 elected to serve the consolidated district.

21           (e) Not more than one consolidation election may be held  
22 after each general election.

23           (f) Refunding bonds may be issued by the consolidated  
24 district to refund any outstanding bonds, including bonds issued by  
25 the district on consolidation, original bonds, and refunding bonds.  
26 Additional funding may be provided as authorized by this chapter.  
27 (Acts 60th Leg., R.S., Ch. 183, Sec. 18.)



[Sections 1058.006-1058.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1058.051. BOARD ELECTION; TERM. (a) The board consists of five directors elected by the district voters.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code, directors serve staggered two-year terms with the terms of two or three directors expiring each year as appropriate. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

Sec. 1058.052. NOTICE OF ELECTION. At least 30 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in Upton County. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

Sec. 1058.053. QUALIFICATIONS FOR OFFICE. (a) To qualify for election to the board, a person must:

- (1) be at least 18 years of age;
- (2) have been a resident of the district for at least two years;
- (3) be a qualified voter; and
- (4) own taxable property in the district and have duly rendered that property for taxation.

(b) An elective or appointed officer of this state or a political subdivision, including Upton County, is not qualified for election to the board. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

Sec. 1058.054. BOND; RECORD OF BOND AND OATH. (a) Each director shall qualify by executing a good and sufficient commercial bond for \$1,000 that is:

1           (1) payable to the district; and  
2           (2) conditioned on the faithful performance of the  
3 director's duties.

4           (b) The district shall pay for a director's bond.

5           (c) Each director's bond and constitutional oath of office  
6 must be deposited with the district's depository bank for  
7 safekeeping. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

8           Sec. 1058.055. BOARD VACANCY. (a) The remaining directors  
9 by appointment shall fill a vacancy in the office of director.

10          (b) An appointed replacement serves until the next election  
11 for directors. An elected director serves only for the remainder of  
12 the unexpired term. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

13          Sec. 1058.056. OFFICERS. (a) The board shall elect a  
14 presiding officer.

15          (b) A presiding officer pro tem shall preside in the absence  
16 of the presiding officer.

17          (c) The district administrator or any director may be  
18 appointed secretary. (Acts 60th Leg., R.S., Ch. 183, Sec. 3  
19 (part).)

20          Sec. 1058.057. VOTING REQUIREMENT. A concurrence of three  
21 directors is sufficient in any matter relating to district  
22 business. (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

23          Sec. 1058.058. RECORDS OF PROCEEDINGS. (a) The board shall  
24 require the board secretary to keep suitable records of all  
25 proceedings of each board meeting.

26          (b) After each meeting:

27           (1) the member presiding at the meeting shall read and

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1 sign the record; and

2 (2) the board secretary shall attest the record.  
3 (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

4 Sec. 1058.059. DISTRICT ADMINISTRATOR. (a) The board  
5 shall appoint a general manager to be known as the district  
6 administrator.

7 (b) The district administrator must be a qualified  
8 practitioner of medicine or be specifically trained for work of  
9 that type. The district administrator may not be a director.

10 (c) The district administrator receives the compensation  
11 determined by the board.

12 (d) The district administrator serves at the pleasure of the  
13 board, and the board may remove the district administrator at any  
14 time.

15 (e) Before assuming the duties of district administrator,  
16 the administrator must execute a bond payable to the district in an  
17 amount of not less than \$10,000 that:

18 (1) is conditioned on the administrator performing  
19 well and faithfully the administrator's required duties; and

20 (2) contains any other condition the board requires.  
21 (Acts 60th Leg., R.S., Ch. 183, Sec. 4 (part).)

22 Sec. 1058.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
23 Subject to any limitations prescribed by the board, the district  
24 administrator shall:

25 (1) perform the duties required by the board;

26 (2) supervise the work and activities of the district;

27 and

1 (3) direct the affairs of the district. (Acts 60th  
2 Leg., R.S., Ch. 183, Sec. 4 (part).)

3 Sec. 1058.061. ASSISTANT TO DISTRICT ADMINISTRATOR. (a)  
4 The board may designate an assistant to the district administrator  
5 to discharge a duty or function of the administrator in the event of  
6 the administrator's incapacity, absence, or inability to discharge  
7 the duty or function.

8 (b) The assistant shall post the bond required by board  
9 order.

10 (c) The assistant is subject to any limitations prescribed  
11 by board order. (Acts 60th Leg., R.S., Ch. 183, Sec. 5.)

12 Sec. 1058.062. LEGAL COUNSEL. The board may employ legal  
13 counsel to represent the district in all legal matters. (Acts 60th  
14 Leg., R.S., Ch. 183, Sec. 20.)

15 Sec. 1058.063. RETIREMENT PROGRAM. (a) With the approval  
16 of the commissioners court of Upton County, the board may contract  
17 with this state or the federal government as necessary to establish  
18 or continue a retirement program for the benefit of district  
19 employees.

20 (b) The board may establish other retirement programs for  
21 the benefit of district employees as it considers necessary and  
22 advisable. (Acts 60th Leg., R.S., Ch. 183, Sec. 4 (part).)

23 Sec. 1058.064. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
24 All district records, including books, accounts, notices, and  
25 minutes, and all other matters of the district and the operation of  
26 its facilities shall be:

27 (1) maintained at the district office; and

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1 (2) open to public inspection at the district office  
2 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 183, Sec. 9  
3 (part).)

4 Sec. 1058.065. SEAL. The board shall have a seal engraved  
5 with the district's name to authenticate the board's acts. The  
6 board secretary shall keep the seal. (Acts 60th Leg., R.S., Ch.  
7 183, Sec. 3 (part).)

8 [Sections 1058.066-1058.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 1058.101. DISTRICT RESPONSIBILITY. The district has  
11 full responsibility for providing medical and hospital care for the  
12 district's needy and indigent residents. (Acts 60th Leg., R.S.,  
13 Ch. 183, Sec. 11 (part).)

14 Sec. 1058.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION.  
15 Any part of a county or a municipality, any part of which is in the  
16 district, may not impose a tax for hospital purposes. (Acts 60th  
17 Leg., R.S., Ch. 183, Sec. 11 (part).)

18 Sec. 1058.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
19 management and control of the district is vested in the board.  
20 (Acts 60th Leg., R.S., Ch. 183, Sec. 3 (part).)

21 Sec. 1058.104. EMINENT DOMAIN. (a) The district may  
22 exercise the power of eminent domain to acquire a fee simple or  
23 other interest in any type of property, real, personal, or mixed,  
24 located in district territory if the interest is necessary or  
25 convenient to exercise a right, power, privilege, or function  
26 conferred on the district by this chapter.

27 (b) The district must exercise the power of eminent domain

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1 in the manner provided by Chapter 21, Property Code, except the  
2 district is not required to deposit in the trial court money or a  
3 bond as provided by Section 21.021(a), Property Code.

4 (c) In a condemnation proceeding brought by the district,  
5 the district is not required to:

6 (1) pay in advance or provide a bond otherwise  
7 required for the issuance of a temporary restraining order or a  
8 temporary injunction; or

9 (2) provide a bond for costs or a supersedeas bond on  
10 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 183,  
11 Sec. 17.)

12 Sec. 1058.105. GIFTS AND ENDOWMENTS. The board may accept  
13 for the district a gift or endowment to be held in trust and  
14 administered by the board for the purposes and under any  
15 directions, limitations, or other provisions prescribed in writing  
16 by the donor that are not inconsistent with the proper management  
17 and objectives of the district. (Acts 60th Leg., R.S., Ch. 183,  
18 Sec. 16.)

19 Sec. 1058.106. AWARD OF CERTAIN CONTRACTS. (a) The board,  
20 on behalf of the district, may enter into a contract that exceeds  
21 \$2,000 only with the lowest qualified bidder.

22 (b) Before awarding a contract under this section, notice  
23 must be given by:

24 (1) advertising in one or more newspapers of general  
25 circulation in this state, once a week for four weeks; and

26 (2) posting a notice for at least 25 days at four  
27 public places in Upton County, including:

1 (A) at the courthouse door; and

2 (B) in at least two other places in the district.

3 (c) On application by a person who wants to bid on the  
4 contract, the board shall provide to the person:

5 (1) a copy of the plans and specifications; or

6 (2) other data necessary to make the bid.

7 (d) A bid under this section must be in writing, sealed, and  
8 delivered to the presiding officer of the board together with a  
9 certified check for at least five percent of the total amount of the  
10 bid.

11 (e) If the bidder's bid is accepted but the bidder refuses a  
12 proper contract with the board, the certified check required by  
13 Subsection (d) is forfeited to the district.

14 (f) The board may reject a bid under this section that the  
15 board considers too high. (Acts 60th Leg., R.S., Ch. 183, Sec. 13  
16 (part).)

17 Sec. 1058.107. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
18 CARE AND TREATMENT. With the approval of the commissioners court  
19 of Upton County, the board may contract with:

20 (1) a county other than Upton County for the care and  
21 treatment of sick or injured persons of that county; and

22 (2) this state or a federal agency for the care and  
23 treatment of a sick or injured person for whom this state or the  
24 federal government is responsible. (Acts 60th Leg., R.S., Ch. 183,  
25 Sec. 4 (part).)

26 Sec. 1058.108. PAYMENT FOR TREATMENT; PROCEDURES. (a) When  
27 a patient from the district is admitted to a district facility, the

1 district administrator shall have an inquiry made into the  
2 circumstances of:

- 3 (1) the patient; and  
4 (2) the patient's relatives legally liable for the  
5 patient's support.

6 (b) If the district administrator determines that the  
7 patient or those relatives cannot pay for all or part of the  
8 patient's care and treatment in the hospital, the expense of that  
9 care becomes a charge against the district.

10 (c) If the district administrator determines that the  
11 patient or those relatives are liable to pay for all or part of the  
12 patient's care and treatment, the patient or those relatives shall  
13 be ordered to pay the district's treasurer a specified amount each  
14 week for the patient's support. The amount ordered must be  
15 proportionate to the financial ability and may not exceed the  
16 actual per capita cost of maintenance.

17 (d) The district administrator may collect the amount from  
18 the patient's estate, or from those relatives legally liable for  
19 the patient's support, in the manner provided by law for the  
20 collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute, or a doubt in the district  
22 administrator's mind, as to the ability to pay, the board shall hold  
23 a hearing and, after calling witnesses, shall:

- 24 (1) resolve the dispute or doubt; and  
25 (2) issue any appropriate order.

26 (f) Either party to the dispute may appeal the district's  
27 order to the district court. The appeal is by trial de novo as that



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1 term is used in appeals from the justice courts to the county  
2 courts. (Acts 60th Leg., R.S., Ch. 183, Sec. 15.)

3       Sec. 1058.109. AUTHORITY TO SUE AND BE SUED. As a  
4 governmental agency, the district may sue and be sued in the  
5 district's own name in any court of this state. (Acts 60th Leg.,  
6 R.S., Ch. 183, Sec. 21 (part).)

7       [Sections 1058.110-1058.150 reserved for expansion]

8               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9       Sec. 1058.151. BUDGET. The board annually shall require a  
10 budget to be prepared for the next fiscal year that includes:

- 11               (1) proposed expenditures and disbursements;
  - 12               (2) estimated receipts and collections; and
  - 13               (3) the amount of taxes required to be imposed for the
- 14 year. (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

15       Sec. 1058.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
16 The board shall hold a public hearing on the proposed budget.

17               (b) Notice of the hearing must be published at least once in  
18 a newspaper of general circulation in Upton County not later than  
19 the 10th day before the date of the hearing.

20               (c) Any district taxpayer is entitled to:

21                       (1) appear at the time and place designated in the  
22 notice; and

23                       (2) be heard regarding any item included in the  
24 proposed budget. (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

25       Sec. 1058.153. FISCAL YEAR. The district's fiscal year  
26 begins on October 1 and ends on September 30. (Acts 60th Leg.,  
27 R.S., Ch. 183, Sec. 9 (part).)

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1           Sec. 1058.154. ANNUAL AUDIT. (a) The board annually shall  
2 have an independent audit made of the district's books and records  
3 for the preceding fiscal year.

4           (b) Not later than December 31 of each year, the audit shall  
5 be filed:

- 6                   (1) with the county clerk of Upton County; and
- 7                   (2) at the district office. (Acts 60th Leg., R.S., Ch.
- 8 183, Sec. 9 (part).)

9           Sec. 1058.155. FINANCIAL REPORT. (a) The board and the  
10 district administrator shall annually prepare a report under oath  
11 that includes:

- 12                   (1) a complete statement of:
  - 13                           (A) all money and choses in action; and
  - 14                           (B) how the money and choses in action were
  - 15 disbursed or otherwise disposed;
- 16                   (2) the details of district operation during the
- 17 preceding fiscal year; and
- 18                   (3) a full and complete list of all delinquent
- 19 accounts owing and due the district, including names and addresses
- 20 of delinquent debtors.

21           (b) The report shall be filed in:

- 22                   (1) the district office; and
- 23                   (2) the office of the county clerk of Upton County.

24 (Acts 60th Leg., R.S., Ch. 183, Sec. 9 (part).)

25           Sec. 1058.156. DEPOSITORY. (a) The board shall designate  
26 one or more banks in the district to serve as a depository for  
27 district money.

1 (b) All district money shall be immediately deposited on  
2 receipt with a depository bank, except that sufficient money must  
3 be remitted to an appropriate bank to pay the principal of and  
4 interest on the district's outstanding bonds, or other obligations  
5 assumed by the district, on or before the maturity date of the  
6 principal and interest.

7 (c) To the extent that money in a depository bank is not  
8 insured by the Federal Deposit Insurance Corporation, the money  
9 must be secured in the manner provided by law for the security of  
10 county funds.

11 (d) Membership on the district's board of an officer or  
12 director of a bank does not disqualify that bank from being  
13 designated as depository. (Acts 60th Leg., R.S., Ch. 183, Secs. 6  
14 (part), 10.)

15 [Sections 1058.157-1058.200 reserved for expansion]

16 SUBCHAPTER E. BONDS

17 Sec. 1058.201. GENERAL OBLIGATION BONDS. The board may  
18 issue and sell general obligation bonds in the name and on the faith  
19 and credit of the district for any purpose relating to the purchase,  
20 construction, acquisition, repair, or renovation of buildings or  
21 improvements and equipping buildings or improvements for hospital  
22 purposes. (Acts 60th Leg., R.S., Ch. 183, Sec. 7 (part).)

23 Sec. 1058.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)  
24 The board shall impose an ad valorem tax at a rate sufficient to  
25 create an interest and sinking fund to pay the principal of and  
26 interest on general obligation bonds issued under Section 1058.201  
27 as the bonds mature.

1 (b) The tax required by this section together with any other  
2 ad valorem tax imposed for the district may not in any year exceed  
3 75 cents on each \$100 valuation of all taxable property in the  
4 district. (Acts 60th Leg., R.S., Ch. 183, Secs. 6 (part), 7  
5 (part).)

6 Sec. 1058.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
7 district may issue general obligation bonds only if the bonds are  
8 authorized by a majority of the district voters voting at an  
9 election held for that purpose.

10 (b) The board may order a bond election on its own motion.

11 (c) The order must specify:

- 12 (1) the location of the polling places;
- 13 (2) the presiding election officers;
- 14 (3) the purpose for which the bonds are to be issued;
- 15 (4) the amount of the bonds;
- 16 (5) the maximum interest rate of the bonds; and
- 17 (6) the maximum maturity date of the bonds.

18 (d) Notice of a bond election shall be given by publishing a  
19 substantial copy of the order in a newspaper of general circulation  
20 in the district once each week for two consecutive weeks before the  
21 date of the election. The first publication must occur at least 20  
22 days before the date set for the election. (Acts 60th Leg., R.S.,  
23 Ch. 183, Sec. 7 (part).)

24 Sec. 1058.204. MATURITY OF GENERAL OBLIGATION BONDS.  
25 District general obligation bonds must mature not later than 40  
26 years after the date of issuance. (Acts 60th Leg., R.S., Ch. 183,  
27 Sec. 7 (part).)



1 1058.254, the tax assessor-collector of Upton County shall assess  
2 and collect taxes imposed by the district. (Acts 60th Leg., R.S.,  
3 Ch. 183, Secs. 6 (part), 9 (part).)

4       Sec. 1058.254. ELECTION FOR SEPARATE TAX ASSESSOR AND TAX  
5 COLLECTOR. (a) On receipt of a petition signed by a number of  
6 district voters equal to at least five percent of the taxpaying  
7 voters of the district, the court may order an election to determine  
8 whether the district shall have a separate tax assessor and tax  
9 collector for the assessment and collection of district taxes.

10       (b) Notice of the election shall be given as required by  
11 Section 1058.052. (Acts 60th Leg., R.S., Ch. 183, Sec. 19 (part).)

12       Sec. 1058.255. APPOINTMENT OF SEPARATE TAX ASSESSOR AND  
13 COLLECTOR. If the appointment of a separate tax assessor and  
14 separate tax collector is approved by a two-thirds majority vote of  
15 the district voters voting at an election held under Section  
16 1058.254, the board shall appoint:

17               (1) a suitable person as tax assessor; and

18               (2) a suitable person as tax collector. (Acts 60th  
19 Leg., R.S., Ch. 183, Sec. 19 (part).)

20               CHAPTER 1069. NACOGDOCHES COUNTY HOSPITAL DISTRICT

21                       SUBCHAPTER A. GENERAL PROVISIONS

22       Sec. 1069.001. DEFINITIONS

23       Sec. 1069.002. AUTHORITY FOR OPERATION

24       Sec. 1069.003. ESSENTIAL PUBLIC FUNCTION

25       Sec. 1069.004. DISTRICT TERRITORY

26       Sec. 1069.005. DISTRICT SUPPORT AND MAINTENANCE NOT

27                       STATE OBLIGATION

- 1 Sec. 1069.006. RESTRICTION ON STATE FINANCIAL  
2 ASSISTANCE  
3 [Sections 1069.007-1069.050 reserved for expansion]  
4 SUBCHAPTER B. DISTRICT ADMINISTRATION  
5 Sec. 1069.051. BOARD ELECTION; TERM  
6 Sec. 1069.052. NOTICE OF ELECTION  
7 Sec. 1069.053. BALLOT PETITION  
8 Sec. 1069.054. QUALIFICATIONS FOR OFFICE  
9 Sec. 1069.055. BOARD VACANCY  
10 Sec. 1069.056. OFFICERS  
11 Sec. 1069.057. QUORUM; VOTING REQUIREMENT  
12 Sec. 1069.058. DISTRICT ADMINISTRATOR; ASSISTANT  
13 ADMINISTRATOR  
14 Sec. 1069.059. GENERAL DUTIES OF DISTRICT  
15 ADMINISTRATOR  
16 Sec. 1069.060. APPOINTMENT OF STAFF AND EMPLOYEES  
17 Sec. 1069.061. RETIREMENT BENEFITS  
18 [Sections 1069.062-1069.100 reserved for expansion]  
19 SUBCHAPTER C. POWERS AND DUTIES  
20 Sec. 1069.101. DISTRICT RESPONSIBILITY  
21 Sec. 1069.102. RESTRICTION ON POLITICAL SUBDIVISION  
22 TAXATION AND DEBT  
23 Sec. 1069.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
24 Sec. 1069.104. HOSPITAL SYSTEM  
25 Sec. 1069.105. RULES  
26 Sec. 1069.106. PURCHASING AND ACCOUNTING PROCEDURES

- 1 Sec. 1069.107. DISTRICT PROPERTY, FACILITIES, AND  
2 EQUIPMENT
- 3 Sec. 1069.108. EMINENT DOMAIN
- 4 Sec. 1069.109. GIFTS AND ENDOWMENTS
- 5 Sec. 1069.110. CHARITABLE ORGANIZATION
- 6 Sec. 1069.111. NONPROFIT CORPORATION
- 7 Sec. 1069.112. CONSTRUCTION OR EQUIPMENT PURCHASE  
8 CONTRACTS
- 9 Sec. 1069.113. OPERATING AND MANAGEMENT CONTRACTS
- 10 Sec. 1069.114. CONTRACTS FOR CARE AND TREATMENT
- 11 Sec. 1069.115. CONTRACTS WITH POLITICAL SUBDIVISION  
12 FOR SERVICES
- 13 Sec. 1069.116. PAYMENT FOR TREATMENT; PROCEDURES
- 14 Sec. 1069.117. REIMBURSEMENT FOR SERVICE
- 15 Sec. 1069.118. AUTHORITY TO SUE AND BE SUED
- 16 [Sections 1069.119-1069.150 reserved for expansion]
- 17 SUBCHAPTER D. CHANGE IN BOUNDARIES
- 18 Sec. 1069.151. PETITION TO EXPAND DISTRICT TERRITORY
- 19 Sec. 1069.152. HEARING
- 20 Sec. 1069.153. ORDER OF ANNEXATION
- 21 Sec. 1069.154. RATIFICATION ELECTION
- 22 Sec. 1069.155. ASSUMPTION OF DEBT AND TAXES
- 23 Sec. 1069.156. BALLOT
- 24 [Sections 1069.157-1069.200 reserved for expansion]
- 25 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
- 26 Sec. 1069.201. BUDGET
- 27 Sec. 1069.202. NOTICE; HEARING; APPROVAL OF BUDGET



- 1 Sec. 1069.203. AMENDMENTS TO BUDGET
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- 5 Sec. 1069.207. INSPECTION OF AUDIT AND DISTRICT
- 6                               RECORDS
- 7 Sec. 1069.208. FINANCIAL REPORT
- 8 Sec. 1069.209. DEPOSITORY
- 9 Sec. 1069.210. SPENDING RESTRICTIONS
- 10 Sec. 1069.211. ECONOMIC DEVELOPMENT
- 11 Sec. 1069.212. AUTHORITY TO BORROW MONEY
- 12                   [Sections 1069.213-1069.250 reserved for expansion]
- 13                               SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS
- 14 Sec. 1069.251. GENERAL OBLIGATION BONDS
- 15 Sec. 1069.252. TAX TO PAY GENERAL OBLIGATION BONDS
- 16 Sec. 1069.253. GENERAL OBLIGATION BOND ELECTION
- 17 Sec. 1069.254. REFUNDING BONDS
- 18 Sec. 1069.255. MATURITY OF BONDS
- 19 Sec. 1069.256. EXECUTION OF BONDS
- 20 Sec. 1069.257. OTHER OBLIGATIONS
- 21 Sec. 1069.258. BONDS EXEMPT FROM TAXATION
- 22                   [Sections 1069.259-1069.300 reserved for expansion]
- 23                               SUBCHAPTER G. TAXES
- 24 Sec. 1069.301. IMPOSITION OF AD VALOREM TAX
- 25 Sec. 1069.302. TAX RATE
- 26 Sec. 1069.303. ASSESSMENT AND COLLECTION BY COUNTY TAX
- 27                               ASSESSOR-COLLECTOR

1 Sec. 1069.304. ASSESSMENT AND COLLECTION BY DISTRICT

2 TAX ASSESSOR-COLLECTOR

3 CHAPTER 1069. NACOGDOCHES COUNTY HOSPITAL DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 1069.001. DEFINITIONS. In this chapter:

6 (1) "Board" means the board of directors of the  
7 district.

8 (2) "Director" means a member of the board.

9 (3) "District" means the Nacogdoches County Hospital  
10 District. (New.)

11 Sec. 1069.002. AUTHORITY FOR OPERATION. The Nacogdoches  
12 County Hospital District operates in accordance with Section 9,  
13 Article IX, Texas Constitution, and has the rights, powers, and  
14 duties provided by this chapter. (Acts 60th Leg., R.S., Ch. 431,  
15 Sec. 1 (part).)

16 Sec. 1069.003. ESSENTIAL PUBLIC FUNCTION. The district  
17 performs an essential public function in carrying out the purposes  
18 of this chapter. (Acts 60th Leg., R.S., Ch. 431, Sec. 21 (part).)

19 Sec. 1069.004. DISTRICT TERRITORY. Unless the district's  
20 boundaries are expanded under Subchapter D, the boundaries of the  
21 district are coextensive with the boundaries of Nacogdoches County,  
22 Texas. (Acts 60th Leg., R.S., Ch. 431, Sec. 1 (part); New.)

23 Sec. 1069.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
24 OBLIGATION. The support and maintenance of the district may not  
25 become a charge against or obligation of this state. (Acts 60th  
26 Leg., R.S., Ch. 431, Sec. 20 (part).)

27 Sec. 1069.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.

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1 The legislature may not make a direct appropriation for the  
2 construction, maintenance, or improvement of a district facility.  
3 (Acts 60th Leg., R.S., Ch. 431, Sec. 20 (part).)

4 [Sections 1069.007-1069.050 reserved for expansion]

5 SUBCHAPTER B. DISTRICT ADMINISTRATION

6 Sec. 1069.051. BOARD ELECTION; TERM. (a) The board  
7 consists of:

8 (1) one director elected from each commissioners  
9 precinct; and

10 (2) three directors elected from the district at  
11 large.

12 (b) Unless four-year terms are established under Section  
13 285.081, Health and Safety Code:

14 (1) directors serve staggered two-year terms; and

15 (2) an election shall be held annually on the May  
16 uniform election date to elect the appropriate number of directors.  
17 (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part); New.)

18 Sec. 1069.052. NOTICE OF ELECTION. At least 10 days before  
19 the date of a directors' election, notice of the election must be  
20 published one time in a newspaper of general circulation in the  
21 county. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

22 Sec. 1069.053. BALLOT PETITION. (a) A person who wants to  
23 have the person's name printed on the ballot as a candidate for  
24 director must file with the board secretary a petition requesting  
25 that action. The petition must:

26 (1) be signed by not fewer than 25 qualified voters;

27 (2) be filed by the deadline imposed by Section

1 144.005, Election Code; and

2 (3) specify the commissioners precinct the person  
3 wants to represent or specify that the person wants to represent the  
4 district at large.

5 (b) The board secretary may accept the petition only if it  
6 is accompanied by evidence showing that the candidate has the  
7 qualifications required by Section 1069.054. (Acts 60th Leg., R.S.,  
8 Ch. 431, Sec. 4 (part).)

9 Sec. 1069.054. QUALIFICATIONS FOR OFFICE. (a) To be  
10 eligible to be a candidate for or to serve as a director, a person  
11 must be:

12 (1) a resident of the district; and

13 (2) a qualified voter.

14 (b) A director elected or appointed to represent a  
15 commissioners precinct must be a resident of that commissioners  
16 precinct.

17 (c) A district employee may not serve as a director. (Acts  
18 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

19 Sec. 1069.055. BOARD VACANCY. (a) If a vacancy occurs in  
20 the office of director, the remaining directors shall appoint a  
21 director for the unexpired term.

22 (b) If the number of directors is reduced to fewer than four  
23 for any reason, the remaining directors shall immediately call a  
24 special election to fill the vacancies. If the remaining directors  
25 do not call the election, a district court, on application of a  
26 district voter or taxpayer, may order the directors to hold the  
27 election. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

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1           Sec. 1069.056. OFFICERS. (a) The board shall elect:

2                   (1) a president and a vice president from among its  
3 members; and

4                   (2) a secretary, who need not be a director.

5           (b) Each officer of the board serves a one-year term.

6           (c) The board shall fill a vacancy in a board office for the  
7 unexpired term. (Acts 60th Leg., R.S., Ch. 431, Sec. 4 (part).)

8           Sec. 1069.057. QUORUM; VOTING REQUIREMENT. (a) Any four  
9 directors constitute a quorum.

10           (b) A majority of the directors voting must concur in any  
11 matter relating to district business. (Acts 60th Leg., R.S., Ch.  
12 431, Sec. 4 (part).)

13           Sec. 1069.058. DISTRICT ADMINISTRATOR; ASSISTANT  
14 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
15 district administrator.

16           (b) The board may appoint an assistant administrator.

17           (c) The district administrator and any assistant  
18 administrator serve at the will of the board and receive the  
19 compensation determined by the board.

20           (d) On assuming the duties of district administrator, the  
21 administrator shall execute a bond payable to the district in an  
22 amount set by the board of not less than \$5,000 that:

23                   (1) is conditioned on the administrator performing the  
24 administrator's duties; and

25                   (2) contains any other condition the board requires.  
26 (Acts 60th Leg., R.S., Ch. 431, Sec. 5 (part).)

27           Sec. 1069.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

1 Subject to any limitation prescribed by the board, the district  
2 administrator shall:

3 (1) supervise the work and activities of the district;  
4 and

5 (2) direct the affairs of the district. (Acts 60th  
6 Leg., R.S., Ch. 431, Sec. 5 (part).)

7 Sec. 1069.060. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
8 board may appoint to the staff any doctors and employ any  
9 technician, nurse, or other employee the board considers necessary  
10 for the efficient operation of the district.

11 (b) The district may employ fiscal agents, accountants,  
12 architects, and attorneys as the board considers proper.

13 (c) The board may provide that the district administrator  
14 has the authority to employ district employees, including  
15 technicians and nurses. (Acts 60th Leg., R.S., Ch. 431, Secs. 5  
16 (part), 16.)

17 Sec. 1069.061. RETIREMENT BENEFITS. The board may provide  
18 retirement benefits for district employees by:

19 (1) establishing or administering a retirement  
20 program; or

21 (2) participating in:

22 (A) the Texas County and District Retirement  
23 System; or

24 (B) another statewide retirement system in which  
25 the district is eligible to participate. (Acts 60th Leg., R.S., Ch.  
26 431, Sec. 16A.)

27 [Sections 1069.062-1069.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 1069.101. DISTRICT RESPONSIBILITY. The district has  
3 full responsibility for operating all hospital facilities for  
4 providing medical and hospital care for the district's needy  
5 inhabitants. (Acts 60th Leg., R.S., Ch. 431, Sec. 19 (part).)

6 Sec. 1069.102. RESTRICTION ON POLITICAL SUBDIVISION  
7 TAXATION AND DEBT. A political subdivision located within the  
8 district may not impose a tax or issue bonds or other obligations  
9 for hospital purposes or to provide medical care. (Acts 60th Leg.,  
10 R.S., Ch. 431, Sec. 19 (part).)

11 Sec. 1069.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
12 The board shall manage, control, and administer the district's  
13 hospitals and hospital system. (Acts 60th Leg., R.S., Ch. 431, Sec.  
14 5 (part).)

15 Sec. 1069.104. HOSPITAL SYSTEM. (a) The district shall  
16 provide for:

- 17 (1) the establishment of a hospital system by:  
18 (A) purchasing, constructing, acquiring,  
19 repairing, or renovating buildings and equipment; and  
20 (B) equipping the buildings; and  
21 (2) the administration of the hospital system for  
22 hospital purposes.

- 23 (b) The hospital system may include:  
24 (1) domiciliary care and treatment of the sick,  
25 injured, or geriatric;  
26 (2) outpatient clinics;  
27 (3) dispensaries;

- 1 (4) convalescent home facilities;
- 2 (5) necessary nurses;
- 3 (6) domiciliaries and training centers;
- 4 (7) blood banks;
- 5 (8) community mental health centers;
- 6 (9) research centers or laboratories; and
- 7 (10) any other facilities the board considers
- 8 necessary for hospital care. (Acts 60th Leg., R.S., Ch. 431, Secs.
- 9 2 (part), 9(c).)

10 Sec. 1069.105. RULES. The board may adopt rules for the  
11 operation of the district, including rules governing:

- 12 (1) the operation of the hospital and hospital system;
- 13 (2) the duties, functions, and responsibilities of
- 14 district staff and employees; and
- 15 (3) the acquisition of goods or services. (Acts 60th
- 16 Leg., R.S., Ch. 431, Secs. 5 (part), 10(d) (part), 16B.)

17 Sec. 1069.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
18 Except as provided by Section 1069.112, the board may prescribe:

- 19 (1) procedures for the acquisition of goods or
- 20 services, including the method and manner of making purchases and
- 21 expenditures by and for the district; and
- 22 (2) all accounting and control procedures.

23 (b) In making purchases, the board may determine the method  
24 of purchase that provides the best value to the district,  
25 including:

- 26 (1) competitive bidding;
- 27 (2) competitive sealed proposals;



- 1           (3) catalogue purchase;  
2           (4) a group purchasing program; or  
3           (5) an open market contract.

4           (c) In determining what is the best value to the district,  
5 the board shall consider:

- 6           (1) the purchase price;  
7           (2) the reputation of the vendor and of the vendor's  
8 goods or services;  
9           (3) the quality of the vendor's goods or services;  
10          (4) the extent to which the goods or services meet the  
11 district's needs;  
12          (5) the vendor's past relationship with the district;  
13          (6) the total long-term cost to the district of  
14 acquiring the vendor's goods or services; and  
15          (7) any other relevant factor that a private business  
16 entity would consider in selecting a vendor.

17          (d) The state auditor may audit purchases of goods or  
18 services by the district.

19          (e) To the extent of any conflict, this section prevails  
20 over any other law relating to the purchasing of goods and services.

21          (f) Chapters 2151 and 2254, Government Code, do not apply to  
22 purchases of goods and services made under this section.

23          (g) The board may incur an obligation, including a lease or  
24 lease-purchase agreement for real property, facilities, or  
25 equipment for use in the hospital system, payable from the pledged  
26 sales and use tax revenue of the district. (Acts 60th Leg., R.S.,  
27 Ch. 431, Secs. 10(a), (b), (c), (d) (part), (e), (f), (g).)

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1           Sec. 1069.107. DISTRICT      PROPERTY,      FACILITIES,      AND  
2 EQUIPMENT. (a) The board shall determine:

3                   (1) the type, number, and location of buildings  
4 required to maintain an adequate hospital system; and

5                   (2) the type of equipment necessary for hospital care.

6           (b) The board may:

7                   (1) acquire real property, facilities, and equipment  
8 for the district for use in the hospital system in the manner  
9 determined by the board;

10                   (2) lease to physicians, individuals, companies,  
11 corporations, or other legal entities or acquire by lease or by  
12 lease-purchase agreement real property, facilities, or equipment  
13 for use in the hospital system on terms the board determines are in  
14 the best interest of district residents; and

15                   (3) sell or otherwise dispose of district real  
16 property, facilities, or equipment on terms the board determines  
17 are in the best interest of district residents.

18           (c) The district may acquire equipment for use in the  
19 district's hospital system and mortgage or pledge the acquired  
20 property as security for the payment of the purchase price. A  
21 contract entered into under this subsection must provide that the  
22 entire obligation be retired not later than the fifth anniversary  
23 of the date of the contract. (Acts 60th Leg., R.S., Ch. 431, Secs.  
24 9(a), (b), 10(j).)

25           Sec. 1069.108. EMINENT DOMAIN. (a) The district may  
26 exercise the power of eminent domain to acquire a fee simple or  
27 other interest in any type of property located in district

1 territory if the interest is necessary or convenient to a power,  
2 right, or privilege conferred by this chapter.

3 (b) The district must exercise the power of eminent domain  
4 in the manner provided by Chapter 21, Property Code, except that the  
5 district is not required to deposit in the trial court money or a  
6 bond as provided by Section 21.021(a), Property Code.

7 (c) In a condemnation proceeding brought by the district,  
8 the district is not required to:

9 (1) pay in advance or provide a bond or other security  
10 for costs in the trial court;

11 (2) provide a bond for the issuance of a temporary  
12 restraining order or a temporary injunction; or

13 (3) provide a bond for costs or a supersedeas bond on  
14 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 431,  
15 Sec. 14.)

16 Sec. 1069.109. GIFTS AND ENDOWMENTS. The board may accept  
17 for the district a gift or endowment to be held in trust and  
18 administered by the board for the purposes and under any direction,  
19 limitation, or other provision prescribed in writing by the donor  
20 that are not inconsistent with the proper management and objectives  
21 of the district. (Acts 60th Leg., R.S., Ch. 431, Sec. 18(a).)

22 Sec. 1069.110. CHARITABLE ORGANIZATION. (a) In this  
23 section, "charitable organization" means an organization that is  
24 eligible for an exemption from federal income tax under Section  
25 501(a), Internal Revenue Code of 1986, by being listed as an exempt  
26 organization by Section 501(c)(3) or (4) of that code.

27 (b) The board may facilitate the achievement of district

1 purposes by creating a charitable organization to:

2 (1) provide or arrange for hospital and health care  
3 services;

4 (2) develop resources for hospital and health care  
5 services; and

6 (3) provide ancillary support services for the  
7 district.

8 (c) A charitable organization created under this section is  
9 a unit of local government for purposes of Chapter 101, Civil  
10 Practice and Remedies Code. (Acts 60th Leg., R.S., Ch. 431, Sec.  
11 18(b).)

12 Sec. 1069.111. NONPROFIT CORPORATION. (a) The board, on  
13 the district's behalf, may create and sponsor a nonprofit  
14 corporation under the Business Organizations Code and may  
15 contribute money to or solicit money for the corporation.

16 (b) The corporation may use money, other than money the  
17 corporation pays to the district, only to provide health care or  
18 other services the district is authorized to provide under this  
19 chapter.

20 (c) The corporation may invest the corporation's money in  
21 any manner in which the district may invest the district's money,  
22 including investing money as authorized by Chapter 2256, Government  
23 Code.

24 (d) The board shall establish adequate controls to ensure  
25 that the corporation uses its money as required by this section.  
26 (Acts 60th Leg., R.S., Ch. 431, Sec. 18(c).)

27 Sec. 1069.112. CONSTRUCTION OR EQUIPMENT PURCHASE

1 CONTRACTS. A contract for construction or the purchase of  
2 equipment that involves the expenditure of more than \$25,000 may be  
3 made only after advertising in the manner provided by Subchapter B,  
4 Chapter 271, Local Government Code. (Acts 60th Leg., R.S., Ch. 431,  
5 Sec. 10(i) (part).)

6 Sec. 1069.113. OPERATING AND MANAGEMENT CONTRACTS. The  
7 district, through its board, may enter into an operating or  
8 management contract relating to a district facility. (Acts 60th  
9 Leg., R.S., Ch. 431, Sec. 9(d).)

10 Sec. 1069.114. CONTRACTS FOR CARE AND TREATMENT. (a) The  
11 board may contract with a county or municipality located outside  
12 the district's boundaries for the care and treatment of a sick or  
13 injured person of that county or municipality.

14 (b) The board may contract with this state or a federal  
15 agency for the treatment of a sick or injured person. (Acts 60th  
16 Leg., R.S., Ch. 431, Sec. 5 (part).)

17 Sec. 1069.115. CONTRACTS WITH POLITICAL SUBDIVISION FOR  
18 SERVICES. The board may contract with a political subdivision of  
19 this state or with a state or federal agency for the district to:

20 (1) furnish a mobile emergency medical service;  
21 (2) provide for the investigatory or welfare needs of  
22 district inhabitants; or

23 (3) provide a rural health clinic to care for the  
24 inhabitants of the contracting political subdivision. (Acts 60th  
25 Leg., R.S., Ch. 431, Sec. 16C.)

26 Sec. 1069.116. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
27 When a patient who resides in the district is admitted to a district

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1 facility, the district administrator may have an inquiry made into  
2 the financial circumstances of:

- 3 (1) the patient; and
- 4 (2) the patient's relatives legally liable for the  
5 patient's support.

6 (b) If the district administrator determines that the  
7 patient or those relatives cannot pay for all or part of the  
8 patient's care and treatment in the hospital, the amount that  
9 cannot be paid becomes a charge against the district.

10 (c) If the district administrator determines that the  
11 patient or those relatives can pay for all or part of the patient's  
12 care and treatment, the administrator shall issue an order  
13 directing the patient or those relatives to pay the district a  
14 specified amount during an agreed term for the patient's care and  
15 support. The amount ordered must be proportionate to their  
16 financial ability.

17 (d) The district administrator may collect the amount from  
18 the patient's estate, or from those relatives legally liable for  
19 the patient's support, in the manner provided by law for the  
20 collection of expenses of the last illness of a deceased person.

21 (e) If there is a dispute as to the ability to pay, or doubt  
22 in the mind of the district administrator, the board shall hold a  
23 hearing and, after calling witnesses, shall:

- 24 (1) resolve the dispute or doubt; and
- 25 (2) issue any appropriate order.

26 (f) The final order of the board may be appealed to the  
27 district court. The substantial evidence rule applies to the

1 appeal. (Acts 60th Leg., R.S., Ch. 431, Secs. 17(b), (c), (d), (e),  
2 (f).)

3           Sec. 1069.117. REIMBURSEMENT FOR SERVICE. (a) The board  
4 shall require a county, municipality, or public hospital located  
5 outside the district to reimburse the district for the district's  
6 care and treatment of a sick or injured person of that county,  
7 municipality, or public hospital as provided by Chapter 61, Health  
8 and Safety Code.

9           (b) The board shall require the sheriff of a county or the  
10 police chief of a municipality to reimburse the district for the  
11 district's care and treatment of a person confined in a jail  
12 facility of the county or municipality who is not a district  
13 resident.

14           (c) The board may contract with the state or federal  
15 government for that government to reimburse the district for  
16 treatment of a sick or injured person. (Acts 60th Leg., R.S., Ch.  
17 431, Sec. 16E.)

18           Sec. 1069.118. AUTHORITY TO SUE AND BE SUED. The district,  
19 through the board, may sue and be sued. (Acts 60th Leg., R.S., Ch.  
20 431, Sec. 5 (part).)

21           [Sections 1069.119-1069.150 reserved for expansion]

22                           SUBCHAPTER D. CHANGE IN BOUNDARIES

23           Sec. 1069.151. PETITION           TO           EXPAND           DISTRICT  
24 TERRITORY. (a) Registered voters of a defined territory not  
25 included in the district may file a petition with the board  
26 secretary requesting inclusion of the territory in the district.

27           (b) The petition must be signed by at least 50 registered

1 voters of the territory or a majority of those voters, whichever is  
2 fewer. (Acts 60th Leg., R.S., Ch. 431, Sec. 16D(a).)

3       Sec. 1069.152. HEARING. (a) The board by order shall set  
4 a time and place to hold a hearing on a petition to include a defined  
5 territory in the district.

6       (b) The board shall set a date for the hearing that is after  
7 the 30th day after the date the board issues the order. (Acts 60th  
8 Leg., R.S., Ch. 431, Sec. 16D(b).)

9       Sec. 1069.153. ORDER OF ANNEXATION. (a) If, after a  
10 hearing under Section 1069.152, the board finds that annexation of  
11 the defined territory into the district would be feasible and would  
12 benefit the district, the board may approve the annexation by a  
13 resolution entered in its minutes.

14       (b) The board is not required to include in the annexation  
15 all territory described in the petition if the board finds that a  
16 modification or change is necessary or desirable. (Acts 60th Leg.,  
17 R.S., Ch. 431, Sec. 16D(c).)

18       Sec. 1069.154. RATIFICATION ELECTION. (a) Annexation of  
19 territory is final when approved by a majority of the voters at:

- 20           (1) an election held in the district; and  
21           (2) a separate election held in the territory proposed  
22 to be annexed.

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

- 25           (1) the date of the election;  
26           (2) the location of the polling places;  
27           (3) the form of the ballot; and



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1           (4) the presiding and alternate election judges for  
2 each polling place.

3           (c) Notice of the election shall be given by publishing a  
4 substantial copy of the election order in a newspaper of general  
5 circulation in the county once each week for two consecutive weeks.  
6 The first publication must occur at least 30 days before the date of  
7 the election.

8           (d) Section 41.001(a), Election Code, does not apply to an  
9 election held under this section. (Acts 60th Leg., R.S., Ch. 431,  
10 Secs. 3 (part), 16D(d) (part), (f) (part).)

11           Sec. 1069.155. ASSUMPTION OF DEBT AND TAXES. If the  
12 district has outstanding debts or taxes, the voters in an election  
13 to approve annexation under Section 1069.154 must determine whether  
14 the annexed territory will assume its portion of the debts or taxes  
15 on annexation. (Acts 60th Leg., R.S., Ch. 431, Sec. 16D(d) (part).)

16           Sec. 1069.156. BALLOT. The ballot for an election under  
17 Section 1069.154 shall be printed to permit voting for or against  
18 the following, as applicable:

19           (1) "Adding (description of territory to be added) to  
20 the Nacogdoches County Hospital District."

21           (2) "(Description of territory to be added) assuming  
22 its proportionate share of the outstanding debts and taxes of the  
23 Nacogdoches County Hospital District, if it is added to the  
24 district." (Acts 60th Leg., R.S., Ch. 431, Sec. 16D(e).)

25           [Sections 1069.157-1069.200 reserved for expansion]

26           SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

27           Sec. 1069.201. BUDGET. (a) The district administrator

1 shall prepare an annual budget for approval by the board.

2 (b) The proposed budget must contain a complete financial  
3 statement of:

4 (1) the outstanding obligations of the district;

5 (2) cash on hand to the credit of each district fund;

6 (3) money received by the district from all sources  
7 during the previous year;

8 (4) money available to the district from all sources  
9 during the ensuing year;

10 (5) the balances expected at the end of the year in  
11 which the budget is being prepared;

12 (6) the estimated revenue and balances available to  
13 cover the proposed budget; and

14 (7) the estimated tax rate required. (Acts 60th Leg.,  
15 R.S., Ch. 431, Sec. 6 (part).)

16 Sec. 1069.202. NOTICE; HEARING; APPROVAL OF BUDGET. (a)  
17 The board shall hold a public hearing on the proposed annual budget.

18 (b) Notice of the hearing must be published one time at  
19 least 10 days before the date of the hearing.

20 (c) Any district resident is entitled to be present and  
21 participate at the hearing.

22 (d) At the conclusion of the hearing, the board shall act on  
23 the budget as proposed by the board president. The board may make  
24 any changes in the proposed budget that the board judges to be in  
25 the interest of the taxpayers and the law warrants. The budget must  
26 be approved by the board. (Acts 60th Leg., R.S., Ch. 431, Sec. 6  
27 (part).)

1           Sec. 1069.203. AMENDMENTS TO BUDGET. The annual budget may  
2 be amended as required by circumstances. The board must approve all  
3 amendments. (Acts 60th Leg., R.S., Ch. 431, Sec. 6 (part).)

4           Sec. 1069.204. RESTRICTION ON EXPENDITURES. Money may be  
5 spent only for an expense included in the annual budget or an  
6 amendment to the budget. (Acts 60th Leg., R.S., Ch. 431, Sec. 6  
7 (part).)

8           Sec. 1069.205. FISCAL YEAR. The district operates  
9 according to a fiscal year that begins on July 1 and ends on June 30.  
10 (Acts 60th Leg., R.S., Ch. 431, Sec. 6 (part).)

11           Sec. 1069.206. AUDIT. The district shall have an audit made  
12 of the district's financial condition. (Acts 60th Leg., R.S., Ch.  
13 431, Sec. 6 (part).)

14           Sec. 1069.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
15 The audit and other district records shall be open to inspection at  
16 the district's principal office. (Acts 60th Leg., R.S., Ch. 431,  
17 Sec. 6 (part).)

18           Sec. 1069.208. FINANCIAL REPORT. As soon as practicable  
19 after the close of each fiscal year, the district administrator  
20 shall prepare for the board:

21                   (1) a complete sworn statement of all district money;  
22 and

23                   (2) a complete account of the disbursements of that  
24 money. (Acts 60th Leg., R.S., Ch. 431, Sec. 6 (part).)

25           Sec. 1069.209. DEPOSITORY. (a) The board shall select one  
26 or more banks in the district to serve as a depository for district  
27 money.

1 (b) All district money shall be immediately deposited on  
2 receipt with a depository bank, except that sufficient money must  
3 be remitted to the place or places designated as agent for the  
4 payment of principal of and interest on the district's outstanding  
5 bonds or other obligations assumed by the district in time for the  
6 agent to make that payment on or before the maturity date of the  
7 principal and interest.

8 (c) To the extent that money in a depository bank is not  
9 insured by the Federal Deposit Insurance Corporation, the money  
10 must be secured in the manner provided by law for the security of  
11 county funds.

12 (d) Membership on the district's board of an officer or  
13 director of a bank does not disqualify the bank from being  
14 designated as depository. (Acts 60th Leg., R.S., Ch. 431, Sec. 11.)

15 Sec. 1069.210. SPENDING RESTRICTIONS. Except as provided  
16 by Sections 1069.106, 1069.107, and 1069.211 and by Subchapter F,  
17 the district may not incur an obligation payable from district  
18 revenue other than the revenue on hand or to be on hand in the  
19 current and immediately following district fiscal years. (Acts  
20 60th Leg., R.S., Ch. 431, Sec. 10(1).)

21 Sec. 1069.211. ECONOMIC DEVELOPMENT. The district may  
22 allocate a portion of its annual sales and use tax revenue, not to  
23 exceed one-fourth of one percent, to encourage economic development  
24 in the district as described by Section 52-a, Article III, Texas  
25 Constitution. (Acts 60th Leg., R.S., Ch. 431, Sec. 10(k).)

26 Sec. 1069.212. AUTHORITY TO BORROW MONEY. (a) Pending  
27 receipt of accounts receivable, the board may borrow money for the

1 payment of maintenance and operating expenses of the district.

2 (b) A loan obtained by the district under this section must  
3 be repaid not later than one year after the date on which the loan is  
4 made. (Acts 60th Leg., R.S., Ch. 431, Sec. 10(h).)

5 [Sections 1069.213-1069.250 reserved for expansion]

6 SUBCHAPTER F. BONDS AND OTHER OBLIGATIONS

7 Sec. 1069.251. GENERAL OBLIGATION BONDS. The board may  
8 issue and sell general obligation bonds in the name and on the faith  
9 and credit of the district for any purpose relating to the purchase,  
10 construction, acquisition, repair, or renovation of buildings or  
11 improvements and equipping of buildings or improvements for  
12 hospital purposes. (Acts 60th Leg., R.S., Ch. 431, Sec. 7(a)  
13 (part).)

14 Sec. 1069.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
15 the time general obligation bonds are issued by the district, the  
16 board shall impose an ad valorem tax at a rate sufficient to create  
17 an interest and sinking fund to pay the principal of and interest on  
18 the bonds as the bonds mature.

19 (b) The tax required by this section together with any other  
20 ad valorem tax imposed for the district may not in any year exceed  
21 75 cents on each \$100 valuation of all taxable property in the  
22 district subject to hospital district taxation. (Acts 60th Leg.,  
23 R.S., Ch. 431, Sec. 7(a) (part).)

24 Sec. 1069.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
25 district may issue general obligation bonds only if the bonds are  
26 authorized by a majority of the district voters voting at an  
27 election held for that purpose.

1 (b) The order calling a bond election shall provide for  
2 clerks as in county elections and must specify:

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

10 (c) Notice of a bond election shall be given as provided by  
11 Section 1251.003, Government Code. (Acts 60th Leg., R.S., Ch. 431,  
12 Sec. 7(a) (part).)

13 Sec. 1069.254. REFUNDING BONDS. (a) The board may, without  
14 an election, issue refunding bonds to refund outstanding  
15 indebtedness issued or assumed by the district.

16 (b) A refunding bond may be:

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

19 (2) exchanged wholly or partly for not less than a  
20 similar principal amount of outstanding indebtedness. (Acts 60th  
21 Leg., R.S., Ch. 431, Secs. 7(a) (part), (b).)

22 Sec. 1069.255. MATURITY OF BONDS. District bonds must  
23 mature not later than 40 years after the date of issuance. (Acts  
24 60th Leg., R.S., Ch. 431, Sec. 7(c) (part).)

25 Sec. 1069.256. EXECUTION OF BONDS. District bonds shall be  
26 executed in the manner provided by Chapter 618, Government Code.  
27 (Acts 60th Leg., R.S., Ch. 431, Sec. 7(c) (part).)

1           Sec. 1069.257. OTHER OBLIGATIONS.           Notwithstanding  
2 Sections 1069.251 through 1069.256, the board may issue and sell  
3 bonds, notes, or other obligations that are payable from the  
4 district's sales and use tax revenues to:

- 5                   (1) acquire land for the hospital system; or  
6                   (2) purchase, construct, acquire, repair, or renovate  
7 buildings, improvements, or equipment related to the hospital  
8 system. (Acts 60th Leg., R.S., Ch. 431, Sec. 7(d).)

9           Sec. 1069.258. BONDS EXEMPT FROM TAXATION. The following  
10 are exempt from taxation by this state or a political subdivision of  
11 this state:

- 12                   (1) bonds issued by the district;  
13                   (2) the transfer and issuance of the bonds; and  
14                   (3) profits made in the sale of the bonds. (Acts 60th  
15 Leg., R.S., Ch. 431, Sec. 21 (part).)

16                   [Sections 1069.259-1069.300 reserved for expansion]

17                                   SUBCHAPTER G. TAXES

18           Sec. 1069.301. IMPOSITION OF AD VALOREM TAX. (a) The board  
19 shall impose a tax on all taxable property in the district subject  
20 to district taxation.

21                   (b) The board shall impose the tax to pay:

- 22                                   (1) indebtedness issued or assumed by the district;  
23 and  
24                                   (2) the maintenance and operating expenses of the  
25 district. (Acts 60th Leg., R.S., Ch. 431, Secs. 12 (part), 15  
26 (part).)

27           Sec. 1069.302. TAX RATE. (a) The board may impose the tax

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1 at a rate not to exceed 75 cents on each \$100 valuation of the  
2 taxable property in the district subject to hospital district  
3 taxation.

4 (b) In setting the tax rate, the board shall consider the  
5 income of the district from sources other than taxation. (Acts 60th  
6 Leg., R.S., Ch. 431, Secs. 3 (part), 12 (part).)

7 Sec. 1069.303. ASSESSMENT AND COLLECTION BY COUNTY TAX  
8 ASSESSOR-COLLECTOR. Unless the board by majority vote elects to  
9 have taxes assessed and collected under Section 1069.304, the tax  
10 assessor-collector of the county in which the district is located  
11 shall assess and collect taxes imposed by the district. (Acts 60th  
12 Leg., R.S., Ch. 431, Secs. 15 (part), 15(a) (part).)

13 Sec. 1069.304. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
14 ASSESSOR-COLLECTOR. (a) The board may elect to have district  
15 taxes assessed and collected by a tax assessor-collector appointed  
16 by the board. An election under this subsection must be made by  
17 December 1 and governs the manner in which taxes are assessed and  
18 collected, until changed by a similar resolution.

19 (b) The district tax assessor-collector must be a district  
20 resident.

21 (c) The board shall prescribe for the district tax  
22 assessor-collector the term of employment and compensation. (Acts  
23 60th Leg., R.S., Ch. 431, Secs. 15 (part), 15(b) (part).)

24 CHAPTER 1074. COMANCHE COUNTY CONSOLIDATED HOSPITAL DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 1074.001. DEFINITIONS

27 Sec. 1074.002. AUTHORITY FOR OPERATION



- 1 Sec. 1074.003. ESSENTIAL PUBLIC FUNCTION
- 2 Sec. 1074.004. DISTRICT TERRITORY
- 3 Sec. 1074.005. DISTRICT SUPPORT AND MAINTENANCE NOT
- 4 STATE OBLIGATION
- 5 Sec. 1074.006. RESTRICTION ON STATE FINANCIAL
- 6 ASSISTANCE
- 7 [Sections 1074.007-1074.050 reserved for expansion]
- 8 SUBCHAPTER B. DISTRICT ADMINISTRATION
- 9 Sec. 1074.051. BOARD ELECTION; TERM
- 10 Sec. 1074.052. NOTICE OF ELECTION
- 11 Sec. 1074.053. QUALIFICATIONS FOR OFFICE
- 12 Sec. 1074.054. BOARD VACANCY
- 13 Sec. 1074.055. OFFICERS
- 14 Sec. 1074.056. COMPENSATION; EXPENSES
- 15 Sec. 1074.057. VOTING REQUIREMENT
- 16 Sec. 1074.058. DISTRICT ADMINISTRATOR; ASSISTANT
- 17 ADMINISTRATOR
- 18 Sec. 1074.059. GENERAL DUTIES OF DISTRICT
- 19 ADMINISTRATOR
- 20 Sec. 1074.060. APPOINTMENT OF STAFF AND EMPLOYEES
- 21 [Sections 1074.061-1074.100 reserved for expansion]
- 22 SUBCHAPTER C. POWERS AND DUTIES
- 23 Sec. 1074.101. DISTRICT RESPONSIBILITY
- 24 Sec. 1074.102. RESTRICTION ON POLITICAL SUBDIVISION
- 25 TAXATION AND DEBT
- 26 Sec. 1074.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 27 Sec. 1074.104. HOSPITAL SYSTEM

- 1 Sec. 1074.105. RULES  
2 Sec. 1074.106. PURCHASING AND ACCOUNTING PROCEDURES  
3 Sec. 1074.107. DISTRICT PROPERTY, FACILITIES, AND  
4 EQUIPMENT  
5 Sec. 1074.108. EMINENT DOMAIN  
6 Sec. 1074.109. GIFTS AND ENDOWMENTS  
7 Sec. 1074.110. CONSTRUCTION CONTRACTS  
8 Sec. 1074.111. OPERATING AND MANAGEMENT CONTRACTS  
9 Sec. 1074.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
10 FOR CARE AND TREATMENT  
11 Sec. 1074.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
12 FOR INVESTIGATORY OR OTHER SERVICES  
13 Sec. 1074.114. PAYMENT FOR TREATMENT; PROCEDURES  
14 Sec. 1074.115. AUTHORITY TO SUE AND BE SUED  
15 [Sections 1074.116-1074.150 reserved for expansion]  
16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
17 Sec. 1074.151. BUDGET  
18 Sec. 1074.152. NOTICE; HEARING; APPROVAL OF BUDGET  
19 Sec. 1074.153. AMENDMENTS TO BUDGET  
20 Sec. 1074.154. RESTRICTION ON EXPENDITURES  
21 Sec. 1074.155. FISCAL YEAR  
22 Sec. 1074.156. ANNUAL AUDIT  
23 Sec. 1074.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
24 RECORDS  
25 Sec. 1074.158. FINANCIAL REPORT  
26 Sec. 1074.159. DEPOSITORY  
27 Sec. 1074.160. INVESTMENT RESTRICTIONS

1 Sec. 1074.161. AUTHORITY TO BORROW MONEY; SECURITY  
2 [Sections 1074.162-1074.200 reserved for expansion]

3 SUBCHAPTER E. BONDS

4 Sec. 1074.201. GENERAL OBLIGATION BONDS

5 Sec. 1074.202. TAX TO PAY GENERAL OBLIGATION BONDS

6 Sec. 1074.203. REVENUE BONDS

7 Sec. 1074.204. REFUNDING BONDS

8 Sec. 1074.205. BOND ELECTION

9 Sec. 1074.206. MATURITY OF BONDS

10 Sec. 1074.207. EXECUTION OF BONDS

11 Sec. 1074.208. ADDITIONAL MEANS OF SECURING PAYMENT OF  
12 BONDS

13 Sec. 1074.209. USE OF BOND PROCEEDS

14 Sec. 1074.210. BONDS EXEMPT FROM TAXATION

15 Sec. 1074.211. SECURITY OF CERTAIN BONDS

16 [Sections 1074.212-1074.250 reserved for expansion]

17 SUBCHAPTER F. TAXES

18 Sec. 1074.251. IMPOSITION OF AD VALOREM TAX

19 Sec. 1074.252. TAX RATE

20 Sec. 1074.253. TAX ASSESSOR-COLLECTOR

21 CHAPTER 1074. COMANCHE COUNTY CONSOLIDATED HOSPITAL DISTRICT

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 1074.001. DEFINITIONS. In this chapter:

24 (1) "Board" means the board of directors of the  
25 district.

26 (2) "Director" means a member of the board.

27 (3) "District" means the Comanche County Consolidated

1 Hospital District. (New.)

2       Sec. 1074.002. AUTHORITY FOR OPERATION. The Comanche  
3 County Consolidated Hospital District operates and is administered  
4 and financed in accordance with Section 9, Article IX, Texas  
5 Constitution, and has the rights, powers, and duties provided by  
6 this chapter. (Acts 74th Leg., R.S., Ch. 132, Secs. 3.01(a) (part),  
7 (b) (part).)

8       Sec. 1074.003. ESSENTIAL PUBLIC FUNCTION. The district  
9 performs an essential public function administering this chapter.  
10 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.25 (part).)

11       Sec. 1074.004. DISTRICT TERRITORY. The boundaries of the  
12 district are coextensive with the boundaries of Comanche County,  
13 except that portion of Comanche County within the boundaries of the  
14 South Eastland County Hospital District, as those boundaries  
15 existed on June 15, 2001, is not included in the district. (Acts  
16 74th Leg., R.S., Ch. 132, Sec. 3.01(a) (part).)

17       Sec. 1074.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
18 OBLIGATION. The support and maintenance of the district may not  
19 become a charge against or obligation of this state. (Acts 74th  
20 Leg., R.S., Ch. 132, Sec. 3.24 (part).)

21       Sec. 1074.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
22 The legislature may not make a direct appropriation for the  
23 construction, maintenance, or improvement of a district facility.  
24 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.24 (part).)

25       [Sections 1074.007-1074.050 reserved for expansion]

26                   SUBCHAPTER B. DISTRICT ADMINISTRATION

27       Sec. 1074.051. BOARD ELECTION; TERM. (a) The board

1 consists of six directors elected from the district in accordance  
2 with former Section 3.04(f), Chapter 132, Acts of the 74th  
3 Legislature, Regular Session, 1995.

4 (b) Directors serve staggered three-year terms.

5 (c) A directors' election to elect two directors shall be  
6 held annually on the May uniform election date. (Acts 74th Leg.,  
7 R.S., Ch. 132, Sec. 3.05(a) (part).)

8 Sec. 1074.052. NOTICE OF ELECTION. Not earlier than the  
9 30th day or later than the 10th day before the date of a directors'  
10 election, notice of the election must be published one time in a  
11 newspaper of general circulation in the district. (Acts 74th Leg.,  
12 R.S., Ch. 132, Sec. 3.05(b) (part).)

13 Sec. 1074.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
14 not be elected or appointed as a director unless the person is:

15 (1) a resident of the district; and

16 (2) a qualified voter.

17 (b) A person is not eligible to serve as a director if the  
18 person is:

19 (1) the district administrator; or

20 (2) a district employee. (Acts 74th Leg., R.S., Ch.  
21 132, Sec. 3.06.)

22 Sec. 1074.054. BOARD VACANCY. If a vacancy occurs in the  
23 office of director, the remaining directors shall fill the vacancy  
24 for the unexpired term. (Acts 74th Leg., R.S., Ch. 132, Sec.  
25 3.05(c).)

26 Sec. 1074.055. OFFICERS. (a) The board shall elect:

27 (1) a president and a vice president from among its

1 members; and

2 (2) a secretary, who need not be a director.

3 (b) Each officer of the board serves a one-year term.

4 (c) The board shall fill a vacancy in a board office for the  
5 unexpired term. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.08(a).)

6 Sec. 1074.056. COMPENSATION; EXPENSES. A director or  
7 officer serves without compensation but may be reimbursed for  
8 actual expenses incurred in the performance of official duties.

9 The expenses must be:

10 (1) reported in the district's records; and

11 (2) approved by the board. (Acts 74th Leg., R.S., Ch.  
12 132, Sec. 3.08(c).)

13 Sec. 1074.057. VOTING REQUIREMENT. A concurrence of a  
14 majority of the directors voting is necessary in any matter  
15 relating to district business. (Acts 74th Leg., R.S., Ch. 132, Sec.  
16 3.08(b).)

17 Sec. 1074.058. DISTRICT ADMINISTRATOR; ASSISTANT  
18 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
19 district administrator.

20 (b) The board may appoint an assistant administrator.

21 (c) The district administrator and any assistant  
22 administrator serve at the will of the board and receive the  
23 compensation determined by the board.

24 (d) On assuming the duties of district administrator, the  
25 administrator shall execute a bond payable to the district in an  
26 amount set by the board of not less than \$5,000 that:

27 (1) is conditioned on the administrator performing the

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1 administrator's duties; and

2 (2) contains any other condition the board requires.

3 (e) The board may pay for the bond with district money.  
4 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(c) (part).)

5 Sec. 1074.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
6 Subject to the limitations prescribed by the board, the district  
7 administrator shall supervise the work and activities of the  
8 district. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(c) (part).)

9 Sec. 1074.060. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
10 board may appoint to the staff any doctors the board considers  
11 necessary for the efficient operation of the district if warranted.

12 (b) The board may employ, and may delegate to the district  
13 administrator the authority to employ, technicians, nurses, fiscal  
14 agents, accountants, architects, and other necessary employees for  
15 the district. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(d).)

16 [Sections 1074.061-1074.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 1074.101. DISTRICT RESPONSIBILITY. The district has  
19 full responsibility for operating all hospital facilities and  
20 providing medical and hospital care for the district's needy  
21 residents. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.23(b).)

22 Sec. 1074.102. RESTRICTION ON POLITICAL SUBDIVISION  
23 TAXATION AND DEBT. A political subdivision located wholly or  
24 partly in the district may not impose a tax or issue bonds or other  
25 obligations for hospital purposes or to provide medical care for  
26 district residents. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.23(a).)

27 Sec. 1074.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.

1 The board shall manage, control, and administer the hospital system  
2 and the district's business, money, and resources. (Acts 74th  
3 Leg., R.S., Ch. 132, Sec. 3.09(a) (part).)

4 Sec. 1074.104. HOSPITAL SYSTEM. (a) The district shall  
5 provide for:

6 (1) the establishment of a hospital system by:

7 (A) purchasing, constructing, acquiring,  
8 repairing, or renovating buildings and equipment; and

9 (B) equipping the buildings; and

10 (2) the administration of the district for hospital  
11 purposes.

12 (b) The hospital system may include:

13 (1) domiciliary care and treatment of the sick,  
14 injured, or geriatric;

15 (2) outpatient clinics;

16 (3) dispensaries;

17 (4) convalescent home facilities;

18 (5) necessary nurses;

19 (6) domiciliaries and training centers;

20 (7) blood banks;

21 (8) community mental health centers;

22 (9) research centers;

23 (10) laboratories; and

24 (11) any other facilities the board considers  
25 necessary for hospital care. (Acts 74th Leg., R.S., Ch. 132, Secs.  
26 3.07(a) (part), 3.15(a) (part).)

27 Sec. 1074.105. RULES. The board may adopt rules governing



1 the operation of the hospital, the hospital system, and the  
2 district's staff and employees. (Acts 74th Leg., R.S., Ch. 132,  
3 Sec. 3.09(b) (part).)

4 Sec. 1074.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
5 board may prescribe:

6 (1) the method and manner of making purchases and  
7 expenditures by and for the district; and

8 (2) all accounting and control procedures. (Acts 74th  
9 Leg., R.S., Ch. 132, Sec. 3.15(d).)

10 Sec. 1074.107. DISTRICT PROPERTY, FACILITIES, AND  
11 EQUIPMENT. (a) The board shall determine:

12 (1) the type, number, and location of buildings  
13 required to maintain an adequate hospital system; and

14 (2) the type of equipment necessary for hospital care.

15 (b) The board may lease all or part of the district's  
16 buildings and other facilities on terms considered to be in the best  
17 interest of district residents. The term of the lease may not  
18 exceed 25 years.

19 (c) The district may:

20 (1) acquire property, including facilities and  
21 equipment, for use in the district's hospital system; and

22 (2) mortgage or pledge the property as security for  
23 the payment of the purchase price.

24 (d) The district may sell or otherwise dispose of any  
25 property, including equipment, on terms the board finds are in the  
26 best interest of district residents. (Acts 74th Leg., R.S., Ch.  
27 132, Secs. 3.15(a) (part), (b) (part), (c), (g).)

1           Sec. 1074.108. EMINENT DOMAIN.   (a) The district may  
2 exercise the power of eminent domain to acquire a fee simple or  
3 other interest in any type of property located in district  
4 territory if the interest is necessary to exercise a right or  
5 authority conferred by this chapter.

6           (b) The district must exercise the power of eminent domain  
7 in the manner provided by Chapter 21, Property Code, except the  
8 district is not required to deposit in the trial court money or a  
9 bond as provided by Section 21.021, Property Code.

10          (c) In a condemnation proceeding brought by the district,  
11 the district is not required to:

12                 (1) pay in advance or provide a bond or other security  
13 for costs in the trial court;

14                 (2) provide a bond for the issuance of a temporary  
15 restraining order or a temporary injunction; or

16                 (3) provide a bond for costs or a supersedeas bond on  
17 an appeal or petition for review. (Acts 74th Leg., R.S., Ch. 132,  
18 Sec. 3.18.)

19          Sec. 1074.109. GIFTS AND ENDOWMENTS. The board may accept  
20 for the district a gift or endowment to be held in trust and  
21 administered by the board for the purposes and under the  
22 directions, limitations, or other provisions prescribed in writing  
23 by the donor that are not inconsistent with the proper management of  
24 the district. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.21.)

25          Sec. 1074.110. CONSTRUCTION CONTRACTS. A construction  
26 contract that involves the expenditure of more than the amount  
27 provided by Section 271.024, Local Government Code, may be made

1 only after competitive bidding as provided by Subchapter B, Chapter  
2 271, Local Government Code. (Acts 74th Leg., R.S., Ch. 132, Sec.  
3 3.15(e).)

4 Sec. 1074.111. OPERATING AND MANAGEMENT CONTRACTS. The  
5 board may enter into an operating or management contract relating  
6 to a district facility. (Acts 74th Leg., R.S., Ch. 132, Sec.  
7 3.15(b) (part).)

8 Sec. 1074.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
9 CARE AND TREATMENT. (a) The district may contract with a county or  
10 municipality located outside the district's boundaries for the care  
11 and treatment of a sick or injured person of that county or  
12 municipality.

13 (b) The district may contract with this state or a federal  
14 agency to reimburse the district for treatment of a sick or injured  
15 person. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.09(e) (part).)

16 Sec. 1074.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
17 INVESTIGATORY OR OTHER SERVICES. The board may contract with a  
18 political subdivision or governmental agency for the district to  
19 provide investigatory or other services for the medical, hospital,  
20 or welfare needs of district residents. (Acts 74th Leg., R.S., Ch.  
21 132, Sec. 3.09(e) (part).)

22 Sec. 1074.114. PAYMENT FOR TREATMENT; PROCEDURES. (a) The  
23 district shall provide without charge to a patient residing in the  
24 district the care and treatment that the patient or a relative of  
25 the patient who is legally responsible for the patient's support  
26 cannot pay.

27 (b) When a patient who resides in the district is admitted

1 to a district facility, the district administrator may have an  
2 inquiry made into the circumstances of:

- 3           (1) the patient; and  
4           (2) the patient's relatives legally responsible for  
5 the patient's support.

6           (c) If the district administrator determines that the  
7 patient or relative can pay for all or part of the costs of the  
8 patient's care and treatment, the district administrator shall  
9 report that finding to the board and the board shall order the  
10 patient or relative to pay the district a specified amount each week  
11 for the patient's care and support. The amount ordered must be an  
12 amount the individual is able to pay.

13           (d) The district administrator may collect amounts under  
14 Subsection (c) from the patient's estate, or from a relative  
15 legally responsible for the patient's support, in the manner  
16 provided by law for the collection of expenses of the last illness  
17 of a deceased person.

18           (e) If there is a dispute as to the ability to pay, the board  
19 shall:

- 20           (1) call witnesses;  
21           (2) hear and resolve the dispute; and  
22           (3) issue a final order.

23           (f) The final order may be appealed to the district court in  
24 Comanche County. The substantial evidence rule applies to the  
25 appeal. (Acts 74th Leg., R.S., Ch. 132, Secs. 3.20(a), (c), (d).)

26           Sec. 1074.115. AUTHORITY TO SUE AND BE SUED. The district,  
27 through the board, may sue and be sued. (Acts 74th Leg., R.S., Ch.

1 132, Sec. 3.09(b) (part).)

2 [Sections 1074.116-1074.150 reserved for expansion]

3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4 Sec. 1074.151. BUDGET. (a) The district administrator  
5 shall prepare an annual budget for approval by the board.

6 (b) The proposed budget must contain a complete financial  
7 statement of:

8 (1) the outstanding obligations of the district;

9 (2) the cash on hand to the credit of each district  
10 fund;

11 (3) the money received by the district from all  
12 sources during the previous year;

13 (4) the money available to the district from all  
14 sources during the ensuing year;

15 (5) the balances expected at the end of the year in  
16 which the budget is being prepared;

17 (6) the estimated revenues and balances available to  
18 cover the proposed budget; and

19 (7) the estimated tax rate required. (Acts 74th Leg.,  
20 R.S., Ch. 132, Sec. 3.10(c).)

21 Sec. 1074.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a)  
22 The board shall hold a public hearing on the proposed annual budget.

23 (b) At least 10 days before the date of the hearing, notice  
24 of the hearing must be published one time in a newspaper of general  
25 circulation in the district.

26 (c) Any district resident is entitled to be present and  
27 participate at the hearing.

1 (d) The board shall act on the budget proposed by the  
2 district administrator. The board may make any changes in the  
3 proposed budget that the board determines the law warrants and are  
4 in the interests of the taxpayers. The board must approve the  
5 budget. (Acts 74th Leg., R.S., Ch. 132, Secs. 3.10(d), (e), (g)  
6 (part).)

7 Sec. 1074.153. AMENDMENTS TO BUDGET. The budget may be  
8 amended as required by circumstances. The board must approve all  
9 amendments. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(g) (part).)

10 Sec. 1074.154. RESTRICTION ON EXPENDITURES. Money may be  
11 spent only for an expense included in the budget or an amendment to  
12 the budget. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(f).)

13 Sec. 1074.155. FISCAL YEAR. (a) The district operates  
14 according to a fiscal year established by the board.

15 (b) The fiscal year may not be changed:

16 (1) during a period that revenue bonds of the district  
17 are outstanding; or

18 (2) more than once in a 24-month period. (Acts 74th  
19 Leg., R.S., Ch. 132, Sec. 3.10(a).)

20 Sec. 1074.156. ANNUAL AUDIT. The board annually shall have  
21 an audit made of the district's financial condition. (Acts 74th  
22 Leg., R.S., Ch. 132, Sec. 3.10(b) (part).)

23 Sec. 1074.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
24 RECORDS. The annual audit and other district records shall be open  
25 to inspection at the district's principal office. (Acts 74th Leg.,  
26 R.S., Ch. 132, Sec. 3.10(b) (part).)

27 Sec. 1074.158. FINANCIAL REPORT. As soon as practicable

1 after the close of each fiscal year, the district administrator  
2 shall prepare for the board:

3 (1) a complete sworn statement of all district money;  
4 and

5 (2) a complete account of the disbursements of that  
6 money. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.10(h).)

7 Sec. 1074.159. DEPOSITORY. (a) The board shall select one  
8 or more banks to serve as a depository for district money.

9 (b) All district money, other than money invested as  
10 provided by Section 1074.160 and money transmitted to a bank for  
11 payment of bonds or obligations issued or assumed by the district,  
12 shall be deposited as received with the depository bank and shall  
13 remain on deposit.

14 (c) This section does not limit the power of the board to  
15 place a part of district money on time deposit or to purchase  
16 certificates of deposit. (Acts 74th Leg., R.S., Ch. 132, Sec.  
17 3.15(h).)

18 Sec. 1074.160. INVESTMENT RESTRICTIONS. The board may  
19 invest operating, depreciation, or building reserves only in funds  
20 or securities specified by Chapter 2256, Government Code. (Acts  
21 74th Leg., R.S., Ch. 132, Sec. 3.09(a) (part).)

22 Sec. 1074.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
23 The board may borrow money at a rate not to exceed the maximum  
24 annual percentage rate allowed by law for authorized district  
25 obligations at the time the loan is made if the board declares that:

26 (1) money is not available to meet authorized  
27 obligations of the district; and

1 (2) an emergency exists.

2 (b) To secure a loan, the board may pledge:

3 (1) district revenue that is not pledged to pay the  
4 district's bonded indebtedness;

5 (2) district taxes to be imposed by the district in the  
6 12-month period following the date of the pledge that are not  
7 pledged to pay the principal of or interest on district bonds; or

8 (3) district bonds that have been authorized but not  
9 sold.

10 (c) A loan for which taxes or bonds are pledged must mature  
11 not later than the first anniversary of the date the loan is made. A  
12 loan for which district revenue is pledged must mature not later  
13 than the fifth anniversary of the date the loan is made.

14 (d) Money obtained from a loan under this section may be  
15 spent only for:

16 (1) a purpose for which the board declared an  
17 emergency; and

18 (2) if district taxes or bonds are pledged to pay the  
19 loan, the purposes for which the pledged taxes were imposed or the  
20 bonds were authorized. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.22.)

21 [Sections 1074.162-1074.200 reserved for expansion]

22 SUBCHAPTER E. BONDS

23 Sec. 1074.201. GENERAL OBLIGATION BONDS. The board may  
24 issue and sell general obligation bonds in the name and on the faith  
25 and credit of the district for:

26 (1) the purchase, construction, acquisition, repair,  
27 or renovation of buildings or improvements;



1           (2) equipping buildings or improvements for hospital  
2 purposes; or

3           (3) acquiring and operating a mobile emergency  
4 service. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.11(a).)

5           Sec. 1074.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
6 the time general obligation bonds are issued by the district, the  
7 board shall impose an ad valorem tax at a rate sufficient to create  
8 an interest and sinking fund and to pay the principal of and  
9 interest on the bonds as the bonds mature.

10          (b) The tax required by this section together with any other  
11 tax imposed for the district may not in any year exceed the limit  
12 approved by the voters at the election authorizing the imposition  
13 of the tax. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.11(b).)

14          Sec. 1074.203. REVENUE BONDS. (a) The board may issue  
15 revenue bonds to:

16           (1) purchase, construct, acquire, repair, equip, or  
17 renovate a building or improvement for hospital purposes;

18           (2) acquire a site for hospital purposes; or

19           (3) acquire and operate a mobile emergency service to  
20 assist the district in carrying out its hospital purposes.

21          (b) The bonds must be payable from and secured by a pledge of  
22 all or part of district revenue derived from the operation of the  
23 district's hospital system.

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

26          (d) The bonds must be issued in the manner and in accordance  
27 with the procedures and requirements prescribed by Chapter 264,

1 Health and Safety Code, for the issuance of revenue bonds by a  
2 county hospital authority. (Acts 74th Leg., R.S., Ch. 132, Secs.  
3 3.14(a) (part), (b), (c).)

4 Sec. 1074.204. REFUNDING BONDS. (a) The board may, without  
5 an election, issue refunding bonds to refund outstanding  
6 indebtedness issued or assumed by the district.

7 (b) A refunding bond may be:

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

10 (2) exchanged wholly or partly for not less than a  
11 similar principal amount of the outstanding indebtedness. (Acts  
12 74th Leg., R.S., Ch. 132, Secs. 3.12(a), (b), 3.14(a) (part).)

13 Sec. 1074.205. BOND ELECTION. (a) The district may issue  
14 bonds, other than refunding bonds, to be wholly or partly secured by  
15 an ad valorem tax only if the bonds are authorized by a majority of  
16 the district voters at an election that is held in the district.

17 (b) The bond election order must specify:

18 (1) the nature and date of the election;

19 (2) the location of the polling places;

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

21 (4) the amount of the bonds to be authorized; and

22 (5) the maximum maturity of the bonds.

23 (c) Notice of a bond election shall be given as provided by  
24 Section 1251.003, Government Code. (Acts 74th Leg., R.S., Ch. 132,  
25 Secs. 3.11(c), (d), (e), 3.14A(b).)

26 Sec. 1074.206. MATURITY OF BONDS. District bonds must  
27 mature not later than the 40th anniversary of the date of issuance.

1 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.13(a) (part).)

2       Sec. 1074.207. EXECUTION OF BONDS. The board president  
3 shall execute the district's bonds in the district's name, and the  
4 board secretary shall countersign the bonds in the manner provided  
5 by Chapter 618, Government Code. (Acts 74th Leg., R.S., Ch. 132,  
6 Sec. 3.13(a) (part).)

7       Sec. 1074.208. ADDITIONAL MEANS OF SECURING PAYMENT OF  
8 BONDS. In addition to the authority to issue general obligation  
9 bonds and revenue bonds under this subchapter, the board may  
10 provide for the security and payment of district bonds from a pledge  
11 of a combination of ad valorem taxes as authorized by Section  
12 1074.202 and revenue and other sources as authorized by Section  
13 1074.203. (Acts 74th Leg., R.S., Ch. 132, Sec. 3.14A(a).)

14       Sec. 1074.209. USE OF BOND PROCEEDS. The district may use  
15 the proceeds of bonds issued under this subchapter to pay:

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

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

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

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

25                   (B) for one year after the project or facility is  
26 acquired or constructed;

27           (4) costs related to the financing of the bond funds,

1 including debt service reserve and contingency funds;

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

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

6 (7) construction costs of a project or facility to be  
7 provided through the bonds, including the payment of related  
8 professional services and expenses. (Acts 74th Leg., R.S., Ch.  
9 132, Sec. 3.14B.)

10 Sec. 1074.210. BONDS EXEMPT FROM TAXATION. The following  
11 are exempt from taxation by this state or a political subdivision of  
12 this state:

13 (1) bonds issued by the district;

14 (2) the transfer and issuance from the bonds; or

15 (3) any profits made in the sale of the bonds. (Acts  
16 74th Leg., R.S., Ch. 132, Sec. 3.25 (part).)

17 Sec. 1074.211. SECURITY OF CERTAIN BONDS. Bonds authorized  
18 at an election held in the district before May 20, 2003, may be  
19 payable from and secured by:

20 (1) taxes as authorized by the election; or

21 (2) a pledge of a combination of ad valorem taxes,  
22 revenues, and other sources as authorized by Section 1074.208.  
23 (Acts 74th Leg., R.S., Ch. 132, Sec. 3.14A(c).)

24 [Sections 1074.212-1074.250 reserved for expansion]

25 SUBCHAPTER F. TAXES

26 Sec. 1074.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
27 shall annually impose a tax to pay:

1           (1) indebtedness issued or assumed by the district;  
2 and

3           (2) district maintenance and operating expenses.

4           (b) The district may not impose a tax to pay the principal of  
5 or interest on revenue bonds issued under Section 1074.203. (Acts  
6 74th Leg., R.S., Ch. 132, Secs. 3.16(a) (part), (b).)

7           Sec. 1074.252. TAX RATE. (a) The board may impose the tax  
8 at a rate not to exceed the limit approved by the voters.

9           (b) In setting the tax rate, the board shall consider the  
10 income of the district from sources other than taxation. (Acts 74th  
11 Leg., R.S., Ch. 132, Secs. 3.16(a) (part), (c) (part).)

12           Sec. 1074.253. TAX ASSESSOR-COLLECTOR. The board may  
13 provide for the appointment of a tax assessor-collector for the  
14 district or may contract for the assessment and collection of taxes  
15 as provided by the Tax Code. (Acts 74th Leg., R.S., Ch. 132, Sec.  
16 3.19(c).)

17           CHAPTER 1086. CROSBY COUNTY HOSPITAL DISTRICT

18                   SUBCHAPTER A. GENERAL PROVISIONS

19   Sec. 1086.001. DEFINITIONS

20   Sec. 1086.002. AUTHORITY FOR OPERATION

21   Sec. 1086.003. ESSENTIAL PUBLIC FUNCTION

22   Sec. 1086.004. DISTRICT TERRITORY

23   Sec. 1086.005. DISTRICT SUPPORT OR MAINTENANCE NOT

24                   STATE OBLIGATION

25   Sec. 1086.006. RESTRICTION ON STATE FINANCIAL

26                   ASSISTANCE

27           [Sections 1086.007-1086.050 reserved for expansion]

1 SUBCHAPTER B. DISTRICT ADMINISTRATION

- 2 Sec. 1086.051. BOARD ELECTION AND APPOINTMENT; TERM
- 3 Sec. 1086.052. NOTICE OF ELECTION
- 4 Sec. 1086.053. BALLOT PETITION
- 5 Sec. 1086.054. QUALIFICATIONS FOR OFFICE
- 6 Sec. 1086.055. BOND; RECORD OF BOND
- 7 Sec. 1086.056. BOARD VACANCY
- 8 Sec. 1086.057. OFFICERS
- 9 Sec. 1086.058. COMPENSATION; EXPENSES
- 10 Sec. 1086.059. VOTING REQUIREMENT
- 11 Sec. 1086.060. DISTRICT ADMINISTRATOR
- 12 Sec. 1086.061. GENERAL DUTIES OF DISTRICT
- 13 ADMINISTRATOR
- 14 Sec. 1086.062. ASSISTANT DISTRICT ADMINISTRATOR;
- 15 ATTORNEY
- 16 Sec. 1086.063. APPOINTMENT OF STAFF AND EMPLOYEES
- 17 Sec. 1086.064. RETIREMENT BENEFITS

18 [Sections 1086.065-1086.100 reserved for expansion]

19 SUBCHAPTER C. POWERS AND DUTIES

- 20 Sec. 1086.101. DISTRICT RESPONSIBILITY
- 21 Sec. 1086.102. RESTRICTION ON GOVERNMENTAL ENTITY
- 22 TAXATION AND DEBT
- 23 Sec. 1086.103. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 24 Sec. 1086.104. RULES
- 25 Sec. 1086.105. PURCHASING AND ACCOUNTING PROCEDURES
- 26 Sec. 1086.106. MOBILE EMERGENCY MEDICAL SERVICE

- 1 Sec. 1086.107. DISTRICT PROPERTY, FACILITIES, AND
- 2 EQUIPMENT
- 3 Sec. 1086.108. EMINENT DOMAIN
- 4 Sec. 1086.109. COST OF RELOCATING OR ALTERING PROPERTY
- 5 Sec. 1086.110. GIFTS AND ENDOWMENTS
- 6 Sec. 1086.111. CONSTRUCTION CONTRACTS
- 7 Sec. 1086.112. OPERATING AND MANAGEMENT CONTRACTS
- 8 Sec. 1086.113. CONTRACTS WITH GOVERNMENTAL ENTITIES
- 9 FOR SERVICES
- 10 Sec. 1086.114. PAYMENT FOR TREATMENT; PROCEDURES
- 11 Sec. 1086.115. REIMBURSEMENT FOR SERVICES
- 12 Sec. 1086.116. AUTHORITY TO SUE AND BE SUED
- 13 [Sections 1086.117-1086.150 reserved for expansion]
- 14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 15 Sec. 1086.151. BUDGET
- 16 Sec. 1086.152. NOTICE; HEARING; ADOPTION OF BUDGET
- 17 Sec. 1086.153. AMENDMENTS TO BUDGET
- 18 Sec. 1086.154. RESTRICTION ON EXPENDITURES
- 19 Sec. 1086.155. FISCAL YEAR
- 20 Sec. 1086.156. ANNUAL AUDIT
- 21 Sec. 1086.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
- 22 RECORDS
- 23 Sec. 1086.158. FINANCIAL REPORT
- 24 Sec. 1086.159. DEPOSITORY
- 25 Sec. 1086.160. SPENDING AND INVESTMENT RESTRICTIONS
- 26 [Sections 1086.161-1086.200 reserved for expansion]

SUBCHAPTER E. BONDS

- 1
- 2 Sec. 1086.201. GENERAL OBLIGATION BONDS
- 3 Sec. 1086.202. TAX TO PAY GENERAL OBLIGATION BONDS
- 4 Sec. 1086.203. GENERAL OBLIGATION BOND ELECTION
- 5 Sec. 1086.204. REVENUE BONDS
- 6 Sec. 1086.205. REFUNDING BONDS
- 7 Sec. 1086.206. MATURITY OF BONDS
- 8 Sec. 1086.207. EXECUTION OF BONDS
- 9 Sec. 1086.208. BONDS EXEMPT FROM TAXATION

10 [Sections 1086.209-1086.250 reserved for expansion]

11 SUBCHAPTER F. TAXES

- 12 Sec. 1086.251. IMPOSITION OF AD VALOREM TAX
- 13 Sec. 1086.252. TAX RATE
- 14 Sec. 1086.253. TAX ASSESSOR-COLLECTOR

15 CHAPTER 1086. CROSBY COUNTY HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1086.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "Director" means a member of the board.

21 (3) "District" means the Crosby County Hospital  
22 District. (Acts 71st Leg., R.S., Ch. 548, Sec. 1.01.)

23 Sec. 1086.002. AUTHORITY FOR OPERATION. The Crosby County  
24 Hospital District operates and is financed as provided by Section  
25 9, Article IX, Texas Constitution, and by this chapter. (Acts 71st  
26 Leg., R.S., Ch. 548, Sec. 1.02.)

27 Sec. 1086.003. ESSENTIAL PUBLIC FUNCTION. The district is



1 a public entity performing an essential public function. (Acts  
2 71st Leg., R.S., Ch. 548, Sec. 7.11 (part).)

3 Sec. 1086.004. DISTRICT TERRITORY. The boundaries of the  
4 district are coextensive with the boundaries of Crosby County,  
5 Texas. (Acts 71st Leg., R.S., Ch. 548, Sec. 1.03.)

6 Sec. 1086.005. DISTRICT SUPPORT OR MAINTENANCE NOT STATE  
7 OBLIGATION. This state may not become obligated for the support or  
8 maintenance of the district. (Acts 71st Leg., R.S., Ch. 548, Sec.  
9 9.01 (part).)

10 Sec. 1086.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
11 The legislature may not make a direct appropriation for the  
12 construction, maintenance, or improvement of a district facility.  
13 (Acts 71st Leg., R.S., Ch. 548, Sec. 9.01 (part).)

14 [Sections 1086.007-1086.050 reserved for expansion]

15 SUBCHAPTER B. DISTRICT ADMINISTRATION

16 Sec. 1086.051. BOARD ELECTION AND APPOINTMENT; TERM. (a)  
17 The district is governed by a board of 12 directors as follows:

18 (1) two directors elected from each commissioners  
19 precinct; and

20 (2) four directors appointed by the Crosby County  
21 Commissioners Court.

22 (b) Directors serve staggered two-year terms.

23 (c) A directors' election shall be held annually on the May  
24 uniform election date to elect the appropriate number of directors.

25 (d) The commissioners court shall annually within 10 days of  
26 the date that elected directors are elected appoint the appropriate  
27 number of directors. (Acts 71st Leg., R.S., Ch. 548, Secs. 4.01(a),

1 4.03(a), (d).)

2           Sec. 1086.052. NOTICE OF ELECTION. Not later than the 35th  
3 day before the date of a directors' election, notice of the election  
4 must be published one time in a newspaper with general circulation  
5 in the district. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.04.)

6           Sec. 1086.053. BALLOT PETITION. A person who wants to have  
7 the person's name printed on the ballot as a candidate for a  
8 position as an elected director must file with the board secretary a  
9 petition requesting that action. The petition must:

10           (1) be signed by at least 10 registered voters of the  
11 district, as determined by the most recent official list of  
12 registered voters;

13           (2) be filed by the deadline imposed by Section  
14 144.005, Election Code; and

15           (3) specify the commissioners precinct the candidate  
16 wants to represent. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.05.)

17           Sec. 1086.054. QUALIFICATIONS FOR OFFICE. (a) To be  
18 eligible to be a candidate for an elected position or to serve as an  
19 elected director, a person must be:

20           (1) a resident of the district; and

21           (2) a registered voter.

22           (b) To be eligible to serve as an appointed director, a  
23 person must be a registered voter.

24           (c) In addition to the qualifications required by  
25 Subsection (a), a person who is elected from a commissioners  
26 precinct or who is appointed to fill a vacancy for a commissioners  
27 precinct must be a resident of that commissioners precinct.

1 (d) A district employee may not serve as a director. (Acts  
2 71st Leg., R.S., Ch. 548, Sec. 4.06.)

3 Sec. 1086.055. BOND; RECORD OF BOND. (a) Before assuming  
4 the duties of office, each director must execute a bond for \$5,000  
5 that is:

6 (1) payable to the district; and

7 (2) conditioned on the faithful performance of the  
8 director's duties.

9 (b) The board may pay for directors' bonds with district  
10 money.

11 (c) Each director's bond shall be kept in the district's  
12 permanent records. (Acts 71st Leg., R.S., Ch. 548, Sec. 4.07.)

13 Sec. 1086.056. BOARD VACANCY. If a vacancy occurs in the  
14 office of director, the remaining directors shall appoint a  
15 director for the unexpired term. (Acts 71st Leg., R.S., Ch. 548,  
16 Sec. 4.08.)

17 Sec. 1086.057. OFFICERS. (a) The board shall elect from  
18 among its members a president and a vice president.

19 (b) The board shall appoint a secretary, who need not be a  
20 director.

21 (c) The president may vote only to break a tie vote.

22 (d) Each officer of the board serves a one-year term.

23 (e) The board shall fill a vacancy in a board office for the  
24 unexpired term. (Acts 71st Leg., R.S., Ch. 548, Secs. 4.09, 4.10.)

25 Sec. 1086.058. COMPENSATION; EXPENSES. A director or  
26 officer serves without compensation but may be reimbursed for  
27 actual expenses incurred in the performance of official duties.

1 The expenses must be:

- 2 (1) reported in the district's records; and  
3 (2) approved by the board. (Acts 71st Leg., R.S., Ch.  
4 548, Sec. 4.11.)

5 Sec. 1086.059. VOTING REQUIREMENT. A concurrence of a  
6 majority of the directors voting is necessary in any matter  
7 relating to district business. (Acts 71st Leg., R.S., Ch. 548, Sec.  
8 4.12.)

9 Sec. 1086.060. DISTRICT ADMINISTRATOR. (a) The board may  
10 appoint a qualified person as district administrator.

11 (b) The district administrator serves at the will of the  
12 board and is entitled to compensation as determined by the board.

13 (c) Before assuming the duties of district administrator,  
14 the administrator must execute a bond in an amount determined by the  
15 board of not less than \$5,000 that is:

- 16 (1) payable to the district; and  
17 (2) conditioned on the faithful performance of the  
18 administrator's duties under this chapter.

19 (d) The board may pay for the bond with district money.  
20 (Acts 71st Leg., R.S., Ch. 548, Secs. 4.13(a) (part), (b) (part),  
21 (c) (part), (d).)

22 Sec. 1086.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
23 Subject to the limitations prescribed by the board, the district  
24 administrator shall:

- 25 (1) supervise the work and activities of the district;  
26 and  
27 (2) direct the general affairs of the district. (Acts

S.B. No. 1147

1 71st Leg., R.S., Ch. 548, Sec. 4.16.)

2 Sec. 1086.062. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

3 (a) The board may appoint qualified persons as:

- 4 (1) the assistant district administrator; and
- 5 (2) the attorney for the district.

6 (b) The assistant district administrator and the attorney  
7 for the district serve at the will of the board and are entitled to  
8 compensation as determined by the board. (Acts 71st Leg., R.S., Ch.  
9 548, Secs. 4.13(a) (part), (b) (part), (c) (part).)

10 Sec. 1086.063. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
11 board may appoint to the staff any doctors the board considers  
12 necessary for the efficient operation of the district and may make  
13 temporary appointments as considered necessary.

14 (b) The district may employ technicians, nurses, fiscal  
15 agents, accountants, architects, additional attorneys, and other  
16 necessary employees.

17 (c) The board may delegate to the district administrator the  
18 authority to employ persons for the district. (Acts 71st Leg.,  
19 R.S., Ch. 548, Secs. 4.14, 4.15.)

20 Sec. 1086.064. RETIREMENT BENEFITS. The board may provide  
21 retirement benefits for district employees by:

- 22 (1) establishing or administering a retirement  
23 program; or
- 24 (2) participating in:
  - 25 (A) the Texas County and District Retirement  
26 System; or
  - 27 (B) another statewide retirement system in which

1 the district is eligible to participate. (Acts 71st Leg., R.S., Ch.  
2 548, Sec. 4.17.)

3 [Sections 1086.065-1086.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 1086.101. DISTRICT RESPONSIBILITY. The district has  
6 full responsibility for operating hospital facilities and for  
7 providing medical and hospital care for the district's needy  
8 inhabitants. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.02 (part).)

9 Sec. 1086.102. RESTRICTION ON GOVERNMENTAL ENTITY TAXATION  
10 AND DEBT. Crosby County, the City of Ralls, Crosbyton, or Lorenzo,  
11 or any other governmental entity in which the district is located  
12 may not impose a tax or issue bonds or other obligations for  
13 hospital purposes or to provide medical care for district  
14 residents. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.01(b).)

15 Sec. 1086.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
16 The board shall manage, control, and administer the hospital system  
17 and the district's money and resources. (Acts 71st Leg., R.S., Ch.  
18 548, Sec. 5.03.)

19 Sec. 1086.104. RULES. The board may adopt rules governing:  
20 (1) the operation of the hospital and hospital system;  
21 and  
22 (2) the duties, functions, and responsibilities of  
23 district staff and employees. (Acts 71st Leg., R.S., Ch. 548, Sec.  
24 5.04.)

25 Sec. 1086.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
26 board may prescribe:

27 (1) the method of making purchases and expenditures by

1 and for the district; and

2           (2) accounting and control procedures for the  
3 district. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.05.)

4           Sec. 1086.106. MOBILE EMERGENCY MEDICAL SERVICE. The  
5 district may operate or provide for the operation of a mobile  
6 emergency medical service. (Acts 71st Leg., R.S., Ch. 548, Sec.  
7 5.02 (part).)

8           Sec. 1086.107. DISTRICT PROPERTY, FACILITIES, AND  
9 EQUIPMENT. (a) The board shall determine:

10           (1) the type, number, and location of buildings  
11 required to maintain an adequate hospital system; and

12           (2) the type of equipment necessary for hospital care.

13           (b) The board may:

14           (1) acquire property, including facilities and  
15 equipment, for the district for use in the hospital system; and

16           (2) mortgage or pledge the property as security for  
17 the payment of the purchase price.

18           (c) The board may lease hospital facilities for the  
19 district.

20           (d) The board may sell or otherwise dispose of property,  
21 including facilities or equipment, for the district. (Acts 71st  
22 Leg., R.S., Ch. 548, Sec. 5.06.)

23           Sec. 1086.108. EMINENT DOMAIN. (a) The district may  
24 exercise the power of eminent domain to acquire a fee simple or  
25 other interest in property located in district territory if the  
26 interest is necessary to exercise a right or authority conferred by  
27 this chapter.

1 (b) The district must exercise the power of eminent domain  
2 in the manner provided by Chapter 21, Property Code, except the  
3 district is not required to deposit in the trial court money or a  
4 bond as provided by Section 21.021(a), Property Code.

5 (c) In a condemnation proceeding brought by the district,  
6 the district is not required to:

7 (1) pay in advance or provide a bond or other security  
8 for costs in the trial court;

9 (2) provide a bond for the issuance of a temporary  
10 restraining order or a temporary injunction; or

11 (3) provide a bond for costs or a supersedeas bond on  
12 an appeal or petition for review. (Acts 71st Leg., R.S., Ch. 548,  
13 Sec. 5.09.)

14 Sec. 1086.109. COST OF RELOCATING OR ALTERING PROPERTY. In  
15 exercising the power of eminent domain, if the board requires  
16 relocating, raising, lowering, rerouting, changing the grade, or  
17 altering the construction of any railroad, highway, pipeline, or  
18 electric transmission and electric distribution, telegraph, or  
19 telephone line, conduit, pole, or facility, the district must bear  
20 the actual cost of relocating, raising, lowering, rerouting,  
21 changing the grade, or altering the construction to provide  
22 comparable replacement without enhancement of facilities, after  
23 deducting the net salvage value derived from the old facility.  
24 (Acts 71st Leg., R.S., Ch. 548, Sec. 5.10.)

25 Sec. 1086.110. GIFTS AND ENDOWMENTS. The board may accept  
26 for the district a gift or endowment to be held in trust for any  
27 purpose and under any direction, limitation, or other provision



1 prescribed in writing by the donor that is consistent with the  
2 proper management of the district. (Acts 71st Leg., R.S., Ch. 548,  
3 Sec. 5.14.)

4 Sec. 1086.111. CONSTRUCTION CONTRACTS. (a) The board may  
5 enter into construction contracts for the district.

6 (b) The board may enter into a construction contract that  
7 involves the expenditure of more than the amount provided by  
8 Section 271.024, Local Government Code, only after competitive  
9 bidding as provided by Subchapter B, Chapter 271, Local Government  
10 Code. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.07(a).)

11 Sec. 1086.112. OPERATING AND MANAGEMENT CONTRACTS. The  
12 board may enter into an operating or management contract relating  
13 to a hospital facility for the district. (Acts 71st Leg., R.S., Ch.  
14 548, Sec. 5.08.)

15 Sec. 1086.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
16 SERVICES. The board may contract with a political subdivision of  
17 this state or with a state or federal agency for the district to:

- 18 (1) furnish a mobile emergency medical service; or  
19 (2) provide for the investigatory or welfare needs of  
20 district inhabitants. (Acts 71st Leg., R.S., Ch. 548, Sec. 5.13.)

21 Sec. 1086.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
22 When a patient who resides in the district is admitted to a district  
23 facility, the district administrator may have an inquiry made into  
24 the financial circumstances of:

- 25 (1) the patient; or  
26 (2) a relative of the patient legally responsible for  
27 the patient's support.

1 (b) The district without charge shall provide to a patient  
2 who resides in the district the care and treatment that the patient  
3 or a relative of the patient legally responsible for the patient's  
4 support cannot pay.

5 (c) On determining that the patient or a relative legally  
6 responsible for the patient's support can pay for all or part of the  
7 care and treatment provided by the district, the district  
8 administrator shall report that determination to the board, and the  
9 board shall issue an order directing the patient or the relative to  
10 pay the district a specified amount each week. The amount must be  
11 based on the individual's ability to pay.

12 (d) The district administrator may collect money owed to the  
13 district from the patient's estate or from that of a relative  
14 legally responsible for the patient's support in the manner  
15 provided by law for collection of expenses of the last illness of a  
16 deceased person.

17 (e) If there is a dispute relating to an individual's  
18 ability to pay or if the district administrator has any doubt  
19 concerning an individual's ability to pay, the board shall:

- 20 (1) call witnesses;  
21 (2) hear and resolve the question; and  
22 (3) issue a final order.

23 (f) The final order of the board may be appealed to a  
24 district court in Crosby County. The substantial evidence rule  
25 applies to the appeal. (Acts 71st Leg., R.S., Ch. 548, Secs.  
26 5.11(a), (c), (d), (e), (f).)

27 Sec. 1086.115. REIMBURSEMENT FOR SERVICES. (a) The board

1 shall require a county, municipality, or public hospital located  
2 outside the district to reimburse the district for the district's  
3 care and treatment of a sick or injured person of that county,  
4 municipality, or public hospital as provided by Chapter 61, Health  
5 and Safety Code.

6 (b) The board shall require the sheriff of Crosby County or  
7 the police chief of the City of Crosbyton, Ralls, or Lorenzo, as  
8 appropriate, to reimburse the district for the district's care and  
9 treatment of a person confined in a jail facility of Crosby County  
10 or the City of Crosbyton, Ralls, or Lorenzo, as appropriate, who is  
11 not a district resident.

12 (c) The board may contract with the state or federal  
13 government for that government to reimburse the district for  
14 treatment of a sick or injured person. (Acts 71st Leg., R.S., Ch.  
15 548, Sec. 5.12.)

16 Sec. 1086.116. AUTHORITY TO SUE AND BE SUED. The board may  
17 sue and be sued on behalf of the district. (Acts 71st Leg., R.S.,  
18 Ch. 548, Sec. 5.15.)

19 [Sections 1086.117-1086.150 reserved for expansion]

20 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

21 Sec. 1086.151. BUDGET. (a) The district administrator  
22 shall prepare a proposed annual budget for the district.

23 (b) The proposed budget must contain a complete financial  
24 statement, including a statement of:

- 25 (1) the outstanding obligations of the district;  
26 (2) the amount of cash on hand to the credit of each  
27 district fund;

1           (3) the amount of money received by the district from  
2 all sources during the previous year;

3           (4) the amount of money available to the district from  
4 all sources during the ensuing year;

5           (5) the amount of the balances expected at the end of  
6 the year in which the budget is being prepared;

7           (6) the estimated amount of revenue and balances  
8 available to cover the proposed budget; and

9           (7) the estimated tax rate to be required. (Acts 71st  
10 Leg., R.S., Ch. 548, Sec. 6.04.)

11           Sec. 1086.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
12 The board shall hold a public hearing on the proposed annual budget.

13           (b) The board shall publish notice of the hearing in a  
14 newspaper of general circulation in the district not later than the  
15 10th day before the date of the hearing.

16           (c) Any district resident is entitled to be present and  
17 participate at the hearing.

18           (d) At the conclusion of the hearing, the board shall adopt  
19 a budget by acting on the budget proposed by the district  
20 administrator. The board may make any changes in the proposed  
21 budget that the board judges to be in the interests of the  
22 taxpayers.

23           (e) The budget is effective only after adoption by the  
24 board. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.05.)

25           Sec. 1086.153. AMENDMENTS TO BUDGET. After the annual  
26 budget is adopted, the budget may be amended on the board's  
27 approval. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.06.)

1           Sec. 1086.154. RESTRICTION ON EXPENDITURES. Money may be  
2 spent only for an expense included in the annual budget or an  
3 amendment to the budget. (Acts 71st Leg., R.S., Ch. 548, Sec.  
4 6.07.)

5           Sec. 1086.155. FISCAL YEAR. (a) The district operates  
6 according to a fiscal year established by the board.

7           (b) The fiscal year may not be changed:

8                 (1) during a period that revenue bonds of the district  
9 are outstanding; or

10                (2) more than once in a 24-month period. (Acts 71st  
11 Leg., R.S., Ch. 548, Sec. 6.01.)

12           Sec. 1086.156. ANNUAL AUDIT. The board annually shall have  
13 an audit made of the district's financial condition. (Acts 71st  
14 Leg., R.S., Ch. 548, Sec. 6.02.)

15           Sec. 1086.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
16 RECORDS. The annual audit and other district records are open to  
17 inspection during regular business hours at the district's  
18 principal office. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.03.)

19           Sec. 1086.158. FINANCIAL REPORT. As soon as practicable  
20 after the close of the fiscal year, the district administrator  
21 shall prepare for the board:

22                 (1) a sworn statement of the amount of district money;  
23 and

24                 (2) an account of the disbursements of that money.  
25 (Acts 71st Leg., R.S., Ch. 548, Sec. 6.08.)

26           Sec. 1086.159. DEPOSITORY. (a) The board shall select at  
27 least one bank to serve as a depository for district money.

1 (b) District money, other than money invested as provided by  
2 Section 1086.160(b) and money transmitted to a bank of payment as a  
3 trustee for bonds or obligations issued or assumed by the district,  
4 shall be deposited as received with the depository bank and shall  
5 remain on deposit. This subsection does not limit the power of the  
6 board to:

7 (1) place a portion of district money on time deposit;

8 or

9 (2) purchase certificates of deposit.

10 (c) The district may not deposit money with a bank in an  
11 amount that exceeds the maximum amount secured by the Federal  
12 Deposit Insurance Corporation unless the bank first executes a bond  
13 or other security in an amount sufficient to secure from loss the  
14 district money that exceeds the amount secured by the Federal  
15 Deposit Insurance Corporation. (Acts 71st Leg., R.S., Ch. 548,  
16 Sec. 6.10.)

17 Sec. 1086.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
18 Except as provided by Sections 1086.111, 1086.201, 1086.204, and  
19 1086.205, the district may not incur a debt payable from district  
20 revenue other than the revenue on hand or to be on hand in the  
21 current and immediately following district fiscal years.

22 (b) The board may invest operating, depreciation, or  
23 building reserves only in funds or securities specified by Chapter  
24 2256, Government Code. (Acts 71st Leg., R.S., Ch. 548, Sec. 6.09.)

25 [Sections 1086.161-1086.200 reserved for expansion]

26 SUBCHAPTER E. BONDS

27 Sec. 1086.201. GENERAL OBLIGATION BONDS. If authorized by

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1 an election, the board may issue and sell general obligation bonds  
2 in the name and on the faith and credit of the district to:

3 (1) purchase, construct, acquire, repair, or renovate  
4 buildings or improvements;

5 (2) equip buildings or improvements for hospital  
6 purposes; or

7 (3) acquire and operate a mobile emergency medical  
8 service. (Acts 71st Leg., R.S., Ch. 548, Sec. 7.01.)

9 Sec. 1086.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
10 the time general obligation bonds are issued by the district, the  
11 board shall impose an ad valorem tax at a rate sufficient to create  
12 an interest and sinking fund to pay the principal of and interest on  
13 the bonds as the bonds mature.

14 (b) The tax required by this section together with any other  
15 ad valorem tax the district imposes may not in any year exceed the  
16 limit approved by the voters at the election authorizing the  
17 imposition of the tax. (Acts 71st Leg., R.S., Ch. 548, Sec. 7.02.)

18 Sec. 1086.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
19 district may issue general obligation bonds only if the bonds are  
20 authorized by a majority of the district voters voting at an  
21 election held for that purpose.

22 (b) The board may order a bond election.

23 (c) The order calling the election must specify:

24 (1) the nature and date of the election;

25 (2) the hours during which the polls will be open;

26 (3) the location of the polling places;

27 (4) the amount of the bonds to be authorized; and

1           (5) the maximum maturity of the bonds.

2           (d) Notice of a bond election shall be given as provided by  
3 Section 1251.003, Government Code.

4           (e) The board shall declare the results of the election.  
5 (Acts 71st Leg., R.S., Ch. 548, Sec. 7.03.)

6           Sec. 1086.204. REVENUE BONDS. (a) The board may issue  
7 revenue bonds to:

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

10           (2) acquire sites to be used for hospital purposes; or

11           (3) acquire and operate a mobile emergency medical  
12 service to assist the district in carrying out its hospital  
13 purposes.

14           (b) The bonds must be payable from and secured by a pledge of  
15 all or part of the revenue derived from the operation of the  
16 district's hospital system.

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

19           (d) The bonds must be issued in the manner provided by  
20 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
21 Health and Safety Code, for issuance of revenue bonds by a county  
22 hospital authority. (Acts 71st Leg., R.S., Ch. 548, Sec. 7.04.)

23           Sec. 1086.205. REFUNDING BONDS. (a) District refunding  
24 bonds may be issued to refund outstanding indebtedness issued or  
25 assumed by the district.

26           (b) A refunding bond may be:

27           (1) sold, with the proceeds of the refunding bond



1 applied to the payment of outstanding indebtedness; or

2 (2) exchanged wholly or partly for not less than a  
3 similar principal amount of outstanding indebtedness. (Acts 71st  
4 Leg., R.S., Ch. 548, Secs. 7.05(a), (c) (part).)

5 Sec. 1086.206. MATURITY OF BONDS. District bonds must  
6 mature not later than 50 years after the date of issuance. (Acts  
7 71st Leg., R.S., Ch. 548, Sec. 7.06 (part).)

8 Sec. 1086.207. EXECUTION OF BONDS. The board president  
9 shall execute the district's bonds in the district's name, and the  
10 board secretary shall countersign the bonds in the manner provided  
11 by Chapter 618, Government Code. (Acts 71st Leg., R.S., Ch. 548,  
12 Sec. 7.07.)

13 Sec. 1086.208. BONDS EXEMPT FROM TAXATION. The following  
14 are exempt from taxation by this state or a political subdivision of  
15 this state:

- 16 (1) bonds issued by the district;
- 17 (2) any transaction relating to the bonds; and
- 18 (3) profits made in the sale of the bonds. (Acts 71st  
19 Leg., R.S., Ch. 548, Sec. 7.11 (part).)

20 [Sections 1086.209-1086.250 reserved for expansion]

21 SUBCHAPTER F. TAXES

22 Sec. 1086.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
23 may impose a tax on all property in the district subject to district  
24 taxation.

25 (b) The tax may be used to pay:

- 26 (1) indebtedness issued or assumed by the district;
- 27 and

1           (2) district maintenance and operating expenses.

2           (c) The district may not impose a tax to pay the principal of  
3 or interest on revenue bonds issued under this chapter. (Acts 71st  
4 Leg., R.S., Ch. 548, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

5           Sec. 1086.252. TAX RATE. (a) The board may impose the tax  
6 at a rate not to exceed the limit approved by the voters at the  
7 election authorizing the imposition of the tax.

8           (b) The tax rate for all purposes may not exceed 75 cents on  
9 each \$100 valuation of all taxable property in the district.

10          (c) In setting the tax rate, the board shall consider the  
11 income of the district from sources other than taxation.

12          (d) An appointed director may not vote on the adoption of  
13 the tax rate to be set by the board. (Acts 71st Leg., R.S., Ch. 548,  
14 Secs. 8.01(a) (part), (b), 8.03 (part).)

15          Sec. 1086.253. TAX ASSESSOR-COLLECTOR. The board may  
16 provide for the appointment of a tax assessor-collector for the  
17 district or may contract for the assessment and collection of taxes  
18 as provided by the Tax Code. (Acts 71st Leg., R.S., Ch. 548, Sec.  
19 8.04(b).)

20           CHAPTER 1098. STONEWALL COUNTY HOSPITAL DISTRICT

21                   SUBCHAPTER A. GENERAL PROVISIONS

22   Sec. 1098.001. DEFINITIONS

23   Sec. 1098.002. AUTHORITY FOR OPERATION

24   Sec. 1098.003. POLITICAL SUBDIVISION

25   Sec. 1098.004. DISTRICT TERRITORY

26   Sec. 1098.005. CORRECTION OF INVALID PROCEDURES

- 1 Sec. 1098.006. DISTRICT SUPPORT AND MAINTENANCE NOT  
2 STATE OBLIGATION
- 3 Sec. 1098.007. RESTRICTION ON STATE FINANCIAL  
4 ASSISTANCE
- 5 [Sections 1098.008-1098.050 reserved for expansion]
- 6 SUBCHAPTER B. DISTRICT ADMINISTRATION
- 7 Sec. 1098.051. BOARD ELECTION; TERM
- 8 Sec. 1098.052. NOTICE OF ELECTION
- 9 Sec. 1098.053. QUALIFICATIONS FOR OFFICE
- 10 Sec. 1098.054. BOARD VACANCY
- 11 Sec. 1098.055. OFFICERS
- 12 Sec. 1098.056. COMPENSATION; EXPENSES
- 13 Sec. 1098.057. VOTING REQUIREMENT
- 14 Sec. 1098.058. DISTRICT ADMINISTRATOR; ASSISTANT  
15 ADMINISTRATOR
- 16 Sec. 1098.059. GENERAL DUTIES OF DISTRICT  
17 ADMINISTRATOR
- 18 Sec. 1098.060. STAFF AND EMPLOYEES; RECRUITMENT OF  
19 PERSONNEL
- 20 Sec. 1098.061. EDUCATIONAL PROGRAMS; COURSES
- 21 Sec. 1098.062. RETIREMENT BENEFITS
- 22 Sec. 1098.063. MAINTENANCE OF RECORDS; PUBLIC  
23 INSPECTION
- 24 Sec. 1098.064. SEAL
- 25 [Sections 1098.065-1098.100 reserved for expansion]
- 26 SUBCHAPTER C. POWERS AND DUTIES
- 27 Sec. 1098.101. DISTRICT RESPONSIBILITY

- 1 Sec. 1098.102. RESTRICTION ON TAXATION AND DEBT
- 2 Sec. 1098.103. MANAGEMENT AND CONTROL OF DISTRICT
- 3 Sec. 1098.104. HOSPITAL SYSTEM
- 4 Sec. 1098.105. RULES
- 5 Sec. 1098.106. PURCHASING AND ACCOUNTING PROCEDURES
- 6 Sec. 1098.107. DISTRICT PROPERTY, FACILITIES, AND
- 7 EQUIPMENT
- 8 Sec. 1098.108. EMINENT DOMAIN
- 9 Sec. 1098.109. GIFTS AND ENDOWMENTS
- 10 Sec. 1098.110. BIDDING REQUIREMENTS
- 11 Sec. 1098.111. OPERATING AND MANAGEMENT CONTRACTS
- 12 Sec. 1098.112. CONTRACTS FOR HEALTH CARE
- 13 Sec. 1098.113. PAYMENT FOR TREATMENT; PROCEDURES
- 14 Sec. 1098.114. AUTHORITY TO SUE AND BE SUED
- 15 [Sections 1098.115-1098.150 reserved for expansion]
- 16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 17 Sec. 1098.151. BUDGET
- 18 Sec. 1098.152. NOTICE; HEARING; APPROVAL OF BUDGET
- 19 Sec. 1098.153. AMENDMENTS TO BUDGET
- 20 Sec. 1098.154. SPENDING RESTRICTIONS
- 21 Sec. 1098.155. FISCAL YEAR
- 22 Sec. 1098.156. ANNUAL AUDIT
- 23 Sec. 1098.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT
- 24 RECORDS
- 25 Sec. 1098.158. FINANCIAL REPORT
- 26 Sec. 1098.159. DEPOSITORY OR TREASURER

1 Sec. 1098.160. GENERAL AUTHORITY TO BORROW MONEY;  
2 SECURITY

3 Sec. 1098.161. AUTHORITY TO BORROW MONEY IN EMERGENCY;  
4 SECURITY

5 [Sections 1098.162-1098.200 reserved for expansion]

6 SUBCHAPTER E. BONDS

7 Sec. 1098.201. GENERAL OBLIGATION BONDS

8 Sec. 1098.202. TAX TO PAY GENERAL OBLIGATION BONDS

9 Sec. 1098.203. GENERAL OBLIGATION BOND ELECTION

10 Sec. 1098.204. MATURITY OF GENERAL OBLIGATION BONDS

11 Sec. 1098.205. EXECUTION OF GENERAL OBLIGATION BONDS

12 Sec. 1098.206. REVENUE BONDS

13 [Sections 1098.207-1098.250 reserved for expansion]

14 SUBCHAPTER F. TAXES

15 Sec. 1098.251. IMPOSITION OF AD VALOREM TAX

16 Sec. 1098.252. TAX RATE

17 Sec. 1098.253. TAX ASSESSOR-COLLECTOR

18 [Sections 1098.254-1098.300 reserved for expansion]

19 SUBCHAPTER G. DISSOLUTION

20 Sec. 1098.301. DISSOLUTION; ELECTION

21 Sec. 1098.302. NOTICE OF ELECTION

22 Sec. 1098.303. BALLOT

23 Sec. 1098.304. ELECTION RESULTS

24 Sec. 1098.305. TRANSFER, SALE, OR ADMINISTRATION OF  
25 ASSETS

26 Sec. 1098.306. SALE OR TRANSFER OF ASSETS AND  
27 LIABILITIES

1 Sec. 1098.307. IMPOSITION OF TAX AND RETURN OF SURPLUS

2 TAXES

3 Sec. 1098.308. REPORT; DISSOLUTION ORDER

4 CHAPTER 1098. STONEWALL COUNTY HOSPITAL DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 1098.001. DEFINITIONS. In this chapter:

7 (1) "Board" means the board of directors of the  
8 district.

9 (2) "Director" means a member of the board.

10 (3) "District" means the Stonewall County Hospital  
11 District. (New.)

12 Sec. 1098.002. AUTHORITY FOR OPERATION. The Stonewall  
13 County Hospital District operates in accordance with Section 9,  
14 Article IX, Texas Constitution, and has the rights, powers, and  
15 duties provided by this chapter. (Acts 58th Leg., R.S., Ch. 54,  
16 Sec. 1 (part).)

17 Sec. 1098.003. POLITICAL SUBDIVISION. The district is a  
18 political subdivision of this state. (Acts 58th Leg., R.S., Ch. 54,  
19 Sec. 14 (part).)

20 Sec. 1098.004. DISTRICT TERRITORY. The boundaries of the  
21 district are coextensive with the boundaries of Stonewall County,  
22 Texas. (Acts 58th Leg., R.S., Ch. 54, Sec. 1 (part).)

23 Sec. 1098.005. CORRECTION OF INVALID PROCEDURES. If a  
24 court holds that any procedure under this chapter violates the  
25 constitution of this state or of the United States, the district by  
26 resolution may provide an alternative procedure that conforms with  
27 the constitution. (Acts 58th Leg., R.S., Ch. 54, Sec. 17 (part).)

1           Sec. 1098.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
2 OBLIGATION. This state may not become obligated for the support or  
3 maintenance of the district. (Acts 58th Leg., R.S., Ch. 54, Sec. 16  
4 (part).)

5           Sec. 1098.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
6 The legislature may not make a direct appropriation for the  
7 construction, maintenance, or improvement of a district facility.  
8 (Acts 58th Leg., R.S., Ch. 54, Sec. 16 (part).)

9           [Sections 1098.008-1098.050 reserved for expansion]

10                           SUBCHAPTER B. DISTRICT ADMINISTRATION

11           Sec. 1098.051. BOARD ELECTION; TERM. (a) The district is  
12 governed by a board of five directors elected from the district at  
13 large by place.

14           (b) Directors serve staggered three-year terms.

15           (c) A directors' election shall be held annually on the May  
16 uniform election date prescribed by Section 41.001, Election Code.  
17 (Acts 58th Leg., R.S., Ch. 54, Secs. 3(a) (part), (c) (part).)

18           Sec. 1098.052. NOTICE OF ELECTION. Notice of a directors'  
19 election shall be published in a newspaper of general circulation  
20 in the district in accordance with Section 4.003, Election Code.  
21 (Acts 58th Leg., R.S., Ch. 54, Sec. 3(c) (part).)

22           Sec. 1098.053. QUALIFICATIONS FOR OFFICE. (a) To be  
23 eligible to be a candidate for or to serve as a director, a person  
24 must be:

25                           (1) a resident of the district; and

26                           (2) a qualified voter.

27           (b) A district employee may not serve as a director. (Acts

1 58th Leg., R.S., Ch. 54, Sec. 3(d).)

2       Sec. 1098.054. BOARD VACANCY. (a) If a vacancy occurs in  
3 the office of director, the remaining directors by majority vote  
4 shall fill the vacancy for the unexpired term.

5       (b) If the number of directors is reduced to fewer than  
6 three for any reason, the remaining directors shall immediately  
7 call a special election to fill the vacancies. If the remaining  
8 directors do not call the election, a district court, on  
9 application of a qualified voter or taxpayer of the district, may  
10 order the directors to hold the election. (Acts 58th Leg., R.S.,  
11 Ch. 54, Sec. 3(b) (part).)

12       Sec. 1098.055. OFFICERS. (a) The board shall elect:

13             (1) a president and vice president from among its  
14 members; and

15             (2) a secretary and treasurer who is not required to be  
16 a director.

17       (b) Each officer of the board serves a one-year term. (Acts  
18 58th Leg., R.S., Ch. 54, Sec. 3(b) (part).)

19       Sec. 1098.056. COMPENSATION; EXPENSES. A director serves  
20 without compensation but may be reimbursed for actual expenses  
21 incurred in the performance of the director's official duties. The  
22 expenses must be:

23             (1) reported in the district's minutes; and

24             (2) approved by the board. (Acts 58th Leg., R.S., Ch.  
25 54, Sec. 4(a) (part).)

26       Sec. 1098.057. VOTING REQUIREMENT. A concurrence of three  
27 directors is sufficient in any matter relating to district



1 business. (Acts 58th Leg., R.S., Ch. 54, Sec. 3(b) (part).)

2           Sec. 1098.058. DISTRICT           ADMINISTRATOR;           ASSISTANT  
3 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
4 district administrator.

5           (b) The board may appoint an assistant administrator.

6           (c) The district administrator and any assistant  
7 administrator serve at the will of the board and are entitled to  
8 compensation as determined by the board.

9           (d) Before assuming the duties of district administrator,  
10 the administrator shall execute a bond payable to the district in an  
11 amount set by the board of not less than \$5,000 that:

12                   (1) is conditioned on the faithful performance of the  
13 administrator's duties under this chapter; and

14                   (2) contains any other condition the board requires.

15           (e) The board may pay for the bond with district money.  
16 (Acts 58th Leg., R.S., Ch. 54, Sec. 4(b).)

17           Sec. 1098.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
18 Subject to the limitations prescribed by the board, the district  
19 administrator shall:

20                   (1) supervise the work and activities of the district;  
21 and

22                   (2) direct the general affairs of the district. (Acts  
23 58th Leg., R.S., Ch. 54, Sec. 4(c).)

24           Sec. 1098.060. STAFF AND EMPLOYEES; RECRUITMENT OF  
25 PERSONNEL. (a) The district may:

26                   (1) appoint physicians to the district's staff; and

27                   (2) employ technicians, nurses, fiscal agents,

1 accountants, architects, attorneys, and other necessary employees.

2 (b) The board may delegate to the district administrator the  
3 authority to employ persons for the district.

4 (c) The board may spend district money to recruit  
5 physicians, nurses, and other trained medical personnel. (Acts  
6 58th Leg., R.S., Ch. 54, Secs. 4(d), (j).)

7 Sec. 1098.061. EDUCATIONAL PROGRAMS; COURSES. The board  
8 may provide or contract for the provision of educational programs  
9 or courses for district employees and medical staff. (Acts 58th  
10 Leg., R.S., Ch. 54, Sec. 4(1).)

11 Sec. 1098.062. RETIREMENT BENEFITS. The board may provide  
12 retirement benefits for district employees by:

13 (1) establishing or administering a retirement  
14 program; or

15 (2) participating in:

16 (A) the Texas County and District Retirement  
17 System; or

18 (B) another statewide retirement system in which  
19 the district is eligible to participate. (Acts 58th Leg., R.S., Ch.  
20 54, Sec. 4(i).)

21 Sec. 1098.063. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
22 All district records, including books, accounts, notices, and  
23 minutes, and all other matters of the district and the operation of  
24 its facilities, shall be:

25 (1) maintained at the district's office; and

26 (2) open to public inspection at the district's office  
27 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(b).)

1           Sec. 1098.064. SEAL. The board may adopt a seal for the  
2 district. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(a) (part).)

3           [Sections 1098.065-1098.100 reserved for expansion]

4                           SUBCHAPTER C. POWERS AND DUTIES

5           Sec. 1098.101. DISTRICT RESPONSIBILITY. The district has  
6 full responsibility for providing medical and hospital care for the  
7 district's needy inhabitants. (Acts 58th Leg., R.S., Ch. 54, Sec. 2  
8 (part).)

9           Sec. 1098.102. RESTRICTION ON TAXATION AND DEBT. Stonewall  
10 County or another governmental entity in which the district is  
11 located may not impose a tax or issue bonds or other obligations for  
12 hospital purposes or to provide medical care for district  
13 residents. (Acts 58th Leg., R.S., Ch. 54, Sec. 2A.)

14           Sec. 1098.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
15 management and control of the district is vested in the board.  
16 (Acts 58th Leg., R.S., Ch. 54, Sec. 4(a) (part).)

17           Sec. 1098.104. HOSPITAL SYSTEM. The district shall provide  
18 for:

19                   (1) the establishment of a hospital system to provide  
20 medical and hospital care for district residents by:

21                           (A) purchasing, constructing, acquiring,  
22 repairing, or renovating buildings and improvements; and

23                           (B) equipping the buildings and improvements;

24 and

25                   (2) the administration of the hospital system for  
26 hospital purposes. (Acts 58th Leg., R.S., Ch. 54, Sec. 2 (part).)

27           Sec. 1098.105. RULES. (a) The board may adopt rules

1 governing the operation of the district and district facilities.

2 (b) The rules may, on approval by the board, be published in  
3 booklet form at district expense and made available to any taxpayer  
4 on request. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(c).)

5 Sec. 1098.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
6 The board may prescribe the method and manner of making purchases  
7 and expenditures by and for the district.

8 (b) The board shall prescribe:

9 (1) all accounting and control procedures; and

10 (2) the method of purchasing necessary supplies,  
11 materials, and equipment. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(a)  
12 (part).)

13 Sec. 1098.107. DISTRICT PROPERTY, FACILITIES, AND  
14 EQUIPMENT. (a) The board shall determine:

15 (1) the type, number, and location of buildings  
16 required to maintain an adequate hospital system; and

17 (2) the type of equipment necessary for hospital care.

18 (b) The board may:

19 (1) establish and equip a clinic as part of the  
20 hospital system;

21 (2) acquire property, including facilities and  
22 equipment, for the district for use in the hospital system; and

23 (3) mortgage or pledge the property as security for  
24 payment of the purchase price.

25 (c) The board may lease district hospital facilities to or  
26 from individuals, companies, corporations, or other legal  
27 entities.

1 (d) The board may sell or otherwise dispose of property,  
2 including facilities or equipment. (Acts 58th Leg., R.S., Ch. 54,  
3 Secs. 4(f), (g).)

4 Sec. 1098.108. EMINENT DOMAIN. (a) The district may  
5 exercise the power of eminent domain to acquire a fee simple or  
6 other interest in any type of property, real, personal, or mixed,  
7 located in district territory, if the interest is necessary or  
8 convenient to exercise a right, power, privilege, or function  
9 conferred on the district by this chapter.

10 (b) The district must exercise the power of eminent domain  
11 in the manner provided by Chapter 21, Property Code, except the  
12 district is not required to deposit in the trial court money or a  
13 bond as provided by Section 21.021, Property Code.

14 (c) In a condemnation proceeding brought by the district,  
15 the district is not required to:

16 (1) pay in advance or provide a bond or other security  
17 for costs in the trial court;

18 (2) provide a bond for the issuance of a temporary  
19 restraining order or a temporary injunction; or

20 (3) provide a bond for costs or a supersedeas bond on  
21 an appeal or petition for review. (Acts 58th Leg., R.S., Ch. 54,  
22 Sec. 9.)

23 Sec. 1098.109. GIFTS AND ENDOWMENTS. The board may accept  
24 for the district a gift or endowment to be held in trust and  
25 administered by the board for the purposes and under the  
26 directions, limitations, or other provisions prescribed in writing  
27 by the donor that are not inconsistent with the proper management

1 and objectives of the district. (Acts 58th Leg., R.S., Ch. 54, Sec.  
2 12.)

3       Sec. 1098.110. BIDDING REQUIREMENTS. The district shall  
4 comply with the bidding requirements prescribed by Chapter 271,  
5 Local Government Code. (Acts 58th Leg., R.S., Ch. 54, Sec. 7(a)  
6 (part).)

7       Sec. 1098.111. OPERATING AND MANAGEMENT CONTRACTS. The  
8 board may enter into an operating or management contract relating  
9 to a hospital facility. The term of the contract may not exceed 25  
10 years. (Acts 58th Leg., R.S., Ch. 54, Sec. 4(h).)

11       Sec. 1098.112. CONTRACTS FOR HEALTH CARE. The board may  
12 contract with any public or private entity, including the federal  
13 government, this state, a political subdivision, or a charitable  
14 organization, to provide health care or related services inside or  
15 outside the district. (Acts 58th Leg., R.S., Ch. 54, Sec. 4(e).)

16       Sec. 1098.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
17 When a patient who resides in the district is admitted to a district  
18 facility, the district administrator shall have an inquiry made  
19 into the circumstances of:

20               (1) the patient; and

21               (2) the patient's relatives legally liable for the  
22 patient's support.

23       (b) If the district administrator determines that the  
24 patient or those relatives cannot pay for all or part of the  
25 patient's care and treatment in the hospital, the amount that  
26 cannot be paid becomes a charge against the district.

27       (c) If the district administrator determines that the

1 patient or those relatives are liable to pay for all or part of the  
2 patient's care and treatment, the patient or those relatives shall  
3 be ordered to pay the district treasurer a specified amount each  
4 week for the patient's support. The amount ordered must be  
5 proportionate to their financial ability.

6 (d) The district administrator may collect the amount from  
7 the patient's estate, or from those relatives legally liable for  
8 the patient's support, in the manner provided by law for the  
9 collection of expenses of the last illness of a deceased person.

10 (e) The board may institute a suit to collect an amount owed  
11 to the district by a patient who has not been determined to be  
12 unable to pay under this section.

13 (f) If there is a dispute as to the ability to pay, or doubt  
14 in the mind of the district administrator, the board shall hold a  
15 hearing and, after calling witnesses, shall:

16 (1) resolve the dispute or doubt; and

17 (2) issue an appropriate order.

18 (g) Either party to the dispute may appeal the order to the  
19 district court. (Acts 58th Leg., R.S., Ch. 54, Secs. 4(m), 11.)

20 Sec. 1098.114. AUTHORITY TO SUE AND BE SUED. As a  
21 governmental agency, the district may sue and be sued in the  
22 district's own name in any court of this state. (Acts 58th Leg.,  
23 R.S., Ch. 54, Sec. 14 (part).)

24 [Sections 1098.115-1098.150 reserved for expansion]

25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26 Sec. 1098.151. BUDGET. The board annually shall require a  
27 budget to be prepared for the next fiscal year that includes:

1           (1) proposed expenditures and disbursements;  
2           (2) estimated receipts and collections; and  
3           (3) the amount of taxes required to be imposed for the  
4 year. (Acts 58th Leg., R.S., Ch. 54, Secs. 8(b) (part), (c)  
5 (part).)

6           Sec. 1098.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a)  
7 The board shall hold a public hearing on the proposed budget.

8           (b) Notice of the hearing must be published at least once in  
9 a newspaper of general circulation in Stonewall County not later  
10 than the 10th day before the date of the hearing.

11           (c) Any district taxpayer is entitled to:

12           (1) appear at the time and place designated in the  
13 notice; and

14           (2) be heard regarding any item included in the  
15 proposed budget.

16           (d) The annual budget must be approved by the board of  
17 directors. (Acts 58th Leg., R.S., Ch. 54, Secs. 8(b) (part), (c)  
18 (part).)

19           Sec. 1098.153. AMENDMENTS TO BUDGET. The annual budget may  
20 be amended on the board's approval. (Acts 58th Leg., R.S., Ch. 54,  
21 Sec. 8(b) (part).)

22           Sec. 1098.154. SPENDING RESTRICTIONS. (a) Except as  
23 otherwise provided by this chapter, the district may not incur an  
24 obligation payable from district revenue other than revenue held by  
25 the district or to be held by the district in the current district  
26 fiscal year.

27           (b) Money may be spent only for an expense included in the



1 budget or an amendment to the budget. (Acts 58th Leg., R.S., Ch.  
2 54, Secs. 7(a) (part), 8(b) (part).)

3       Sec. 1098.155. FISCAL YEAR. (a) The district operates  
4 according to a fiscal year established by the board.

5       (b) The fiscal year may not be changed:

6             (1) if revenue bonds of the district are outstanding;

7 or

8             (2) more than once in a 24-month period. (Acts 58th  
9 Leg., R.S., Ch. 54, Sec. 8(a) (part).)

10       Sec. 1098.156. ANNUAL AUDIT. The board annually shall have  
11 an audit made of the district's books and records for the fiscal  
12 year. (Acts 58th Leg., R.S., Ch. 54, Sec. 8(a) (part).)

13       Sec. 1098.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
14 RECORDS. The annual audit and other district records are open to  
15 inspection during regular business hours at the district's  
16 principal office. (Acts 58th Leg., R.S., Ch. 54, Sec. 8(a) (part).)

17       Sec. 1098.158. FINANCIAL REPORT. As soon as practicable  
18 after the close of each fiscal year, the district administrator  
19 shall prepare for the board:

20             (1) a complete sworn statement of all district money;

21 and

22             (2) a complete account of the disbursements of that  
23 money. (Acts 58th Leg., R.S., Ch. 54, Sec. 8(b) (part).)

24       Sec. 1098.159. DEPOSITORY OR TREASURER. (a) The board by  
25 resolution shall designate one or more banks to serve as the  
26 district's depository or treasurer.

27       (b) District money shall be deposited on receipt with a

1 depository bank, except that sufficient money must be remitted to  
2 an appropriate bank to pay the principal of and interest on the  
3 district's outstanding bonds, or other obligations assumed by the  
4 district, on or before the maturity date of the principal and  
5 interest.

6 (c) Money in the depository bank or banks that is not  
7 insured by the Federal Deposit Insurance Corporation must be  
8 secured in the manner provided by law for security of county money.

9 (d) Membership on the district's board of an officer or  
10 director of a bank does not disqualify that bank from being  
11 designated as depository. (Acts 58th Leg., R.S., Ch. 54, Sec. 10.)

12 Sec. 1098.160. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

13 (a) The board may borrow money at a rate not to exceed the maximum  
14 annual percentage rate allowed by law for district obligations at  
15 the time the loan is made.

16 (b) To secure a loan, the board may pledge:

17 (1) district revenue that is not pledged to pay the  
18 district's bonded indebtedness;

19 (2) tax revenue to be collected by the district during  
20 the 12-month period following the date of the pledge that is not  
21 pledged to pay the principal of or interest on district bonds; or

22 (3) district bonds that have been authorized but not  
23 sold.

24 (c) A loan for which taxes or bonds are pledged must mature  
25 not later than the third anniversary of the date the loan is made. A  
26 loan for which district revenue is pledged must mature not later  
27 than the fifth anniversary of the date the loan is made. (Acts 58th

1 Leg., R.S., Ch. 54, Sec. 15A.)

2           Sec. 1098.161. AUTHORITY TO BORROW MONEY IN EMERGENCY;  
3 SECURITY. (a) The board may borrow money at a rate not to exceed  
4 the maximum annual percentage rate allowed by law for district  
5 obligations at the time the loan is made if the board determines  
6 that:

7                   (1) money is not available to meet a lawful obligation  
8 of the district; and

9                   (2) an emergency exists.

10           (b) To secure a loan, the board may pledge:

11                   (1) district revenue that is not pledged to pay the  
12 district's bond indebtedness;

13                   (2) tax revenue to be collected by the district during  
14 the 12-month period following the date of the pledge that has not  
15 been pledged to pay the principal of or interest on district bonds;  
16 or

17                   (3) district bonds that have been authorized but not  
18 sold.

19           (c) A loan for which tax revenue or bonds are pledged must  
20 mature not later than the third anniversary of the date the loan is  
21 made. A loan for which other district revenue is pledged must  
22 mature not later than the fifth anniversary of the date the loan is  
23 made.

24           (d) The board may not spend loan proceeds obtained under  
25 this section for a purpose other than:

26                   (1) the purpose for which the board determined the  
27 emergency existed; and

1 (2) if tax revenue or bonds are pledged to pay the  
2 loan, the purpose for which the taxes were imposed or the bonds were  
3 authorized. (Acts 58th Leg., R.S., Ch. 54, Sec. 15.)

4 [Sections 1098.162-1098.200 reserved for expansion]

5 SUBCHAPTER E. BONDS

6 Sec. 1098.201. GENERAL OBLIGATION BONDS. The board may  
7 issue and sell general obligation bonds authorized by an election  
8 in the name and on the faith and credit of the district to:

9 (1) purchase, construct, acquire, repair, or renovate  
10 buildings or improvements;

11 (2) equip buildings or improvements for hospital  
12 purposes; or

13 (3) acquire and operate a mobile emergency medical or  
14 air ambulance service. (Acts 58th Leg., R.S., Ch. 54, Sec. 6(a).)

15 Sec. 1098.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
16 the time general obligation bonds are issued by the district, the  
17 board shall impose an ad valorem tax at a rate sufficient to create  
18 an interest and sinking fund to pay the principal of and interest on  
19 the bonds as the bonds mature.

20 (b) The tax required by this section together with any other  
21 ad valorem tax the district imposes may not in any year exceed the  
22 limit approved by the voters at the election authorizing the  
23 imposition of taxes. (Acts 58th Leg., R.S., Ch. 54, Sec. 6(b).)

24 Sec. 1098.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
25 district may issue general obligation bonds only if the bonds are  
26 authorized by a majority of the district voters voting at an  
27 election held for that purpose.

1 (b) The board may order a bond election.

2 (c) The election must be conducted in accordance with  
3 Chapter 1251, Government Code. (Acts 58th Leg., R.S., Ch. 54, Secs.  
4 6(c), (d).)

5 Sec. 1098.204. MATURITY OF GENERAL OBLIGATION BONDS.  
6 District general obligation bonds must mature not later than 40  
7 years after the date of issuance. (Acts 58th Leg., R.S., Ch. 54,  
8 Sec. 6(e) (part).)

9 Sec. 1098.205. EXECUTION OF GENERAL OBLIGATION BONDS. The  
10 board president shall execute the general obligation bonds in the  
11 district's name and the board secretary shall countersign the bonds  
12 in the manner provided by Chapter 618, Government Code. (Acts 58th  
13 Leg., R.S., Ch. 54, Sec. 6(e) (part).)

14 Sec. 1098.206. REVENUE BONDS. (a) The board may issue  
15 revenue bonds to:

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

18 (2) acquire sites to be used for hospital purposes; or

19 (3) acquire and operate a mobile emergency medical or  
20 air ambulance service to assist the district in carrying out its  
21 hospital purposes.

22 (b) The bonds must be payable from and secured by a pledge of  
23 all or part of the revenue derived from the operation of the  
24 district's hospital system.

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

27 (d) The bonds must be issued in the manner provided by

1 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
2 Health and Safety Code, for the issuance of revenue bonds by a  
3 county hospital authority. (Acts 58th Leg., R.S., Ch. 54, Sec. 6A.)

4 [Sections 1098.207-1098.250 reserved for expansion]

5 SUBCHAPTER F. TAXES

6 Sec. 1098.251. IMPOSITION OF AD VALOREM TAX. (a) On final  
7 approval of the budget, the board shall impose a tax on all property  
8 in the district subject to district taxation.

9 (b) The tax may be used to:

10 (1) pay the indebtedness assumed or issued by the  
11 district;

12 (2) provide for the maintenance and operation of the  
13 district and hospital system;

14 (3) make improvements and additions to the hospital  
15 system; and

16 (4) acquire necessary sites for the hospital system by  
17 purchase, lease, or condemnation.

18 (c) The district may not impose a tax to pay the principal of  
19 or interest on revenue bonds issued by the district. (Acts 58th  
20 Leg., R.S., Ch. 54, Secs. 5(a) (part), (b), 8(c) (part).)

21 Sec. 1098.252. TAX RATE. (a) The board may impose the tax  
22 at a rate not to exceed the limit approved by the voters.

23 (b) The tax rate for all purposes may not exceed 75 cents on  
24 each \$100 valuation of all taxable property in the district. (Acts  
25 58th Leg., R.S., Ch. 54, Sec. 5(a) (part).)

26 Sec. 1098.253. TAX ASSESSOR-COLLECTOR. (a) Except as  
27 provided by Subsection (b), the tax assessor-collector of Stonewall

1 County shall assess and collect taxes imposed by the district.

2 (b) The board may provide for the appointment of a tax  
3 assessor-collector for the district or may contract for the  
4 assessment and collection of taxes as provided by the Tax Code.  
5 (Acts 58th Leg., R.S., Ch. 54, Secs. 5(c) (part), 8(c) (part).)

6 [Sections 1098.254-1098.300 reserved for expansion]

7 SUBCHAPTER G. DISSOLUTION

8 Sec. 1098.301. DISSOLUTION; ELECTION. (a) The district  
9 may be dissolved only on approval of a majority of the district  
10 voters voting in an election held for that purpose.

11 (b) The board may order an election on the question of  
12 dissolving the district and disposing of the district's assets and  
13 obligations.

14 (c) The board shall order an election if the board receives  
15 a petition requesting an election that is signed by a number of  
16 district residents equal to at least 15 percent of the registered  
17 voters in the district.

18 (d) The order calling the election must state:

19 (1) the nature of the election, including the  
20 proposition to appear on the ballot;

21 (2) the date of the election;

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

23 (4) the location of the polling places.

24 (e) Section 41.001(a), Election Code, does not apply to an  
25 election ordered under this section. (Acts 58th Leg., R.S., Ch. 54,  
26 Secs. 15B(a), (b), (c) (part).)

27 Sec. 1098.302. NOTICE OF ELECTION. (a) The board shall

1 give notice of an election under this subchapter by publishing the  
2 election order in a newspaper with general circulation in the  
3 district once a week for two consecutive weeks.

4 (b) The first publication of the notice must appear not  
5 later than the 35th day before the date set for the election. (Acts  
6 58th Leg., R.S., Ch. 54, Sec. 15B(d) (part).)

7 Sec. 1098.303. BALLOT. The ballot for an election under  
8 this subchapter must be printed to permit voting for or against the  
9 proposition: "The dissolution of the Stonewall County Hospital  
10 District." (Acts 58th Leg., R.S., Ch. 54, Sec. 15B(d) (part).)

11 Sec. 1098.304. ELECTION RESULTS. (a) If a majority of the  
12 votes in an election under this subchapter favor dissolution, the  
13 board shall find that the district is dissolved.

14 (b) If a majority of the votes in the election do not favor  
15 dissolution, the board shall continue to administer the district  
16 and another election on the question of dissolution may not be held  
17 before the first anniversary of the date of the most recent election  
18 to dissolve the district. (Acts 58th Leg., R.S., Ch. 54, Sec.  
19 15B(e).)

20 Sec. 1098.305. TRANSFER, SALE, OR ADMINISTRATION OF ASSETS.  
21 (a) If a majority of the votes in an election held under this  
22 subchapter favor dissolution, the board shall:

23 (1) transfer the land, buildings, improvements,  
24 equipment, and other assets that belong to the district to a county  
25 or to another governmental entity in Stonewall County;

26 (2) sell the assets and liabilities to another person;  
27 or



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

4           (b) If the board makes the transfer under Subsection (a)(1),  
5 the county or entity assumes all debts and obligations of the  
6 district at the time of the transfer, and the district is dissolved.  
7 (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(f), (g).)

8           Sec. 1098.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

9           (a) The district may not be dissolved unless the board provides for  
10 the sale or transfer of the district's assets and liabilities to  
11 another person.

12           (b) The dissolution of the district and the sale or transfer  
13 of the district's assets and liabilities may not contravene a trust  
14 indenture or bond resolution relating to the district's outstanding  
15 bonds. The dissolution and sale or transfer does not diminish or  
16 impair the rights of a holder of an outstanding bond, warrant, or  
17 other obligation of the district.

18           (c) The sale or transfer of the district's assets and  
19 liabilities must satisfy the debt and bond obligations of the  
20 district in a manner that protects the interests of district  
21 residents, including the residents' collective property rights in  
22 the district's assets.

23           (d) The district may not transfer or dispose of the  
24 district's assets except for due compensation unless:

25                   (1) the transfer is made to another governmental  
26 agency that serves the district; and

27                   (2) the transferred assets are to be used for the

1 benefit of district residents.

2 (e) A grant from federal funds is an obligation to be repaid  
3 in satisfaction. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(m), (n).)

4 Sec. 1098.307. IMPOSITION OF TAX AND RETURN OF SURPLUS  
5 TAXES. (a) After the board finds that the district is dissolved,  
6 the board shall:

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

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

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

15 (c) A taxpayer may request that the taxpayer's share of  
16 surplus tax money be credited to the taxpayer's county taxes. If a  
17 taxpayer requests the credit, the board shall direct the board  
18 secretary to transmit the money to the county tax  
19 assessor-collector. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(h),  
20 (i), (j).)

21 Sec. 1098.308. REPORT; DISSOLUTION ORDER. (a) After the  
22 district has paid all district debts and has disposed of all  
23 district money and other assets as prescribed by this subchapter,  
24 the board shall file a written report with the Commissioners Court  
25 of Stonewall County summarizing the board's actions in dissolving  
26 the district.

27 (b) Not later than the 10th day after the date the

1 Commissioners Court of Stonewall County receives the report and  
2 determines that the requirements of this subchapter have been  
3 fulfilled, the commissioners court shall enter an order dissolving  
4 the district and releasing the board from any further duty or  
5 obligation. (Acts 58th Leg., R.S., Ch. 54, Secs. 15B(k), (1).)

6 CHAPTER 1099. STRATFORD HOSPITAL DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 1099.001. DEFINITIONS

9 Sec. 1099.002. AUTHORITY FOR OPERATION

10 Sec. 1099.003. ESSENTIAL PUBLIC FUNCTION

11 Sec. 1099.004. DISTRICT TERRITORY

12 Sec. 1099.005. CORRECTION OF INVALID PROCEDURES

13 Sec. 1099.006. DISTRICT SUPPORT AND MAINTENANCE NOT

14 STATE OBLIGATION

15 Sec. 1099.007. RESTRICTION ON STATE FINANCIAL

16 ASSISTANCE

17 [Sections 1099.008-1099.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 1099.051. BOARD ELECTION; TERM

20 Sec. 1099.052. NOTICE OF ELECTION

21 Sec. 1099.053. QUALIFICATIONS FOR OFFICE

22 Sec. 1099.054. BOND

23 Sec. 1099.055. BOARD VACANCY

24 Sec. 1099.056. OFFICERS

25 Sec. 1099.057. COMPENSATION; EXPENSES

26 Sec. 1099.058. VOTING REQUIREMENT

27 Sec. 1099.059. DISTRICT MANAGER; ASSISTANT MANAGER

- 1 Sec. 1099.060. GENERAL DUTIES OF DISTRICT MANAGER  
2 Sec. 1099.061. APPOINTMENT AND DISMISSAL OF STAFF AND  
3 EMPLOYEES  
4 Sec. 1099.062. SENIORITY; RETIREMENT BENEFITS  
5 [Sections 1099.063-1099.100 reserved for expansion]  
6 SUBCHAPTER C. POWERS AND DUTIES  
7 Sec. 1099.101. DISTRICT RESPONSIBILITY  
8 Sec. 1099.102. RESTRICTION ON POLITICAL SUBDIVISION  
9 TAXATION AND DEBT  
10 Sec. 1099.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
11 Sec. 1099.104. HOSPITAL SYSTEM  
12 Sec. 1099.105. RULES  
13 Sec. 1099.106. PURCHASING AND ACCOUNTING PROCEDURES  
14 Sec. 1099.107. DISTRICT PROPERTY, FACILITIES, AND  
15 EQUIPMENT  
16 Sec. 1099.108. EMINENT DOMAIN  
17 Sec. 1099.109. GIFTS AND ENDOWMENTS  
18 Sec. 1099.110. CONSTRUCTION AND PURCHASE CONTRACTS  
19 Sec. 1099.111. OPERATING AND MANAGEMENT CONTRACTS  
20 Sec. 1099.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
21 FOR HOSPITALIZATION AND TREATMENT  
22 Sec. 1099.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
23 FOR INVESTIGATORY OR OTHER SERVICES  
24 Sec. 1099.114. PAYMENT FOR TREATMENT; PROCEDURES  
25 Sec. 1099.115. AUTHORITY TO SUE AND BE SUED  
26 [Sections 1099.116-1099.150 reserved for expansion]

- 1                           SUBCHAPTER D. CHANGE IN BOUNDARIES
- 2   Sec. 1099.151.   TERRITORY THAT MAY BE ANNEXED
- 3   Sec. 1099.152.   PETITION TO ANNEX TERRITORY
- 4   Sec. 1099.153.   ELECTION ORDER
- 5   Sec. 1099.154.   BALLOT
- 6   Sec. 1099.155.   NOTICE OF ELECTION
- 7   Sec. 1099.156.   ELECTION RESULTS
- 8   Sec. 1099.157.   EFFECT OF ANNEXATION
- 9                    [Sections 1099.158-1099.200 reserved for expansion]
- 10                   SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
- 11   Sec. 1099.201.   BUDGET
- 12   Sec. 1099.202.   NOTICE; HEARING; APPROVAL OF BUDGET
- 13   Sec. 1099.203.   AMENDMENTS TO BUDGET
- 14   Sec. 1099.204.   RESTRICTION ON EXPENDITURES
- 15   Sec. 1099.205.   FISCAL YEAR
- 16   Sec. 1099.206.   AUDIT
- 17   Sec. 1099.207.   INSPECTION OF AUDIT AND DISTRICT
- 18                           RECORDS
- 19   Sec. 1099.208.   FINANCIAL REPORT
- 20   Sec. 1099.209.   DEPOSITORY
- 21   Sec. 1099.210.   SPENDING AND INVESTMENT RESTRICTIONS
- 22                    [Sections 1099.211-1099.250 reserved for expansion]
- 23                           SUBCHAPTER F. BONDS
- 24   Sec. 1099.251.   GENERAL OBLIGATION BONDS
- 25   Sec. 1099.252.   TAX TO PAY GENERAL OBLIGATION BONDS
- 26   Sec. 1099.253.   GENERAL OBLIGATION BOND ELECTION
- 27   Sec. 1099.254.   MATURITY OF GENERAL OBLIGATION BONDS

1 Sec. 1099.255. EXECUTION OF GENERAL OBLIGATION BONDS

2 Sec. 1099.256. REVENUE BONDS

3 Sec. 1099.257. REFUNDING BONDS

4 Sec. 1099.258. BONDS EXEMPT FROM TAXATION

5 [Sections 1099.259-1099.300 reserved for expansion]

6 SUBCHAPTER G. TAXES

7 Sec. 1099.301. IMPOSITION OF TAX

8 Sec. 1099.302. TAX RATE

9 Sec. 1099.303. ASSESSMENT AND COLLECTION BY COUNTY TAX

10 ASSESSOR-COLLECTOR

11 Sec. 1099.304. ASSESSMENT AND COLLECTION BY DISTRICT

12 TAX ASSESSOR-COLLECTOR

13 CHAPTER 1099. STRATFORD HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1099.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the  
17 district.

18 (2) "Director" means a member of the board.

19 (3) "District" means the Stratford Hospital District.

20 (New.)

21 Sec. 1099.002. AUTHORITY FOR OPERATION. The Stratford  
22 Hospital District operates in accordance with Section 9, Article  
23 IX, Texas Constitution, and has the rights, powers, and duties  
24 provided by this chapter. (Acts 61st Leg., R.S., Ch. 470, Sec. 1  
25 (part).)

26 Sec. 1099.003. ESSENTIAL PUBLIC FUNCTION. The district  
27 performs an essential public function in carrying out the purposes

1 of this chapter. (Acts 61st Leg., R.S., Ch. 470, Sec. 21 (part).)

2       Sec. 1099.004. DISTRICT TERRITORY. Unless the district's  
3 boundaries are expanded under Subchapter D, the district is  
4 composed of the territory in the boundaries of that part of the  
5 Stratford Independent School District located in Sherman County, as  
6 those school district boundaries existed on January 1, 1969. (Acts  
7 61st Leg., R.S., Ch. 470, Secs. 1 (part), 1(a) (part).)

8       Sec. 1099.005. CORRECTION OF INVALID PROCEDURES. If a  
9 court holds that any procedure under this chapter violates the  
10 constitution of this state or of the United States, the district by  
11 resolution may provide an alternative procedure that conforms with  
12 that constitution. (Acts 61st Leg., R.S., Ch. 470, Sec. 22 (part).)

13       Sec. 1099.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
14 OBLIGATION. The support and maintenance of the district may not  
15 become a charge against or obligation of this state. (Acts 61st  
16 Leg., R.S., Ch. 470, Sec. 20 (part).)

17       Sec. 1099.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
18 The legislature may not make a direct appropriation for the  
19 construction, maintenance, or improvement of a district facility.  
20 (Acts 61st Leg., R.S., Ch. 470, Sec. 20 (part).)

21       [Sections 1099.008-1099.050 reserved for expansion]

22                   SUBCHAPTER B. DISTRICT ADMINISTRATION

23       Sec. 1099.051. BOARD ELECTION; TERM. (a) The board  
24 consists of five directors elected from the district at large.

25       (b) Unless four-year terms are established under Section  
26 285.081, Health and Safety Code:

27           (1) directors serve staggered two-year terms with the

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1 terms of two or three directors expiring each year as appropriate;  
2 and

3 (2) a directors' election shall be held annually on the  
4 May uniform election date to elect the appropriate number of  
5 directors. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(c) (part).)

6 Sec. 1099.052. NOTICE OF ELECTION. At least 30 days before  
7 the date of a directors' election, notice of the election must be  
8 published one time in a newspaper or newspapers that individually  
9 or collectively have general circulation in the district. (Acts  
10 61st Leg., R.S., Ch. 470, Sec. 4(c) (part).)

11 Sec. 1099.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
12 not be appointed or elected as a director unless the person is:

- 13 (1) a resident of the district;
- 14 (2) a freeholder; and
- 15 (3) a qualified voter.

16 (b) A person is not eligible to serve as a director if the  
17 person is:

- 18 (1) the district manager;
- 19 (2) a district employee; or
- 20 (3) a member of the hospital staff. (Acts 61st Leg.,  
21 R.S., Ch. 470, Sec. 4(d).)

22 Sec. 1099.054. BOND. (a) Each director shall execute a  
23 good and sufficient bond for \$1,000 that is:

- 24 (1) payable to the district; and
- 25 (2) conditioned on the faithful performance of the  
26 director's duties.

27 (b) The district shall pay for the directors' bonds. (Acts



1 61st Leg., R.S., Ch. 470, Sec. 4(c) (part).)

2       Sec. 1099.055. BOARD VACANCY. If a vacancy occurs in the  
3 office of director, the remaining directors shall fill the vacancy  
4 for the unexpired term. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(c)  
5 (part).)

6       Sec. 1099.056. OFFICERS. (a) The board shall elect:

7             (1) a president and a vice president from among its  
8 members; and

9             (2) a secretary, who need not be a director.

10       (b) Each officer of the board serves a one-year term.

11       (c) The board shall fill a vacancy in a board office for the  
12 unexpired term. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(e) (part).)

13       Sec. 1099.057. COMPENSATION; EXPENSES. A director or  
14 officer serves without compensation but may be reimbursed for  
15 actual expenses incurred in the performance of official duties.  
16 The expenses must be:

17             (1) reported in the district's records; and

18             (2) approved by the board. (Acts 61st Leg., R.S., Ch.  
19 470, Sec. 4(e) (part).)

20       Sec. 1099.058. VOTING REQUIREMENT. A concurrence of three  
21 directors is sufficient in any matter relating to district  
22 business. (Acts 61st Leg., R.S., Ch. 470, Sec. 4(e) (part).)

23       Sec. 1099.059. DISTRICT MANAGER; ASSISTANT MANAGER. (a)  
24 The board shall appoint a qualified person as district manager.

25       (b) The board may appoint one or more assistant managers.

26       (c) The manager and any assistant manager serve at the will  
27 of the board and receive the compensation determined by the board.

1 (d) On assuming the duties of district manager, the manager  
2 shall execute a bond payable to the district in an amount set by the  
3 board of not less than \$5,000 that:

4 (1) is conditioned on the manager performing the  
5 manager's required duties; and

6 (2) contains any other condition the board requires.  
7 (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

8 Sec. 1099.060. GENERAL DUTIES OF DISTRICT MANAGER. Subject  
9 to the limitations prescribed by the board, the district manager  
10 shall:

11 (1) supervise the work and activities of the district;  
12 and

13 (2) direct the affairs of the district. (Acts 61st  
14 Leg., R.S., Ch. 470, Sec. 5 (part).)

15 Sec. 1099.061. APPOINTMENT AND DISMISSAL OF STAFF AND  
16 EMPLOYEES. (a) The board may appoint to or dismiss from the staff  
17 any doctor the board considers necessary for the efficient  
18 operation of the district and may make temporary appointments to  
19 the staff if warranted.

20 (b) The district may employ fiscal agents, accountants,  
21 architects, and attorneys as the board considers proper.

22 (c) The board may delegate to the district manager the  
23 authority to employ district employees, including technicians and  
24 nurses. (Acts 61st Leg., R.S., Ch. 470, Secs. 5 (part), 16.)

25 Sec. 1099.062. SENIORITY; RETIREMENT BENEFITS. The board  
26 may adopt rules relating to the seniority of district employees,  
27 including rules for a retirement plan based on seniority. (Acts

1 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

2 [Sections 1099.063-1099.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 1099.101. DISTRICT RESPONSIBILITY. The district has  
5 full responsibility for operating all hospital facilities for  
6 providing medical and hospital care for the district's needy  
7 inhabitants. (Acts 61st Leg., R.S., Ch. 470, Sec. 19 (part).)

8 Sec. 1099.102. RESTRICTION ON POLITICAL SUBDIVISION  
9 TAXATION AND DEBT. A political subdivision located within the  
10 district or that has the same boundaries as the district may not  
11 impose a tax or issue bonds or other obligations for hospital  
12 purposes or to provide medical care. (Acts 61st Leg., R.S., Ch. 470,  
13 Sec. 19 (part).)

14 Sec. 1099.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
15 The board shall manage, control, and administer the hospital system  
16 and the district's money and resources. (Acts 61st Leg., R.S., Ch.  
17 470, Sec. 5 (part).)

18 Sec. 1099.104. HOSPITAL SYSTEM. (a) The district shall  
19 provide for:

20 (1) the establishment of a hospital system by:

21 (A) purchasing, constructing, acquiring,  
22 repairing, or renovating buildings and equipment; and

23 (B) equipping the buildings; and

24 (2) the administration of the hospital system for  
25 hospital purposes.

26 (b) The hospital system may include:

27 (1) facilities for domiciliary care of the sick,

1 injured, or geriatric;  
2           (2) facilities for outpatient clinics;  
3           (3) dispensaries;  
4           (4) convalescent home facilities;  
5           (5) necessary nurses domiciliaries and training  
6 centers;  
7           (6) blood banks;  
8           (7) community mental health centers;  
9           (8) research centers or laboratories; and  
10           (9) any other facilities the board considers necessary  
11 for hospital care. (Acts 61st Leg., R.S., Ch. 470, Secs. 2 (part),  
12 9 (part).)

13           Sec. 1099.105. RULES. The board may adopt rules governing  
14 the operation of the hospital, the hospital system, and the  
15 district's staff and employees. (Acts 61st Leg., R.S., Ch. 470,  
16 Sec. 5 (part).)

17           Sec. 1099.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
18 board may prescribe:

19           (1) the method and manner of making purchases and  
20 expenditures by and for the district; and

21           (2) all accounting and control procedures. (Acts 61st  
22 Leg., R.S., Ch. 470, Sec. 10 (part).)

23           Sec. 1099.107. DISTRICT PROPERTY, FACILITIES, AND  
24 EQUIPMENT. (a) The board shall determine the type, number, and  
25 location of buildings required to maintain an adequate hospital  
26 system.

27           (b) The board may lease all or part of the district's

1 buildings and other facilities on terms considered to be in the best  
2 interest of the district's inhabitants. The term of the lease may  
3 not exceed 25 years.

4 (c) The district may acquire equipment for use in the  
5 district's hospital system and mortgage or pledge the property as  
6 security for the payment of the purchase price. A contract entered  
7 into under this subsection must provide that the entire obligation  
8 be retired not later than the fifth anniversary of the date of the  
9 contract.

10 (d) The district may sell or otherwise dispose of any  
11 property, including equipment, on terms the board finds are in the  
12 best interest of the district's inhabitants. (Acts 61st Leg.,  
13 R.S., Ch. 470, Secs. 9 (part), 10 (part).)

14 Sec. 1099.108. EMINENT DOMAIN. (a) The district may  
15 exercise the power of eminent domain to acquire a fee simple or  
16 other interest in any type of property located in district  
17 territory if the interest is necessary to a power, right, or  
18 privilege conferred by this chapter.

19 (b) The district must exercise the power of eminent domain  
20 in the manner provided by Chapter 21, Property Code, except the  
21 district is not required to deposit in the trial court money or a  
22 bond as provided by Section 21.021(a), Property Code.

23 (c) In a condemnation proceeding brought by the district,  
24 the district is not required to:

25 (1) pay in advance or provide a bond or other security  
26 for costs in the trial court;

27 (2) provide a bond for the issuance of a temporary

1 restraining order or a temporary injunction; or

2 (3) provide a bond for costs or a supersedeas bond on  
3 an appeal or petition for review. (Acts 61st Leg., R.S., Ch. 470,  
4 Sec. 14.)

5 Sec. 1099.109. GIFTS AND ENDOWMENTS. The board may accept  
6 for the district a gift or endowment to be held in trust and  
7 administered by the board for the purposes and under any  
8 directions, limitations, or other provisions prescribed in writing  
9 by the donor that are not inconsistent with the proper management  
10 and objectives of the district. (Acts 61st Leg., R.S., Ch. 470,  
11 Sec. 18.)

12 Sec. 1099.110. CONSTRUCTION AND PURCHASE CONTRACTS. A  
13 construction or purchase contract that involves the expenditure of  
14 more than \$15,000 may be made only after advertising in the manner  
15 provided by Chapter 252, Local Government Code. (Acts 61st Leg.,  
16 R.S., Ch. 470, Sec. 10 (part).)

17 Sec. 1099.111. OPERATING AND MANAGEMENT CONTRACTS. The  
18 board may enter into an operating or management contract relating  
19 to a district facility. (Acts 61st Leg., R.S., Ch. 470, Sec. 9  
20 (part).)

21 Sec. 1099.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
22 HOSPITALIZATION AND TREATMENT. (a) The board may contract with a  
23 county or municipality located outside the district's boundaries  
24 for the hospitalization of a sick or injured person of that county  
25 or municipality.

26 (b) The board may contract with this state or a federal  
27 agency for the hospital treatment of a sick or injured person.

1 (Acts 61st Leg., R.S., Ch. 470, Sec. 5 (part).)

2       Sec. 1099.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
3 INVESTIGATORY OR OTHER SERVICES. The board may contract with  
4 another political subdivision or a governmental agency for the  
5 district to provide investigatory or other services for the  
6 hospital or welfare needs of district inhabitants. (Acts 61st  
7 Leg., R.S., Ch. 470, Sec. 5 (part).)

8       Sec. 1099.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)

9 When a patient who resides in the district is admitted to a district  
10 facility, the district manager may have an inquiry made into the  
11 circumstances of:

12               (1) the patient; and

13               (2) the patient's relatives legally liable for the  
14 patient's support.

15       (b) If the district manager determines that the patient or  
16 those relatives cannot pay for all or part of the patient's care and  
17 treatment in the hospital, the amount that cannot be paid becomes a  
18 charge against the district.

19       (c) If the district manager determines that the patient or  
20 those relatives can pay for all or part of the patient's care and  
21 treatment, the patient or those relatives shall be ordered to pay  
22 the district a specified amount each week for the patient's care and  
23 support. The amount ordered must be proportionate to their  
24 financial ability.

25       (d) The district manager may collect the amount from the  
26 patient's estate, or from those relatives legally liable for the  
27 patient's support, in the manner provided by law for the collection

1 of expenses of the last illness of a deceased person.

2 (e) If there is a dispute as to the ability to pay, or doubt  
3 in the mind of the district manager, the board shall hold a hearing  
4 and, after calling witnesses, shall:

5 (1) resolve the dispute or doubt; and

6 (2) issue any appropriate orders.

7 (f) The final order of the board may be appealed to the  
8 district court. The substantial evidence rule applies to the  
9 appeal. (Acts 61st Leg., R.S., Ch. 470, Sec. 17.)

10 Sec. 1099.115. AUTHORITY TO SUE AND BE SUED. (a) The  
11 district, through the board, may sue and be sued.

12 (b) The district is entitled to all causes of action and  
13 defenses to which similar authorities are entitled. (Acts 61st  
14 Leg., R.S., Ch. 470, Sec. 5 (part).)

15 [Sections 1099.116-1099.150 reserved for expansion]

16 SUBCHAPTER D. CHANGE IN BOUNDARIES

17 Sec. 1099.151. TERRITORY THAT MAY BE ANNEXED. (a) The  
18 district may annex territory that is not located in:

19 (1) Sherman County;

20 (2) the boundaries of another hospital district; or

21 (3) the proposed boundaries of another hospital  
22 district authorized by the legislature under Section 9, Article IX,  
23 Texas Constitution.

24 (b) Territory may be annexed in one or more tracts. Each  
25 tract must be contiguous to:

26 (1) the district; or

27 (2) territory proposed to be annexed to the district.



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1 (Acts 61st Leg., R.S., Ch. 470, Sec. 1(a) (part).)

2 Sec. 1099.152. PETITION TO ANNEX TERRITORY. (a) A petition  
3 requesting that territory be annexed to the district may be  
4 presented to the board. The petition must:

5 (1) describe the tract or tracts of land to be annexed;  
6 and

7 (2) be signed by 50 or a majority of the registered  
8 voters who:

9 (A) reside in the territory to be annexed; and

10 (B) own property duly rendered for taxation on  
11 the applicable county tax rolls that will be subject to district  
12 taxation.

13 (b) This subchapter does not prohibit simultaneous action  
14 on several petitions for annexation. A ballot proposition must be  
15 submitted for each different territory proposed to be annexed, and  
16 an election held in each territory represented by an approved  
17 petition.

18 (c) If the board receives two or more petitions for  
19 annexation that include all or part of the same territory to be  
20 annexed to the district, the petition filed first with the board  
21 shall be considered and another petition that includes any of the  
22 same territory has no effect.

23 (d) The board may consider all petitions for annexation  
24 presented to it and may approve or reject each petition. The board  
25 may not partly approve or partly reject any petition. (Acts 61st  
26 Leg., R.S., Ch. 470, Sec. 1(a) (part).)

27 Sec. 1099.153. ELECTION ORDER. (a) If, on receipt of a

1 petition under Section 1099.152, the board finds that annexing the  
2 territory is in the district's best interest, the board shall  
3 within 90 days of the board's finding:

4 (1) approve the petition; and

5 (2) order an election on the question of annexing the  
6 territory to the district.

7 (b) The election order shall provide for a separate election  
8 in:

9 (1) the territory proposed to be annexed; and

10 (2) the district.

11 (c) The election order shall provide for clerks as in county  
12 elections and must specify:

13 (1) the date of the election;

14 (2) the location of the polling places;

15 (3) the form of ballot; and

16 (4) the presiding judge and alternate judge for each  
17 polling place.

18 (d) The election order may provide that:

19 (1) the entire district is one election precinct; or

20 (2) the county election precincts be combined for the  
21 election. (Acts 61st Leg., R.S., Ch. 470, Secs. 1(a) (part), 3(a)  
22 (part).)

23 Sec. 1099.154. BALLOT. The ballot for the election shall be  
24 printed to permit voting for or against the proposition: "The  
25 establishment of the Hospital District with extended boundaries and  
26 establishment of a hospital district tax at a rate not to exceed 40  
27 cents on the \$100 valuation." (Acts 61st Leg., R.S., Ch. 470, Sec.

1 1(a) (part).)

2       Sec. 1099.155. NOTICE OF ELECTION. (a) Notice of the  
3 election shall be given by publishing once a week for two  
4 consecutive weeks a substantial copy of the election order in a  
5 newspaper or newspapers that individually or collectively have  
6 general circulation in the county or district.

7       (b) The first publication must appear at least 30 days  
8 before the date of the election. (Acts 61st Leg., R.S., Ch. 470,  
9 Secs. 1(a) (part), 3(a) (part).)

10       Sec. 1099.156. ELECTION RESULTS. (a) Territory may not be  
11 annexed to the district unless:

12               (1) an election is held in accordance with this  
13 subchapter; and

14               (2) the annexation is approved by a majority of the  
15 voters voting in the election in:

16                       (A) the district; and

17                       (B) the territory proposed to be annexed.

18       (b) If the territory is annexed to the district, a certified  
19 copy of the order canvassing the returns of the election shall be  
20 filed and recorded in the deed records.

21       (c) The failure of an election under this subchapter does  
22 not prohibit subsequent elections for the same purpose. A  
23 confirmation election may not be held under this subchapter before  
24 the first anniversary of the date of an election previously held  
25 under this subchapter. (Acts 61st Leg., R.S., Ch. 470, Secs. 1(a)  
26 (part), 3(a) (part).)

27       Sec. 1099.157. EFFECT OF ANNEXATION. (a) Territory

1 annexed to the district is part of the board for all purposes.

2 (b) The annexation of territory to the district does not  
3 change the manner in which the board or board officers are selected.  
4 (Acts 61st Leg., R.S., Ch. 470, Sec. 1(a) (part).)

5 [Sections 1099.158-1099.200 reserved for expansion]

6 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

7 Sec. 1099.201. BUDGET. (a) The district manager shall  
8 prepare an annual budget for approval by the board.

9 (b) The proposed budget must contain a complete financial  
10 statement of:

- 11 (1) the outstanding obligations of the district;
- 12 (2) the cash on hand to the credit of each district  
13 fund;
- 14 (3) the money received by the district from all  
15 sources during the previous year;
- 16 (4) the money available to the district from all  
17 sources during the ensuing year;
- 18 (5) the balances expected at the end of the year in  
19 which the budget is being prepared;
- 20 (6) the estimated revenue and balances available to  
21 cover the proposed budget;
- 22 (7) the estimated tax rate required; and
- 23 (8) the proposed expenditures and disbursements and  
24 the estimated receipts and collections for the following fiscal  
25 year. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

26 Sec. 1099.202. NOTICE; HEARING; APPROVAL OF BUDGET.

27 (a) The board shall hold a public hearing on the annual budget.

1           (b) At least 10 days before the date of the hearing, notice  
2 of the hearing shall be published one time in a newspaper or  
3 newspapers that individually or collectively have general  
4 circulation in the district.

5           (c) Any property taxpayer of the district is entitled to be  
6 present and participate at the hearing.

7           (d) At the conclusion of the hearing, the board shall act on  
8 the budget proposed by the district manager. The board may make any  
9 changes in the proposed budget that the board judges to be in the  
10 interests of the taxpayers and the law warrants. The board must  
11 approve the annual budget. (Acts 61st Leg., R.S., Ch. 470, Sec. 6  
12 (part).)

13           Sec. 1099.203. AMENDMENTS TO BUDGET. The budget may be  
14 amended as required by circumstances. The board must approve all  
15 amendments. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

16           Sec. 1099.204. RESTRICTION ON EXPENDITURES. Money may be  
17 spent only for an expense included in the budget or an amendment to  
18 the budget. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

19           Sec. 1099.205. FISCAL YEAR. The district shall operate on a  
20 fiscal year that begins on September 1 and ends on August 31. (Acts  
21 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

22           Sec. 1099.206. AUDIT. (a) The district shall have an  
23 independent audit made of the district's financial condition for  
24 each fiscal year.

25           (b) As soon as the audit is completed, the audit shall be  
26 filed at the district's office. (Acts 61st Leg., R.S., Ch. 470,  
27 Sec. 6 (part).)

1           Sec. 1099.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
2 The audit and other district records shall be open to inspection at  
3 the district's principal office. (Acts 61st Leg., R.S., Ch. 470,  
4 Sec. 6 (part).)

5           Sec. 1099.208. FINANCIAL REPORT. As soon as practicable  
6 after the close of each fiscal year, the district manager shall  
7 prepare for the board:

8                   (1) a complete sworn statement of all district money;  
9 and

10                   (2) a complete account of the disbursements of that  
11 money. (Acts 61st Leg., R.S., Ch. 470, Sec. 6 (part).)

12           Sec. 1099.209. DEPOSITORY. (a) The board shall select one  
13 or more banks in the district to serve as a depository for district  
14 money.

15                   (b) All district money, other than money invested as  
16 provided by Section 1099.210(b), and money transmitted to a bank  
17 for payment of bonds or obligations issued by the district, shall be  
18 deposited as received with the depository bank and shall remain on  
19 deposit.

20                   (c) This chapter, including Subsection (b), does not limit  
21 the power of the board to:

22                           (1) place a part of district money on time deposit; or

23                           (2) purchase certificates of deposit. (Acts 61st  
24 Leg., R.S., Ch. 470, Sec. 11.)

25           Sec. 1099.210. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
26 Except as otherwise provided by Section 1099.107(c) and by  
27 Subchapter F, the district may not incur an obligation payable from

1 district revenue other than the revenue on hand or to be on hand in  
2 the current and following district fiscal years.

3 (b) The board may invest operating, depreciation, or  
4 building reserves only in funds or securities specified by Chapter  
5 2256, Government Code. (Acts 61st Leg., R.S., Ch. 470, Secs. 5  
6 (part), 10 (part).)

7 [Sections 1099.211-1099.250 reserved for expansion]

8 SUBCHAPTER F. BONDS

9 Sec. 1099.251. GENERAL OBLIGATION BONDS. The board may  
10 issue and sell general obligation bonds in the name and on the faith  
11 and credit of the district for any purpose relating to the purchase,  
12 construction, acquisition, repair, or renovation of buildings or  
13 improvements and equipping the buildings or improvements for  
14 hospital purposes. (Acts 61st Leg., R.S., Ch. 470, Sec. 7(a)  
15 (part).)

16 Sec. 1099.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
17 the time general obligation bonds are issued by the district, the  
18 board shall impose an ad valorem tax at a rate sufficient to create  
19 an interest and sinking fund to pay the principal of and interest on  
20 the bonds as the bonds mature.

21 (b) The tax required by this section together with any other  
22 ad valorem tax imposed for the district may not exceed the tax rate  
23 approved by the voters at the election authorizing the imposition  
24 of the tax. (Acts 61st Leg., R.S., Ch. 470, Sec. 7(a) (part).)

25 Sec. 1099.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
26 district may issue general obligation bonds only if the bonds are  
27 authorized by a majority of the district voters voting at an

1 election held for that purpose.

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

4 (1) the date of the election;

5 (2) the location of the polling places;

6 (3) the presiding and alternate election judges for  
7 each polling place;

8 (4) the amount of the bonds to be authorized; and

9 (5) the maximum interest rate of the bonds.

10 (c) Notice of a bond election shall be given as provided by  
11 Section 1251.003, Government Code. (Acts 61st Leg., R.S., Ch. 470,  
12 Sec. 7(a) (part).)

13 Sec. 1099.254. MATURITY OF GENERAL OBLIGATION BONDS.  
14 District general obligation bonds must mature not later than 40  
15 years after the date of issuance. (Acts 61st Leg., R.S., Ch. 470,  
16 Sec. 7(d) (part).)

17 Sec. 1099.255. EXECUTION OF GENERAL OBLIGATION BONDS. The  
18 board president shall execute the general obligation bonds in the  
19 district's name and the board secretary shall countersign the bonds  
20 in the manner provided by Chapter 618, Government Code. (Acts 61st  
21 Leg., R.S., Ch. 470, Sec. 7(d) (part).)

22 Sec. 1099.256. REVENUE BONDS. (a) The board may issue  
23 revenue bonds to:

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

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

27 (b) The bonds must be payable from and secured by a pledge of



1 all or part of district revenue derived from the operation of the  
2 district's hospitals.

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

5 (d) The bonds must be issued in the manner and in accordance  
6 with the procedures and requirements prescribed by Sections  
7 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
8 and Safety Code, for issuance of revenue bonds by a county hospital  
9 authority. (Acts 61st Leg., R.S., Ch. 470, Sec. 8 (part).)

10 Sec. 1099.257. REFUNDING BONDS. (a) The board may, without  
11 an election, issue refunding bonds to refund outstanding  
12 indebtedness issued by the district.

13 (b) A refunding bond may be:

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

16 (2) exchanged wholly or partly for not less than a  
17 similar principal amount of the outstanding indebtedness. (Acts  
18 61st Leg., R.S., Ch. 470, Secs. 7(a) (part), (c) (part), 8 (part).)

19 Sec. 1099.258. BONDS EXEMPT FROM TAXATION. The following  
20 are exempt from taxation by this state or a political subdivision of  
21 this state:

22 (1) any bonds issued by the district;

23 (2) the transfer and issuance of the bonds; and

24 (3) any profits made in the sale of the bonds. (Acts  
25 61st Leg., R.S., Ch. 470, Sec. 21 (part).)

26 [Sections 1099.259-1099.300 reserved for expansion]

1 SUBCHAPTER G. TAXES

2 Sec. 1099.301. IMPOSITION OF TAX. (a) The board shall  
3 impose a tax on all taxable property in the district subject to  
4 district taxation.

5 (b) The board shall impose the tax to:

6 (1) pay the interest on and create a sinking fund for  
7 bonds or other obligations issued by the district for hospital  
8 purposes as provided by this chapter;

9 (2) provide for the maintenance and operation of the  
10 district and hospital system;

11 (3) make improvements and additions to the hospital  
12 system; and

13 (4) acquire necessary sites for the hospital system by  
14 purchase, lease, or condemnation. (Acts 61st Leg., R.S., Ch. 470,  
15 Secs. 3(b) (part), 12 (part).)

16 Sec. 1099.302. TAX RATE. (a) The board may impose the tax  
17 at a rate not to exceed 40 cents on each \$100 valuation of taxable  
18 property in the district.

19 (b) In setting the tax rate, the board shall consider the  
20 income of the district from sources other than taxation. (Acts 61st  
21 Leg., R.S., Ch. 470, Secs. 3(b) (part), 12 (part).)

22 Sec. 1099.303. ASSESSMENT AND COLLECTION BY COUNTY TAX  
23 ASSESSOR-COLLECTOR. Unless the board by majority vote elects to  
24 have taxes assessed and collected under Section 1099.304, the tax  
25 assessor-collector of the county in which the district is located  
26 shall assess and collect taxes imposed by and for the district.  
27 (Acts 61st Leg., R.S., Ch. 470, Sec. 15 (part).)

1           Sec. 1099.304. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
2 ASSESSOR-COLLECTOR. (a) The board, by majority vote, may elect to  
3 have district taxes assessed and collected by a tax  
4 assessor-collector appointed by the board. An election under this  
5 subsection must be made before December 1 and governs the manner in  
6 which taxes are assessed and collected, until changed by a similar  
7 resolution.

8           (b) The district tax assessor-collector must:

9                   (1) reside in the district; and

10                   (2) own real property subject to district taxation.

11           (c) The board shall prescribe the district tax  
12 assessor-collector's term of employment and compensation. (Acts  
13 61st Leg., R.S., Ch. 470, Sec. 15 (part).)

14           CHAPTER 1100. SOUTH RANDALL COUNTY HOSPITAL DISTRICT

15                   SUBCHAPTER A. GENERAL PROVISIONS

16   Sec. 1100.001. DEFINITIONS

17   Sec. 1100.002. AUTHORITY FOR OPERATION

18   Sec. 1100.003. ESSENTIAL PUBLIC FUNCTION

19   Sec. 1100.004. DISTRICT TERRITORY

20   Sec. 1100.005. CORRECTION OF INVALID PROCEDURES

21   Sec. 1100.006. DISTRICT SUPPORT AND MAINTENANCE NOT

22                   STATE OBLIGATION

23   Sec. 1100.007. RESTRICTION ON STATE FINANCIAL

24                   ASSISTANCE

25           [Sections 1100.008-1100.050 reserved for expansion]

26                   SUBCHAPTER B. DISTRICT ADMINISTRATION

27   Sec. 1100.051. BOARD ELECTION; TERM

- 1 Sec. 1100.052. NOTICE OF ELECTION  
2 Sec. 1100.053. BALLOT PETITION  
3 Sec. 1100.054. QUALIFICATIONS FOR OFFICE  
4 Sec. 1100.055. BOARD VACANCY  
5 Sec. 1100.056. OFFICERS  
6 Sec. 1100.057. QUORUM; VOTING REQUIREMENT  
7 Sec. 1100.058. EXPENSES  
8 Sec. 1100.059. PAYMENT FOR ATTENDANCE AT MEETINGS  
9 Sec. 1100.060. PETITION TO CHANGE NUMBER OF DIRECTORS  
10 Sec. 1100.061. DISTRICT ADMINISTRATOR; ASSISTANT  
11 ADMINISTRATOR  
12 Sec. 1100.062. GENERAL DUTIES OF DISTRICT  
13 ADMINISTRATOR  
14 Sec. 1100.063. APPOINTMENT OF STAFF AND EMPLOYEES  
15 Sec. 1100.064. RECRUITMENT OF MEDICAL STAFF  
16 Sec. 1100.065. CONTINUING EDUCATION; RETRAINING  
17 [Sections 1100.066-1100.100 reserved for expansion]  
18 SUBCHAPTER C. POWERS AND DUTIES  
19 Sec. 1100.101. DISTRICT RESPONSIBILITY  
20 Sec. 1100.102. RESTRICTION ON POLITICAL SUBDIVISION  
21 TAXATION AND DEBT  
22 Sec. 1100.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
23 Sec. 1100.104. HOSPITAL SYSTEM  
24 Sec. 1100.105. RULES  
25 Sec. 1100.106. PURCHASING AND ACCOUNTING PROCEDURES  
26 Sec. 1100.107. DISTRICT PROPERTY, FACILITIES, AND  
27 EQUIPMENT

- 1 Sec. 1100.108. EMINENT DOMAIN  
2 Sec. 1100.109. GIFTS AND ENDOWMENTS  
3 Sec. 1100.110. CONSTRUCTION CONTRACTS  
4 Sec. 1100.111. OPERATING AND MANAGEMENT CONTRACTS  
5 Sec. 1100.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
6 FOR CARE AND TREATMENT  
7 Sec. 1100.113. CONTRACTS WITH GOVERNMENTAL ENTITIES  
8 FOR INVESTIGATORY OR OTHER SERVICES  
9 Sec. 1100.114. PAYMENT FOR TREATMENT; PROCEDURES  
10 Sec. 1100.115. REIMBURSEMENT FOR SERVICES  
11 Sec. 1100.116. AUTHORITY TO SUE AND BE SUED  
12 [Sections 1100.117-1100.150 reserved for expansion]  
13 SUBCHAPTER D. CHANGE IN BOUNDARIES  
14 Sec. 1100.151. EXPANSION OF TERRITORY; ELECTION  
15 Sec. 1100.152. BALLOT  
16 [Sections 1100.153-1100.200 reserved for expansion]  
17 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS  
18 Sec. 1100.201. BUDGET  
19 Sec. 1100.202. NOTICE; HEARING; APPROVAL OF BUDGET  
20 Sec. 1100.203. AMENDMENTS TO BUDGET  
21 Sec. 1100.204. RESTRICTION ON EXPENDITURES  
22 Sec. 1100.205. FISCAL YEAR  
23 Sec. 1100.206. AUDIT  
24 Sec. 1100.207. INSPECTION OF AUDIT AND DISTRICT  
25 RECORDS  
26 Sec. 1100.208. FINANCIAL REPORT  
27 Sec. 1100.209. DEPOSITORY

1 Sec. 1100.210. SPENDING AND INVESTMENT RESTRICTIONS

2 Sec. 1100.211. AUTHORITY TO BORROW MONEY; SECURITY

3 [Sections 1100.212-1100.250 reserved for expansion]

4 SUBCHAPTER F. BONDS

5 Sec. 1100.251. GENERAL OBLIGATION BONDS

6 Sec. 1100.252. TAX TO PAY GENERAL OBLIGATION BONDS

7 Sec. 1100.253. GENERAL OBLIGATION BOND ELECTION

8 Sec. 1100.254. MATURITY OF GENERAL OBLIGATION BONDS

9 Sec. 1100.255. EXECUTION OF GENERAL OBLIGATION BONDS

10 Sec. 1100.256. REVENUE BONDS

11 Sec. 1100.257. REFUNDING BONDS

12 Sec. 1100.258. BONDS EXEMPT FROM TAXATION

13 [Sections 1100.259-1100.300 reserved for expansion]

14 SUBCHAPTER G. TAXES

15 Sec. 1100.301. IMPOSITION OF AD VALOREM TAX

16 Sec. 1100.302. TAX RATE

17 Sec. 1100.303. TAX ASSESSOR-COLLECTOR

18 [Sections 1100.304-1100.350 reserved for expansion]

19 SUBCHAPTER H. DISSOLUTION

20 Sec. 1100.351. DISSOLUTION; ELECTION

21 Sec. 1100.352. BALLOT

22 Sec. 1100.353. ELECTION RESULTS

23 Sec. 1100.354. TRANSFER OR ADMINISTRATION OF ASSETS

24 Sec. 1100.355. IMPOSITION OF TAX

25 Sec. 1100.356. RETURN OF SURPLUS TAXES

26 Sec. 1100.357. REPORT; DISSOLUTION ORDER

27 CHAPTER 1100. SOUTH RANDALL COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1100.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a member of the board.

(3) "District" means the South Randall County Hospital District. (New.)

Sec. 1100.002. AUTHORITY FOR OPERATION. The South Randall County Hospital District operates in accordance with Section 9, Article IX, Texas Constitution, and has the rights, powers, and duties provided by this chapter. (Acts 62nd Leg., R.S., Ch. 200, Sec. 1 (part).)

Sec. 1100.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function in carrying out the purposes of this chapter. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21 (part).)

Sec. 1100.004. DISTRICT TERRITORY. Unless the district's boundaries are expanded under Subchapter D, the boundaries of the district are coextensive with the boundaries of County Commissioners Precinct Number 3 of Randall County, Texas, as the boundaries of that precinct existed on January 1, 1971. (Acts 62nd Leg., R.S., Ch. 200, Sec. 1 (part).)

Sec. 1100.005. CORRECTION OF INVALID PROCEDURES. If a court holds that any procedure under this chapter violates the constitution of this state or of the United States, the district by resolution may provide an alternative procedure that conforms with the constitution. (Acts 62nd Leg., R.S., Ch. 200, Sec. 23 (part).)

Sec. 1100.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

1 OBLIGATION. The support and maintenance of the district may not  
2 become a charge against or obligation of this state. (Acts 62nd  
3 Leg., R.S., Ch. 200, Sec. 20 (part).)

4 Sec. 1100.007. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
5 The legislature may not make a direct appropriation for the  
6 construction, maintenance, or improvement of a district facility.  
7 (Acts 62nd Leg., R.S., Ch. 200, Sec. 20 (part).)

8 [Sections 1100.008-1100.050 reserved for expansion]

9 SUBCHAPTER B. DISTRICT ADMINISTRATION

10 Sec. 1100.051. BOARD ELECTION; TERM. (a) Unless the number  
11 of directors is increased or decreased in accordance with Section  
12 1100.060, the board consists of seven directors elected from the  
13 district at large.

14 (b) Unless four-year terms are established under Section  
15 285.081, Health and Safety Code:

16 (1) directors serve staggered two-year terms; and

17 (2) an election shall be held annually on the May  
18 uniform election date to elect the appropriate number of directors.  
19 (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c) (part).)

20 Sec. 1100.052. NOTICE OF ELECTION. At least 30 days before  
21 the date of a directors' election, notice of the election must be  
22 published one time in a newspaper or newspapers that individually  
23 or collectively have general circulation in the district. (Acts  
24 62nd Leg., R.S., Ch. 200, Sec. 4(c) (part).)

25 Sec. 1100.053. BALLOT PETITION. A person who wants to have  
26 the person's name printed on the ballot as a candidate for director  
27 must file with the board secretary a petition requesting that



1 action. The petition must be:

2 (1) signed by at least 10 registered taxpaying voters;

3 and

4 (2) filed by the deadline imposed by Section 144.005,  
5 Election Code. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c) (part).)

6 Sec. 1100.054. QUALIFICATIONS FOR OFFICE. (a) A person may  
7 not be elected or appointed as a director unless the person is:

8 (1) a resident of the district; and

9 (2) a qualified voter.

10 (b) A person is not eligible to serve as a director if the  
11 person is:

12 (1) the district administrator;

13 (2) a district employee; or

14 (3) a member of the hospital staff. (Acts 62nd Leg.,  
15 R.S., Ch. 200, Sec. 4(d).)

16 Sec. 1100.055. BOARD VACANCY. If a vacancy occurs in the  
17 office of director, the remaining directors shall fill the vacancy  
18 for the unexpired term. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(c)  
19 (part).)

20 Sec. 1100.056. OFFICERS. (a) The board shall elect:

21 (1) a president and a vice president from among its  
22 members; and

23 (2) a secretary, who need not be a director.

24 (b) Each officer of the board serves a one-year term.

25 (c) The board shall fill a vacancy in a board office for the  
26 unexpired term. (Acts 62nd Leg., R.S., Ch. 200, Sec. 4(e) (part).)

27 Sec. 1100.057. QUORUM; VOTING REQUIREMENT. (a) Any four

1 directors constitute a quorum.

2 (b) A concurrence of four directors is sufficient in any  
3 matter relating to district business. (Acts 62nd Leg., R.S., Ch.  
4 200, Sec. 4(e) (part).)

5 Sec. 1100.058. EXPENSES. A director or officer may be  
6 reimbursed for actual expenses incurred in the performance of  
7 official duties. The expenses must be:

8 (1) reported in the district's records; and

9 (2) approved by the board. (Acts 62nd Leg., R.S., Ch.  
10 200, Sec. 4(e) (part).)

11 Sec. 1100.059. PAYMENT FOR ATTENDANCE AT MEETINGS. The  
12 board may establish a system of payments set at a reasonable amount  
13 determined by the board for attending board or committee meetings  
14 related to the performance of official duties. (Acts 62nd Leg.,  
15 R.S., Ch. 200, Sec. 4(e) (part).)

16 Sec. 1100.060. PETITION TO CHANGE NUMBER OF DIRECTORS. (a)  
17 A petition to increase or decrease the number of directors by one or  
18 two directors may be presented to the board at any time.

19 (b) A petition to increase or decrease the number of  
20 directors must:

21 (1) be executed by at least 100 registered voters of  
22 the district; and

23 (2) suggest the number of directors the petitioners  
24 believe are required for the orderly administration of district  
25 affairs.

26 (c) Not later than the 90th day after the date a proper  
27 petition is presented to the board, the board shall order an

1 election on the question of changing the number of directors to a  
2 number not to exceed the number suggested by the petition.

3 (d) The order calling the election shall provide for  
4 election officials as in county elections and must specify:

- 5 (1) the date of the election; and  
6 (2) the location of the polling places.

7 (e) Notice of the election shall be published as provided by  
8 Section 1251.003, Government Code.

9 (f) The ballot for the election shall be printed to permit  
10 voting for or against the proposition: "Providing for an increase  
11 (decrease) in the number of directors of the South Randall County  
12 Hospital District."

13 (g) If a proposition to increase the number of directors is  
14 approved by a majority of the voters participating in the election:

- 15 (1) each director in office shall continue to serve  
16 for the term for which the director was elected or appointed; and  
17 (2) the board shall appoint any additional directors  
18 to serve until the next regular election of directors, at which time  
19 a successor shall be elected.

20 (h) If a proposition to decrease the number of directors is  
21 approved by a majority of the voters participating in the election:

- 22 (1) the reduction takes effect at the next regular  
23 election or election of directors; and  
24 (2) not more than one position may be deleted at each  
25 election.

26 (i) Notwithstanding Subsection (c), another election for  
27 the same purpose may not be held before the third anniversary of the

1 date of an election under this section. (Acts 62nd Leg., R.S., Ch.  
2 200, Sec. 4(f) (part).)

3           Sec. 1100.061. DISTRICT           ADMINISTRATOR;           ASSISTANT  
4 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
5 district administrator.

6           (b) The district administrator may appoint an assistant  
7 administrator.

8           (c) The district administrator shall serve at the will of  
9 the board and shall receive the compensation determined by the  
10 board.

11           (d) On assuming the duties of district administrator, the  
12 administrator shall execute a bond payable to the district in an  
13 amount set by the board of not less than \$5,000 that:

14                   (1) is conditioned on the administrator performing the  
15 administrator's duties; and

16                   (2) contains any other condition the board requires.

17 (Acts 62nd Leg., R.S., Ch. 200, Sec. 5 (part).)

18           Sec. 1100.062. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

19 Subject to any limitation prescribed by the board, the district  
20 administrator shall:

21                   (1) supervise the work and activities of the district;

22 and

23                   (2) direct the affairs of the district. (Acts 62nd

24 Leg., R.S., Ch. 200, Sec. 5 (part).)

25           Sec. 1100.063. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The

26 board may appoint to the staff any doctors the board considers

27 necessary for the efficient operation of the district and may make

1 temporary appointments if warranted.

2 (b) The district may employ fiscal agents, accountants,  
3 architects, and attorneys as the board considers proper.

4 (c) The board may delegate to the district administrator the  
5 authority to employ district employees, including technicians and  
6 nurses. (Acts 62nd Leg., R.S., Ch. 200, Secs. 5 (part), 16.)

7 Sec. 1100.064. RECRUITMENT OF MEDICAL STAFF. (a) The  
8 district may spend district money to recruit physicans, nurses, or  
9 other trained medical personnel.

10 (b) The district may pay the tuition or other costs or  
11 expenses of a full-time medical or nursing student who:

12 (1) is enrolled in and is in good standing at an  
13 accredited school, college, or university; and

14 (2) contractually agrees to become a district employee  
15 in return for that assistance. (Acts 62nd Leg., R.S., Ch. 200, Secs.  
16 5A(a), (b).)

17 Sec. 1100.065. CONTINUING EDUCATION; RETRAINING. The board  
18 may spend district money for continuing education and retraining of  
19 employees. (Acts 62nd Leg., R.S., Ch. 200, Sec. 5A(c).)

20 [Sections 1100.066-1100.100 reserved for expansion]

21 SUBCHAPTER C. POWERS AND DUTIES

22 Sec. 1100.101. DISTRICT RESPONSIBILITY. The district has  
23 full responsibility for operating all hospital facilities for  
24 providing hospital care for the district's needy inhabitants.  
25 (Acts 62nd Leg., R.S., Ch. 200, Sec. 19 (part).)

26 Sec. 1100.102. RESTRICTION ON POLITICAL SUBDIVISION  
27 TAXATION AND DEBT. A political subdivision located within the

1 district may not impose a tax or issue bonds or other obligations  
2 for hospital purposes or to provide medical care for district  
3 inhabitants. (Acts 62nd Leg., R.S., Ch. 200, Sec. 19 (part).)

4       Sec. 1100.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
5 The board shall manage, control, and administer the hospital system  
6 and the district's money and resources. (Acts 62nd Leg., R.S., Ch.  
7 200, Sec. 5 (part).)

8       Sec. 1100.104. HOSPITAL SYSTEM. (a) The district shall  
9 provide for:

- 10           (1) the establishment of a hospital system by:
- 11                   (A) purchasing, constructing, acquiring,  
12 repairing, or renovating buildings and equipment; and  
13                   (B) equipping the buildings; and
- 14           (2) the administration of the hospital system for  
15 hospital purposes.

16       (b) The hospital system may include:

- 17           (1) domiciliary care and treatment of the sick,  
18 injured, or geriatric;
- 19           (2) outpatient clinics;
- 20           (3) dispensaries;
- 21           (4) convalescent home facilities;
- 22           (5) necessary nurses;
- 23           (6) domiciliaries and training centers;
- 24           (7) blood banks;
- 25           (8) community mental health centers;
- 26           (9) research centers or laboratories; and
- 27           (10) any other facilities the board considers

1 necessary for hospital care. (Acts 62nd Leg., R.S., Ch. 200, Secs.  
2 2 (part), 10(a) (part).)

3       Sec. 1100.105. RULES. The board may adopt rules governing  
4 the operation of the hospital, the hospital system, and the  
5 district's staff and employees. (Acts 62nd Leg., R.S., Ch. 200,  
6 Sec. 5 (part).)

7       Sec. 1100.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
8 board may prescribe:

9           (1) the method and manner of making purchases and  
10 expenditures by and for the district; and

11           (2) all accounting and control procedures. (Acts 62nd  
12 Leg., R.S., Ch. 200, Sec. 10(b) (part).)

13       Sec. 1100.107. DISTRICT PROPERTY, FACILITIES, AND  
14 EQUIPMENT. (a) The board shall determine the type, number, and  
15 location of buildings required to maintain an adequate hospital  
16 system.

17           (b) The board may lease all or part of the district's  
18 buildings and other facilities on terms considered to be in the best  
19 interest of the district's inhabitants. The term of the lease may  
20 not exceed 25 years.

21           (c) The district may acquire or lease equipment for use in  
22 the district's hospital system and mortgage or pledge the property  
23 as security for the payment of the purchase price. A contract  
24 entered into under this subsection must provide that the entire  
25 obligation be retired not later than the fifth anniversary of the  
26 date of the contract.

27           (d) The district may borrow money to purchase equipment or

1 for other purposes authorized by the board. The board may pledge  
2 all or part of the district's tax revenue to the payment of the  
3 amounts borrowed. Section 1100.211(c) does not apply to amounts  
4 borrowed under this subsection.

5 (e) The district may sell or otherwise dispose of any  
6 property, including equipment, on terms the board finds are in the  
7 best interest of the district's inhabitants. (Acts 62nd Leg.,  
8 R.S., Ch. 200, Secs. 10(a) (part), (b) (part).)

9 Sec. 1100.108. EMINENT DOMAIN. (a) The district may  
10 exercise the power of eminent domain to acquire a fee simple or  
11 other interest in any type of property located in district  
12 territory if the interest is necessary or convenient to a power,  
13 right, or privilege conferred by this chapter.

14 (b) The district must exercise the power of eminent domain  
15 in the manner provided by Chapter 21, Property Code, except the  
16 district is not required to deposit in the trial court money or a  
17 bond as provided by Section 21.021(a), Property Code.

18 (c) In a condemnation proceeding brought by the district,  
19 the district is not required to:

20 (1) pay in advance or provide a bond or other security  
21 for costs in the trial court;

22 (2) provide a bond for the issuance of a temporary  
23 restraining order or a temporary injunction; or

24 (3) provide a bond for costs or a supersedeas bond on  
25 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 200,  
26 Sec. 14.)

27 Sec. 1100.109. GIFTS AND ENDOWMENTS. The board may accept



1 for the district a gift or endowment to be held in trust and  
2 administered by the board for the purposes and under the  
3 directions, limitations, or other provisions prescribed in writing  
4 by the donor that are not inconsistent with the proper management  
5 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 200,  
6 Sec. 18.)

7       Sec. 1100.110. CONSTRUCTION CONTRACTS. A construction  
8 contract that involves the expenditure of more than \$15,000 may be  
9 made only after advertising in the manner provided by Subchapter B,  
10 Chapter 271, Local Government Code. (Acts 62nd Leg., R.S., Ch. 200,  
11 Sec. 10(b) (part).)

12       Sec. 1100.111. OPERATING AND MANAGEMENT CONTRACTS. The  
13 board may enter into an operating or management contract relating  
14 to a district facility. (Acts 62nd Leg., R.S., Ch. 200, Sec. 10(a)  
15 (part).)

16       Sec. 1100.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
17 CARE AND TREATMENT. (a) The board may contract with a county or  
18 municipality located outside the district's boundaries for the care  
19 and treatment of a sick or injured person of that county or  
20 municipality.

21       (b) The board may contract with this state or a federal  
22 agency for the state or federal government to reimburse the  
23 district for treatment of a sick or injured person. (Acts 62nd  
24 Leg., R.S., Ch. 200, Sec. 5 (part).)

25       Sec. 1100.113. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
26 INVESTIGATORY OR OTHER SERVICES. The board may contract with  
27 another political subdivision or governmental agency for the

1 district to provide investigatory or other services for the  
2 medical, hospital, or welfare needs of district inhabitants. (Acts  
3 62nd Leg., R.S., Ch. 200, Sec. 5 (part).)

4       Sec. 1100.114. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
5 When a patient who resides in the district is admitted to a district  
6 facility, the district administrator may have an inquiry made into  
7 the circumstances of:

8               (1) the patient; and

9               (2) the patient's relatives legally liable for the  
10 patient's support.

11       (b) If the district administrator determines that the  
12 patient or those relatives cannot pay for all or part of the  
13 patient's care and treatment in the hospital, the amount that  
14 cannot be paid becomes a charge against the district.

15       (c) If the district administrator determines that the  
16 patient or those relatives can pay for all or part of the patient's  
17 care and treatment, the patient or those relatives shall be ordered  
18 to pay the district a specified amount each week for the patient's  
19 care and support. The amount ordered must be proportionate to their  
20 financial ability.

21       (d) The district administrator may collect the amount from  
22 the patient's estate, or from those relatives legally liable for  
23 the patient's support, in the manner provided by law for the  
24 collection of expenses of the last illness of a deceased person.

25       (e) If there is a dispute as to the ability to pay, or doubt  
26 in the mind of the district administrator, the board shall hold a  
27 hearing and, after calling witnesses, shall:

1 (1) resolve the dispute or doubt; and

2 (2) issue any appropriate order.

3 (f) The final order of the board may be appealed to the  
4 district court. The substantial evidence rule applies to the  
5 appeal. (Acts 62nd Leg., R.S., Ch. 200, Sec. 17.)

6 Sec. 1100.115. REIMBURSEMENT FOR SERVICES. (a) The board  
7 shall require the sheriff of Randall County or the police chief of a  
8 municipality located in Randall County, as appropriate, to  
9 reimburse the district for the district's care and treatment of a  
10 person confined in a jail facility of Randall County or a  
11 municipality located in Randall County who is not a district  
12 resident.

13 (b) A person confined in a jail facility of Randall County  
14 or a municipality located in Randall County, as appropriate, is not  
15 considered a district resident unless the person meets the  
16 qualifications for residency notwithstanding the confinement, the  
17 length of confinement, or the facts surrounding the confinement.  
18 (Acts 62nd Leg., R.S., Ch. 200, Sec. 5 (part).)

19 Sec. 1100.116. AUTHORITY TO SUE AND BE SUED. The district,  
20 through the board, may sue and be sued. (Acts 62nd Leg., R.S., Ch.  
21 200, Sec. 5 (part).)

22 [Sections 1100.117-1100.150 reserved for expansion]

23 SUBCHAPTER D. CHANGE IN BOUNDARIES

24 Sec. 1100.151. EXPANSION OF TERRITORY; ELECTION. (a) The  
25 board may order an election on the question of:

26 (1) expanding the district's boundaries to include all  
27 of the territory in Randall County that is not included in the City

1 of Amarillo Hospital District;

2 (2) the assumption by the additional territory of a  
3 proportionate share of district debt; and

4 (3) the imposition of taxes in the territory to be  
5 added to that district.

6 (b) The district may not be expanded unless the expansion,  
7 assumption of debt, and imposition of taxes are approved by a  
8 majority of the voters at:

9 (1) an election held in the district; and

10 (2) a separate election held in the territory to be  
11 added.

12 (c) The election in the district and the election in the  
13 territory to be added must be held on the same day.

14 (d) Section 41.001(a), Election Code, does not apply to an  
15 election ordered under this section. (Acts 62nd Leg., R.S., Ch.  
16 200, Secs. 1A(a), (c), (d), (e) (part).)

17 Sec. 1100.152. BALLOT. The ballot for the election must be  
18 printed to permit voting for or against the proposition:  
19 "Expanding the South Randall County Hospital District to include  
20 all of the territory in Randall County that is not included in the  
21 City of Amarillo Hospital District, the assumption by the  
22 additional territory of its proportionate share of the district's  
23 outstanding debt, and the imposition of a tax not to exceed 75 cents  
24 on each \$100 of valuation on all taxable property in the expanded  
25 area of the district." (Acts 62nd Leg., R.S., Ch. 200, Sec. 1A(b).)

26 [Sections 1100.153-1100.200 reserved for expansion]

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 1100.201. BUDGET. (a) The district administrator shall prepare an annual budget for approval by the board.

(b) The proposed budget must contain a complete financial statement of:

(1) the outstanding obligations of the district;

(2) the cash on hand to the credit of each district fund;

(3) the money received by the district from all sources during the previous year;

(4) the money available to the district from all sources during the ensuing year;

(5) the balances expected at the end of the year in which the budget is being prepared;

(6) the estimated revenue and balances available to cover the proposed budget; and

(7) the estimated tax rate required. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

Sec. 1100.202. NOTICE; HEARING; APPROVAL OF BUDGET. (a) The board shall hold a public hearing on the proposed annual budget.

(b) At least 10 days before the date of the hearing, notice of the hearing shall be published one time.

(c) Any district taxpayer is entitled to be present and participate at the hearing.

(d) At the conclusion of the hearing, the board shall act on the budget proposed by the district administrator. The board may make any changes in the proposed budget that the board judges to be

1 in the interest of the taxpayers and the law warrants. (Acts 62nd  
2 Leg., R.S., Ch. 200, Sec. 6 (part).)

3 Sec. 1100.203. AMENDMENTS TO BUDGET. The annual budget may  
4 be amended as required by circumstances. The board must approve all  
5 amendments. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

6 Sec. 1100.204. RESTRICTION ON EXPENDITURES. Money may be  
7 spent only for an expense included in the annual budget or an  
8 amendment to the budget. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6  
9 (part).)

10 Sec. 1100.205. FISCAL YEAR. (a) The district operates  
11 according to a fiscal year established by the board.

12 (b) The fiscal year may not be changed more than once in a  
13 24-month period. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

14 Sec. 1100.206. AUDIT. The board shall have an audit made of  
15 the district's financial condition. (Acts 62nd Leg., R.S., Ch.  
16 200, Sec. 6 (part).)

17 Sec. 1100.207. INSPECTION OF AUDIT AND DISTRICT RECORDS.  
18 The audit and other district records shall be open to inspection at  
19 the district's principal office. (Acts 62nd Leg., R.S., Ch. 200,  
20 Sec. 6 (part).)

21 Sec. 1100.208. FINANCIAL REPORT. As soon as practicable  
22 after the close of each fiscal year, the district administrator  
23 shall prepare for the board:

24 (1) a complete sworn statement of all district money;

25 and

26 (2) a complete account of the disbursements of that  
27 money. (Acts 62nd Leg., R.S., Ch. 200, Sec. 6 (part).)

1           Sec. 1100.209. DEPOSITORY. (a) The board shall select one  
2 or more banks or other federally insured financial institutions  
3 inside or outside the district to serve as a depository for district  
4 money.

5           (b) District money, other than money invested as provided by  
6 Section 1100.210(b), and money transmitted to a bank for payment of  
7 bonds or obligations issued or assumed by the district, shall be  
8 deposited as received with the depository and shall remain on  
9 deposit.

10          (c) This chapter, including Subsection (b), does not limit  
11 the power of the board to:

- 12                   (1) place a portion of district money on time deposit;  
13 or  
14                   (2) purchase certificates of deposit. (Acts 62nd  
15 Leg., R.S., Ch. 200, Sec. 11.)

16          Sec. 1100.210. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
17 Except as otherwise provided by Sections 1100.104(b), 1100.107,  
18 1100.110, 1100.111, and 1100.211 and Subchapter F, the district may  
19 not incur an obligation payable from district revenue other than  
20 the revenue on hand or to be on hand in the current and following  
21 district fiscal years.

22          (b) The board may invest district money in funds and  
23 securities as prescribed by Chapter 2256, Government Code. (Acts  
24 62nd Leg., R.S., Ch. 200, Secs. 5 (part), 10(b) (part).)

25          Sec. 1100.211. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
26 The board may borrow money at a rate not to exceed the maximum  
27 annual percentage rate allowed by law for district obligations at

1 the time the loan is made if the board declares that:

2 (1) money is not available to meet authorized district  
3 obligations; and

4 (2) an emergency exists.

5 (b) To secure a loan, the board may pledge:

6 (1) district revenue that is not pledged to pay the  
7 district's bonded indebtedness;

8 (2) a district tax to be imposed by the district in the  
9 next 12-month period that is not pledged to pay the principal of or  
10 interest on district bonds; or

11 (3) district bonds that have been authorized but not  
12 sold.

13 (c) A loan for which taxes or bonds are pledged must mature  
14 not later than the first anniversary of the date the loan is made. A  
15 loan for which district revenue is pledged must mature not later  
16 than the fifth anniversary of the date the loan is made.

17 (d) The board may not spend money obtained from a loan under  
18 this section for any purpose other than:

19 (1) the purpose for which the board declared an  
20 emergency; and

21 (2) if district taxes or bonds are pledged to pay the  
22 loan, the purposes for which the pledged taxes were imposed or the  
23 pledged bonds were authorized. (Acts 62nd Leg., R.S., Ch. 200, Sec.  
24 9A.)

25 [Sections 1100.212-1100.250 reserved for expansion]

26 SUBCHAPTER F. BONDS

27 Sec. 1100.251. GENERAL OBLIGATION BONDS. The board may



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1 issue and sell general obligation bonds in the name and on the faith  
2 and credit of the district for any purpose relating to:

3 (1) the purchase, construction, acquisition, repair,  
4 or renovation of buildings or improvements; and

5 (2) equipping buildings or improvements for hospital  
6 purposes. (Acts 62nd Leg., R.S., Ch. 200, Sec. 7 (part).)

7 Sec. 1100.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
8 the time general obligation bonds are issued by the district, the  
9 board shall impose an ad valorem tax at a rate sufficient to create  
10 an interest and sinking fund to pay the principal of and interest on  
11 the bonds as the bonds mature.

12 (b) The tax required by this section may not in any year  
13 exceed 75 cents on each \$100 valuation of all taxable property in  
14 the district subject to hospital district taxation. (Acts 62nd  
15 Leg., R.S., Ch. 200, Sec. 7 (part).)

16 Sec. 1100.253. GENERAL OBLIGATION BOND ELECTION. (a) The  
17 district may issue general obligation bonds only if the bonds are  
18 authorized by a majority of the district voters voting at an  
19 election held for that purpose.

20 (b) The order calling a bond election must provide for  
21 clerks as in county elections and must specify:

22 (1) the date of the election;

23 (2) the location of the polling places;

24 (3) the presiding and alternate election judges for  
25 each polling place;

26 (4) the amount of the bonds to be authorized; and

27 (5) the maximum maturity of the bonds.

1 (c) Notice of a bond election shall be published as provided  
2 by Section 1251.003, Government Code. (Acts 62nd Leg., R.S., Ch.  
3 200, Sec. 7 (part).)

4 Sec. 1100.254. MATURITY OF GENERAL OBLIGATION BONDS.  
5 District general obligation bonds must mature not later than 40  
6 years after the date of issuance. (Acts 62nd Leg., R.S., Ch. 200,  
7 Sec. 7 (part).)

8 Sec. 1100.255. EXECUTION OF GENERAL OBLIGATION BONDS. The  
9 board president shall execute the district's general obligation  
10 bonds in the district's name, and the board secretary shall  
11 countersign the general obligation bonds in the manner provided by  
12 Chapter 618, Government Code. (Acts 62nd Leg., R.S., Ch. 200, Sec.  
13 7 (part).)

14 Sec. 1100.256. REVENUE BONDS. (a) The board may issue  
15 revenue bonds to:

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

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

19 (b) The bonds must be payable from and secured by a pledge of  
20 all or part of the revenue derived from the operation of the  
21 district's hospitals.

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

24 (d) The bonds must be issued in the manner and in accordance  
25 with the procedures and requirements prescribed by Sections  
26 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
27 and Safety Code, for issuance of revenue bonds by a county hospital

1 authority. (Acts 62nd Leg., R.S., Ch. 200, Sec. 9 (part).)

2       Sec. 1100.257. REFUNDING BONDS. (a) The board may, without  
3 an election, issue refunding bonds to refund outstanding  
4 indebtedness issued or assumed by the district.

5       (b) A refunding bond may be:

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

8             (2) exchanged wholly or partly for not less than a  
9 similar principal amount of outstanding indebtedness. (Acts 62nd  
10 Leg., R.S., Ch. 200, Secs. 7 (part), 9 (part).)

11       Sec. 1100.258. BONDS EXEMPT FROM TAXATION. The following  
12 are exempt from taxation by this state or a political subdivision of  
13 this state:

14             (1) bonds issued by the district;

15             (2) the transfer and issuance of the bonds; and

16             (3) any profits made in the sale of the bonds. (Acts  
17 62nd Leg., R.S., Ch. 200, Sec. 21 (part).)

18             [Sections 1100.259-1100.300 reserved for expansion]

19                             SUBCHAPTER G. TAXES

20       Sec. 1100.301. IMPOSITION OF AD VALOREM TAX. (a) The board  
21 shall impose a tax on all taxable property in the district subject  
22 to district taxation.

23       (b) The board shall impose the tax to pay:

24             (1) the district's indebtedness, including  
25 obligations created or assumed by the district; and

26             (2) the district's maintenance and operating expenses.

27 (Acts 62nd Leg., R.S., Ch. 200, Secs. 7 (part), 12 (part).)

1           Sec. 1100.302. TAX RATE. (a) The board may impose the tax  
2 at a rate not to exceed 75 cents on each \$100 valuation of all  
3 taxable property in the district.

4           (b) In setting the tax rate, the board shall consider the  
5 income of the district from sources other than taxation. (Acts 62nd  
6 Leg., R.S., Ch. 200, Secs. 7 (part), 12 (part).)

7           Sec. 1100.303. TAX ASSESSOR-COLLECTOR. The board may  
8 provide for the appointment of a tax assessor-collector for the  
9 district or may contract for the assessment and collection of taxes  
10 as provided by the Tax Code. (Acts 62nd Leg., R.S., Ch. 200, Sec.  
11 15(c).)

12           [Sections 1100.304-1100.350 reserved for expansion]

13                               SUBCHAPTER H. DISSOLUTION

14           Sec. 1100.351. DISSOLUTION; ELECTION. (a) The district  
15 may be dissolved as provided by this subchapter.

16           (b) The board may order an election on the question of  
17 dissolving the district and disposing of the district's assets and  
18 obligations.

19           (c) The board shall order an election if the board receives  
20 a petition requesting an election that is signed by at least 30  
21 registered voters in the district.

22           (d) Section 41.001(a), Election Code, does not apply to an  
23 election ordered under this section. (Acts 62nd Leg., R.S., Ch.  
24 200, Secs. 21A(a), (b), (c) (part).)

25           Sec. 1100.352. BALLOT. The ballot for the election under  
26 this subchapter must be printed to permit voting for or against the  
27 proposition: "The dissolution of the South Randall County Hospital

1 District." (Acts 62nd Leg., R.S., Ch. 200, Sec. 21A(d) (part).)

2       Sec. 1100.353. ELECTION RESULTS. (a) If a majority of the  
3 votes in the election under this subchapter favor dissolution, the  
4 board shall find that the district is dissolved.

5       (b) If a majority of the votes in the election do not favor  
6 dissolution, the board shall continue to administer the district  
7 and another election on the question of dissolution may not be held  
8 before the first anniversary of the date of the most recent election  
9 to dissolve the district. (Acts 62nd Leg., R.S., Ch. 200, Sec.  
10 21A(e).)

11       Sec. 1100.354. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
12 If a majority of the votes in the election held under this  
13 subchapter favor dissolution, the board shall:

14             (1) transfer to Randall County the land, buildings,  
15 improvements, equipment, and other assets that belong to the  
16 district; or

17             (2) administer the property, assets, and debts in  
18 accordance with this subchapter.

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

22       (c) If the board does not make the transfer under Subsection  
23 (a)(1), the board shall continue to control and administer the  
24 property, debts, and assets of the district under Subsection (a)(2)  
25 until all money has been disposed of and all district debts have  
26 been paid or settled. (Acts 62nd Leg., R.S., Ch. 200, Secs. 21A(f),  
27 21B(a).)

1           Sec. 1100.355. IMPOSITION OF TAX. (a) After the board  
2 finds that the district is dissolved, the board shall:

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

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

7           (b) The board may institute a suit to enforce payment of  
8 taxes and to foreclose liens to secure the payment of the taxes.  
9 (Acts 62nd Leg., R.S., Ch. 200, Secs. 21B(b), (c).)

10           Sec. 1100.356. RETURN OF SURPLUS TAXES. (a) On the payment  
11 of all outstanding debts and obligations of the district, the board  
12 shall order the board secretary to return to each district taxpayer  
13 the taxpayer's pro rata share of all unused tax money.

14           (b) A taxpayer may request that the taxpayer's share of  
15 surplus tax money be credited to the taxpayer's county taxes. If a  
16 taxpayer requests the credit, the board shall direct the board  
17 secretary to transmit the money to the county tax  
18 assessor-collector. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21B(d).)

19           Sec. 1100.357. REPORT; DISSOLUTION ORDER. (a) After the  
20 district has paid all district debts and has disposed of all  
21 district money and other assets as prescribed by this subchapter,  
22 the board shall file a written report with the Commissioners Court  
23 of Randall County summarizing the board's actions in dissolving the  
24 district.

25           (b) Not later than the 10th day after the date the  
26 Commissioners Court of Randall County receives the report and  
27 determines that the requirements of this subchapter have been

1 fulfilled, the commissioners court shall enter an order dissolving  
2 the district. (Acts 62nd Leg., R.S., Ch. 200, Sec. 21B(e).)

3 CHAPTER 1101. SUTTON COUNTY HOSPITAL DISTRICT

4 SUBCHAPTER A. GENERAL PROVISIONS

5 Sec. 1101.001. DEFINITIONS

6 Sec. 1101.002. AUTHORITY FOR OPERATION

7 Sec. 1101.003. ESSENTIAL PUBLIC FUNCTION

8 Sec. 1101.004. DISTRICT TERRITORY

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10 STATE OBLIGATION

11 Sec. 1101.006. RESTRICTION ON STATE FINANCIAL

12 ASSISTANCE

13 [Sections 1101.007-1101.050 reserved for expansion]

14 SUBCHAPTER B. DISTRICT ADMINISTRATION

15 Sec. 1101.051. BOARD ELECTION; TERM

16 Sec. 1101.052. NOTICE OF ELECTION

17 Sec. 1101.053. QUALIFICATIONS FOR OFFICE

18 Sec. 1101.054. BOARD VACANCY

19 Sec. 1101.055. OFFICERS

20 Sec. 1101.056. COMPENSATION; EXPENSES

21 Sec. 1101.057. VOTING REQUIREMENT

22 Sec. 1101.058. DISTRICT ADMINISTRATOR

23 Sec. 1101.059. GENERAL DUTIES OF DISTRICT

24 ADMINISTRATOR

25 Sec. 1101.060. ASSISTANT DISTRICT ADMINISTRATOR;

26 ATTORNEY

- 1 Sec. 1101.061. APPOINTMENT AND RECRUITMENT OF STAFF  
2 AND EMPLOYEES  
3 Sec. 1101.062. NURSING SCHOOL SCHOLARSHIPS  
4 Sec. 1101.063. RETIREMENT BENEFITS  
5 [Sections 1101.064-1101.100 reserved for expansion]  
6 SUBCHAPTER C. POWERS AND DUTIES  
7 Sec. 1101.101. DISTRICT RESPONSIBILITY  
8 Sec. 1101.102. RESTRICTION ON COUNTY TAXATION AND DEBT  
9 Sec. 1101.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
10 Sec. 1101.104. RULES  
11 Sec. 1101.105. PURCHASING AND ACCOUNTING PROCEDURES  
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16 Sec. 1101.109. CONSTRUCTION CONTRACTS  
17 Sec. 1101.110. OPERATING AND MANAGEMENT CONTRACTS  
18 Sec. 1101.111. CONTRACTS WITH GOVERNMENTAL ENTITIES  
19 FOR SERVICES  
20 Sec. 1101.112. PAYMENT FOR TREATMENT; PROCEDURES  
21 Sec. 1101.113. REIMBURSEMENT FOR SERVICES  
22 Sec. 1101.114. AUTHORITY TO SUE AND BE SUED  
23 [Sections 1101.115-1101.150 reserved for expansion]  
24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
25 Sec. 1101.151. BUDGET  
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- 1 Sec. 1101.154. RESTRICTION ON EXPENDITURES  
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3 Sec. 1101.156. ANNUAL AUDIT  
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6 Sec. 1101.158. FINANCIAL REPORT  
7 Sec. 1101.159. DEPOSITORY  
8 Sec. 1101.160. SPENDING AND INVESTMENT RESTRICTIONS  
9 Sec. 1101.161. AUTHORITY TO BORROW MONEY; SECURITY  
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12 Sec. 1101.201. GENERAL OBLIGATION BONDS  
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17 Sec. 1101.206. MATURITY OF BONDS  
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24 SUBCHAPTER F. TAXES  
25 Sec. 1101.251. IMPOSITION OF AD VALOREM TAX  
26 Sec. 1101.252. TAX RATE  
27 Sec. 1101.253. ELECTION TO INCREASE MAXIMUM TAX RATE

1 Sec. 1101.254. LIMIT ON ANNUAL INCREASE IN TAX RATE

2 Sec. 1101.255. TAX ASSESSOR-COLLECTOR

3 [Sections 1101.256-1101.300 reserved for expansion]

4 SUBCHAPTER G. DISSOLUTION

5 Sec. 1101.301. DISSOLUTION; ELECTION

6 Sec. 1101.302. BALLOT

7 Sec. 1101.303. ELECTION RESULTS

8 Sec. 1101.304. TRANSFER OR ADMINISTRATION OF ASSETS

9 Sec. 1101.305. BOARD MANAGEMENT OF ASSETS ON

10 DISSOLUTION; IMPOSITION OF TAX

11 Sec. 1101.306. RETURN OF SURPLUS TAXES

12 Sec. 1101.307. REPORT; DISSOLUTION ORDER

13 CHAPTER 1101. SUTTON COUNTY HOSPITAL DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 1101.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the board of directors of the  
17 district.

18 (2) "Commissioners court" means the Commissioners  
19 Court of Sutton County, Texas.

20 (3) "Director" means a member of the board.

21 (4) "District" means the Sutton County Hospital  
22 District. (Acts 68th Leg., R.S., Ch. 1047, Sec. 1.01.)

23 Sec. 1101.002. AUTHORITY FOR OPERATION. The Sutton County  
24 Hospital District operates and is financed as provided by Section  
25 9, Article IX, Texas Constitution, and by this chapter. (Acts 68th  
26 Leg., R.S., Ch. 1047, Sec. 1.02.)

27 Sec. 1101.003. ESSENTIAL PUBLIC FUNCTION. The district is

1 a public entity performing an essential public function. (Acts  
2 68th Leg., R.S., Ch. 1047, Sec. 6.11 (part).)

3 Sec. 1101.004. DISTRICT TERRITORY. The boundaries of the  
4 district are coextensive with the boundaries of Sutton County,  
5 Texas. (Acts 68th Leg., R.S., Ch. 1047, Sec. 1.03.)

6 Sec. 1101.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
7 OBLIGATION. This state may not become obligated for the support or  
8 maintenance of the district. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
9 8.01 (part).)

10 Sec. 1101.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
11 The legislature may not make a direct appropriation for the  
12 construction, maintenance, or improvement of a district facility.  
13 (Acts 68th Leg., R.S., Ch. 1047, Sec. 8.01 (part).)

14 [Sections 1101.007-1101.050 reserved for expansion]

15 SUBCHAPTER B. DISTRICT ADMINISTRATION

16 Sec. 1101.051. BOARD ELECTION; TERM. (a) The district is  
17 governed by a board of seven directors elected as follows:

18 (1) one director elected from each commissioners  
19 precinct; and

20 (2) three directors elected from the district at  
21 large.

22 (b) Directors serve staggered four-year terms.

23 (c) An election shall be held in each even-numbered year on  
24 the May uniform election date under Section 41.001, Election Code,  
25 to elect the appropriate number of directors. (Acts 68th Leg.,  
26 R.S., Ch. 1047, Secs. 3.01(a), 3.03(a), (d); Acts 72nd Leg., R.S.,  
27 Ch. 521, Sec. 4.)

1           Sec. 1101.052. NOTICE OF ELECTION. Notice of a directors'  
2 election must be published one time in a newspaper with general  
3 circulation in the district in accordance with Section 4.003,  
4 Election Code. (Acts 68th Leg., R.S., Ch. 1047, Sec. 3.04.)

5           Sec. 1101.053. QUALIFICATIONS FOR OFFICE. (a) To be  
6 eligible to be a candidate for or to serve as a director, a person  
7 must be:

8                   (1) a resident of the district; and

9                   (2) a qualified voter.

10           (b) In addition to the qualifications required by  
11 Subsection (a), a person who is elected from a commissioners  
12 precinct or who is appointed to fill a vacancy for a commissioners  
13 precinct must be a resident of that commissioners precinct.

14           (c) A district employee may not serve as a director. (Acts  
15 68th Leg., R.S., Ch. 1047, Sec. 3.06.)

16           Sec. 1101.054. BOARD VACANCY. If a vacancy occurs in the  
17 office of director, the remaining directors shall appoint a  
18 director for the unexpired term. (Acts 68th Leg., R.S., Ch. 1047,  
19 Sec. 3.07.)

20           Sec. 1101.055. OFFICERS. (a) The board shall elect from  
21 among its members a president and a vice president.

22           (b) The board shall appoint a secretary, who need not be a  
23 director.

24           (c) Each officer of the board serves a one-year term.

25           (d) The board shall fill a vacancy in a board office for the  
26 unexpired term. (Acts 68th Leg., R.S., Ch. 1047, Secs. 3.08, 3.09.)

27           Sec. 1101.056. COMPENSATION; EXPENSES. A director or

1 officer serves without compensation but may be reimbursed for  
2 actual expenses incurred in the performance of official duties.

3 The expenses must be:

- 4 (1) reported in the district's records; and
- 5 (2) approved by the board. (Acts 68th Leg., R.S., Ch.  
6 1047, Sec. 3.10.)

7 Sec. 1101.057. VOTING REQUIREMENT. A concurrence of a  
8 majority of the directors voting is necessary in any matter  
9 relating to district business. (Acts 68th Leg., R.S., Ch. 1047,  
10 Sec. 3.11.)

11 Sec. 1101.058. DISTRICT ADMINISTRATOR. (a) The board may  
12 appoint a qualified person as district administrator.

13 (b) The district administrator serves at the will of the  
14 board and is entitled to compensation as determined by the board.

15 (c) Before assuming the duties of district administrator,  
16 the administrator must execute a bond in an amount determined by the  
17 board of not less than \$5,000 that is:

- 18 (1) payable to the district; and
- 19 (2) conditioned on the faithful performance of the  
20 administrator's duties under this chapter.

21 (d) The board may pay for the bond with district money.  
22 (Acts 68th Leg., R.S., Ch. 1047, Secs. 3.12(a) (part), (b) (part),  
23 (c) (part), (d).)

24 Sec. 1101.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
25 Subject to the limitations prescribed by the board, the district  
26 administrator shall:

- 27 (1) supervise the work and activities of the district;

1 and

2 (2) direct the general affairs of the district. (Acts  
3 68th Leg., R.S., Ch. 1047, Sec. 3.15.)

4 Sec. 1101.060. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

5 (a) The board may appoint qualified persons as:

6 (1) the assistant district administrator; and

7 (2) the attorney for the district.

8 (b) The assistant district administrator and the attorney  
9 for the district serve at the will of the board and are entitled to  
10 compensation as determined by the board. (Acts 68th Leg., R.S., Ch.  
11 1047, Secs. 3.12(a) (part), (b) (part), (c) (part).)

12 Sec. 1101.061. APPOINTMENT AND RECRUITMENT OF STAFF AND  
13 EMPLOYEES. (a) The board may appoint to the staff any doctors the  
14 board considers necessary for the efficient operation of the  
15 district and may make temporary appointments as considered  
16 necessary.

17 (b) The district may employ technicians, nurses, fiscal  
18 agents, accountants, architects, additional attorneys, and other  
19 necessary employees.

20 (c) The board may delegate to the district administrator the  
21 authority to employ persons for the district.

22 (d) The board may spend district money to recruit to the  
23 hospital staff any physicians necessary to satisfy the medical  
24 needs of district residents. (Acts 68th Leg., R.S., Ch. 1047, Secs.  
25 3.13, 3.14, 4.05(c) (part).)

26 Sec. 1101.062. NURSING SCHOOL SCHOLARSHIPS. The board may  
27 spend district money to provide scholarships to district residents

1 to attend nursing school. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
2 4.05(c) (part).)

3 Sec. 1101.063. RETIREMENT BENEFITS. The board may provide  
4 retirement benefits for district employees by:

5 (1) establishing or administering a retirement  
6 program; or

7 (2) participating in:

8 (A) the Texas County and District Retirement  
9 System; or

10 (B) another statewide retirement system in which  
11 the district is eligible to participate. (Acts 68th Leg., R.S., Ch.  
12 1047, Sec. 3.16.)

13 [Sections 1101.064-1101.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 1101.101. DISTRICT RESPONSIBILITY. The district has  
16 full responsibility for operating hospital facilities and for  
17 providing medical and hospital care for the district's needy  
18 inhabitants. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.02 (part).)

19 Sec. 1101.102. RESTRICTION ON COUNTY TAXATION AND DEBT.  
20 Sutton County may not impose a tax or issue bonds or other  
21 obligations for hospital purposes or to provide medical care for  
22 district residents. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.01.)

23 Sec. 1101.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
24 The board shall manage, control, and administer the hospital system  
25 and the district's money and resources. (Acts 68th Leg., R.S., Ch.  
26 1047, Sec. 4.03.)

27 Sec. 1101.104. RULES. The board may adopt rules governing:

1 (1) the operation of the hospital and hospital system;  
2 and

3 (2) the duties, functions, and responsibilities of  
4 district staff and employees. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
5 4.04.)

6 Sec. 1101.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
7 board may prescribe:

8 (1) the method of making purchases and expenditures by  
9 and for the district; and

10 (2) accounting and control procedures for the  
11 district. (Acts 68th Leg., R.S., Ch. 1047, Secs. 4.05(a), (b).)

12 Sec. 1101.106. MOBILE EMERGENCY MEDICAL SERVICE. The  
13 district may operate or provide for the operation of a mobile  
14 emergency medical service. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
15 4.02 (part).)

16 Sec. 1101.107. DISTRICT PROPERTY, FACILITIES, AND  
17 EQUIPMENT. (a) The board shall determine:

18 (1) the type, number, and location of buildings  
19 required to maintain an adequate hospital system; and

20 (2) the type of equipment necessary for hospital care.

21 (b) The hospital system may include:

22 (1) facilities and equipment to provide for  
23 domiciliary care and treatment of geriatric patients; and

24 (2) convalescent home facilities.

25 (c) The board may:

26 (1) acquire property, including facilities and  
27 equipment, for the district for use in the hospital system; and



1           (2) mortgage or pledge the property as security for  
2 payment of the purchase price.

3           (d) The board may lease hospital facilities for the  
4 district.

5           (e) The board may sell or otherwise dispose of property,  
6 including facilities or equipment, for the district. (Acts 68th  
7 Leg., R.S., Ch. 1047, Sec. 4.06.)

8           Sec. 1101.108. GIFTS AND ENDOWMENTS. The board may accept  
9 for the district a gift or endowment to be held in trust for any  
10 purpose and under any direction, limitation, or other provision  
11 prescribed in writing by the donor that is consistent with the  
12 proper management of the district. (Acts 68th Leg., R.S., Ch. 1047,  
13 Sec. 4.12.)

14          Sec. 1101.109. CONSTRUCTION CONTRACTS. (a) The board may  
15 enter into construction contracts for the district.

16          (b) The board may enter into a construction contract that  
17 involves the expenditure of more than the amount provided by  
18 Section 271.024, Local Government Code, only after competitive  
19 bidding as provided by Subchapter B, Chapter 271, Local Government  
20 Code. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.07(a).)

21          Sec. 1101.110. OPERATING AND MANAGEMENT CONTRACTS. The  
22 board may enter into an operating or management contract relating  
23 to a hospital facility for the district. (Acts 68th Leg., R.S., Ch.  
24 1047, Sec. 4.08.)

25          Sec. 1101.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
26 SERVICES. The board may contract with a political subdivision of  
27 this state or with a state or federal agency for the district to:

1 (1) furnish a mobile emergency medical service; or

2 (2) provide for the investigatory or welfare needs of  
3 district inhabitants. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.11.)

4 Sec. 1101.112. PAYMENT FOR TREATMENT; PROCEDURES. (a)

5 When an individual who resides in the district is admitted as a  
6 patient to a district facility, the district administrator may have  
7 an inquiry made into the financial circumstances of:

8 (1) the patient; and

9 (2) a relative of the patient legally responsible for  
10 the patient's support.

11 (b) To the extent that the patient or a relative of the  
12 patient legally responsible for the patient's support cannot pay  
13 for care and treatment provided by the district, the district shall  
14 supply the care and treatment without charging the patient or the  
15 relative.

16 (c) On determining that the patient or a relative legally  
17 responsible for the patient's support can pay for all or part of the  
18 care and treatment provided by the district, the district  
19 administrator shall report that determination to the board, and the  
20 board shall issue an order directing the patient or the relative to  
21 pay the district a specified amount each week. The amount must be  
22 based on the individual's ability to pay.

23 (d) The district administrator may collect money owed to the  
24 district from the patient's estate or from that of a relative  
25 legally responsible for the patient's support in the manner  
26 provided by law for the collection of expenses in the last illness  
27 of a deceased person.

1 (e) If there is a dispute relating to an individual's  
2 ability to pay or if the district administrator has any doubt  
3 concerning an individual's ability to pay, the board shall:

- 4 (1) call witnesses;  
5 (2) hear and resolve the question; and  
6 (3) issue a final order.

7 (f) The final order of the board may be appealed to a  
8 district court in Sutton County. The substantial evidence rule  
9 applies to the appeal. (Acts 68th Leg., R.S., Ch. 1047, Sec. 4.09.)

10 Sec. 1101.113. REIMBURSEMENT FOR SERVICES. (a) The board  
11 shall require a county or municipality located outside the district  
12 to reimburse the district for the district's care and treatment of a  
13 sick or injured person of that county or municipality.

14 (b) The board shall require the sheriff of Sutton County to  
15 reimburse the district for the district's care and treatment of a  
16 person confined in a jail facility of Sutton County who is not a  
17 district resident.

18 (c) On behalf of the district, the board may contract with  
19 the state or federal government for that government to reimburse  
20 the district for treatment of a sick or injured person. (Acts 68th  
21 Leg., R.S., Ch. 1047, Sec. 4.10.)

22 Sec. 1101.114. AUTHORITY TO SUE AND BE SUED. The board may  
23 sue and be sued on behalf of the district. (Acts 68th Leg., R.S.,  
24 Ch. 1047, Sec. 4.13.)

25 [Sections 1101.115-1101.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 1101.151. BUDGET. (a) The district administrator

1 shall prepare a proposed annual budget for the district.

2 (b) The proposed budget must contain a complete financial  
3 statement, including a statement of:

4 (1) the outstanding obligations of the district;

5 (2) the amount of cash on hand to the credit of each  
6 district fund;

7 (3) the amount of money received by the district from  
8 all sources during the previous year;

9 (4) the amount of money available to the district from  
10 all sources during the ensuing year;

11 (5) the amount of the balances expected at the end of  
12 the year in which the budget is being prepared;

13 (6) the estimated amount of revenue and balances  
14 available to cover the proposed budget; and

15 (7) the estimated tax rate required. (Acts 68th Leg.,  
16 R.S., Ch. 1047, Sec. 5.04.)

17 Sec. 1101.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
18 The board shall hold a public hearing on the proposed annual budget.

19 (b) The board shall publish notice of the hearing in a  
20 newspaper with general circulation in the district not later than  
21 the 10th day before the date of the hearing.

22 (c) Any district resident is entitled to be present and  
23 participate at 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 interests of the

1 taxpayers.

2 (e) The budget is effective only after adoption by the  
3 board. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.05.)

4 Sec. 1101.153. AMENDMENTS TO BUDGET. After the annual  
5 budget is adopted, the budget may be amended on the board's  
6 approval. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.06.)

7 Sec. 1101.154. RESTRICTION ON EXPENDITURES. Money may be  
8 spent only for an expense included in the annual budget or an  
9 amendment to the budget. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
10 5.07.)

11 Sec. 1101.155. FISCAL YEAR. The district operates  
12 according to a fiscal year established by the board. (Acts 68th  
13 Leg., R.S., Ch. 1047, Sec. 5.01.)

14 Sec. 1101.156. ANNUAL AUDIT. The board annually shall have  
15 an audit made of the district's financial condition. (Acts 68th  
16 Leg., R.S., Ch. 1047, Sec. 5.02.)

17 Sec. 1101.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
18 RECORDS. The annual audit and other district records shall be open  
19 to inspection during regular business hours at the district's  
20 principal office. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.03.)

21 Sec. 1101.158. FINANCIAL REPORT. As soon as practicable  
22 after the close of the fiscal year, the district administrator  
23 shall prepare for the board:

24 (1) a sworn statement of the amount of district money;

25 and

26 (2) an account of the disbursements of that money.

27 (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.08.)

1           Sec. 1101.159. DEPOSITORY. (a) The board shall select at  
2 least one bank to serve as a depository for district money.

3           (b) District money, other than money invested as provided by  
4 Section 1101.160(b) and money transmitted to a bank for payment of  
5 bonds or obligations issued or assumed by the district, shall be  
6 deposited as received with the depository bank and shall remain on  
7 deposit. This subsection does not limit the power of the board to:

8                   (1) place a portion of district money on time deposit;

9 or

10                   (2) purchase certificates of deposit. (Acts 68th Leg.,  
11 R.S., Ch. 1047, Secs. 5.10(a), (b).)

12           Sec. 1101.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
13 Except as provided by Sections 1101.109, 1101.201, 1101.204, and  
14 1101.205, the district may not incur a debt payable from district  
15 revenue other than the revenue on hand or to be on hand in the  
16 current and immediately following district fiscal years.

17           (b) The board may invest operating, depreciation, or  
18 building reserves only in funds or securities specified by Chapter  
19 2256, Government Code. (Acts 68th Leg., R.S., Ch. 1047, Sec. 5.09.)

20           Sec. 1101.161. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
21 The board may borrow money at a rate not to exceed the maximum  
22 annual percentage rate allowed by law for district obligations at  
23 the time the loan is made.

24           (b) To secure a loan, the board may pledge:

25                   (1) district revenue that is not pledged to pay the  
26 district's bonded indebtedness;

27                   (2) a district tax to be imposed by the district in the

1 12-month period following the date of the pledge that is not pledged  
2 to pay the principal of or interest on district bonds; or

3 (3) a district bond that has been authorized but not  
4 sold.

5 (c) A loan for which taxes or bonds are pledged must mature  
6 not later than the first anniversary of the date the loan is made. A  
7 loan for which district revenue is pledged must mature not later  
8 than the fifth anniversary of the date the loan is made. (Acts 68th  
9 Leg., R.S., Ch. 1047, Sec. 5.11.)

10 [Sections 1101.162-1101.200 reserved for expansion]

11 SUBCHAPTER E. BONDS

12 Sec. 1101.201. GENERAL OBLIGATION BONDS. If authorized by  
13 an election, the board may issue and sell general obligation bonds  
14 in the name and on the faith and credit of the district to:

15 (1) purchase, construct, acquire, repair, or renovate  
16 buildings or improvements;

17 (2) equip buildings or improvements for hospital  
18 purposes; or

19 (3) acquire and operate a mobile emergency medical  
20 service. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.01.)

21 Sec. 1101.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
22 the time general obligation bonds are issued by the district, the  
23 board shall impose an ad valorem tax at a rate sufficient to create  
24 an interest and sinking fund to pay the principal of and interest on  
25 the bonds as the bonds mature.

26 (b) The tax required by this section together with any other  
27 ad valorem tax the district imposes may not in any year exceed the

1 limit approved by the voters at the election authorizing the  
2 imposition of the tax. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.02.)

3       Sec. 1101.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
4 district may issue general obligation bonds only if the bonds are  
5 authorized by a majority of the district voters.

6       (b) The board may order a bond election.

7       (c) The order calling the election must specify:

8           (1) the nature and date of the election;

9           (2) the hours during which the polls will be open;

10          (3) the location of the polling places;

11          (4) the amount of the bonds to be authorized; and

12          (5) the maximum maturity of the bonds.

13       (d) Notice of a bond election shall be given as provided by  
14 Section 1251.003, Government Code.

15       (e) The board shall declare the results of the election.  
16 (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.03.)

17       Sec. 1101.204. REVENUE BONDS. (a) The board may issue  
18 revenue bonds to:

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

21           (2) acquire sites to be used for hospital purposes; or

22           (3) acquire and operate a mobile emergency medical  
23 service to assist the district in carrying out its hospital  
24 purposes.

25       (b) The bonds must be payable from and secured by a pledge of  
26 all or part of the revenue derived from the operation of the  
27 district's hospital system.



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

3 (d) The bonds must be issued in the manner provided by  
4 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
5 Health and Safety Code, for issuance of revenue bonds by a county  
6 hospital authority. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.04.)

7 Sec. 1101.205. REFUNDING BONDS. (a) District refunding  
8 bonds may be issued to refund outstanding indebtedness issued or  
9 assumed by the district.

10 (b) A refunding bond may be:

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

13 (2) exchanged wholly or partly for not less than a  
14 similar principal amount of outstanding indebtedness. (Acts 68th  
15 Leg., R.S., Ch. 1047, Secs. 6.05(a), (c) (part).)

16 Sec. 1101.206. MATURITY OF BONDS. District bonds must  
17 mature not later than 50 years after the date of issuance. (Acts  
18 68th Leg., R.S., Ch. 1047, Sec. 6.06 (part).)

19 Sec. 1101.207. EXECUTION OF BONDS. The board president  
20 shall execute the district's bonds in the district's name, and the  
21 board secretary shall countersign the bonds in the manner provided  
22 by Chapter 618, Government Code. (Acts 68th Leg., R.S., Ch. 1047,  
23 Sec. 6.07.)

24 Sec. 1101.208. ADDITIONAL MEANS OF SECURING PAYMENT OF  
25 BONDS. In addition to the authority to issue general obligation  
26 bonds and revenue bonds under this subchapter, the board may  
27 provide for the security and payment of district bonds from a pledge

1 of a combination of ad valorem taxes as authorized by Section  
2 1101.202 and revenue and other sources authorized by Section  
3 1101.204. (Acts 68th Leg., R.S., Ch. 1047, Sec. 6.12.)

4       Sec. 1101.209. USE OF BOND PROCEEDS. The district may use  
5 the proceeds of bonds issued under this subchapter to pay:

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

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

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

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

15                   (B) for one year after the project or facility is  
16 acquired or constructed;

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

19           (5) costs related to the bond issuance;

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

23           (7) costs of construction of a project or facility to  
24 be provided through the bonds, including the payment of related  
25 professional services and expenses. (Acts 68th Leg., R.S., Ch.  
26 1047, Sec. 6.13.)

27       Sec. 1101.210. BONDS EXEMPT FROM TAXATION. The following

1 are exempt from taxation by this state or a political subdivision of  
2 this state:

- 3 (1) bonds issued by the district;
- 4 (2) any transaction relating to the bonds; and
- 5 (3) profits made in the sale of the bonds. (Acts 68th  
6 Leg., R.S., Ch. 1047, Sec. 6.11 (part).)

7 [Sections 1101.211-1101.250 reserved for expansion]

8 SUBCHAPTER F. TAXES

9 Sec. 1101.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
10 may impose a tax on all property in the district subject to district  
11 taxation.

12 (b) The tax may be used to pay:

- 13 (1) indebtedness issued or assumed by the district;
- 14 and
- 15 (2) district maintenance and operating expenses.

16 (c) The district may not impose a tax to pay the principal of  
17 or interest on revenue bonds issued under this chapter. (Acts 68th  
18 Leg., R.S., Ch. 1047, Secs. 7.01(a) (part), (c), (d), 7.02(b).)

19 Sec. 1101.252. TAX RATE. (a) The board may impose the tax  
20 at a rate not to exceed the limit approved by the voters at the  
21 election authorizing the imposition of the tax.

22 (b) The tax rate for all purposes may not exceed 75 cents on  
23 each \$100 valuation of all taxable property in the district.

24 (c) In setting the tax rate, the board shall consider the  
25 income of the district from sources other than taxation. (Acts 68th  
26 Leg., R.S., Ch. 1047, Secs. 7.01(a) (part), (b), 7.03 (part).)

27 Sec. 1101.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)

1 The board may order an election to increase the district's maximum  
2 tax rate to 75 cents on each \$100 valuation of taxable property in  
3 the district. The board shall order the election if the board  
4 receives a petition requesting an election that is signed by at  
5 least 15 percent of the registered voters in the district.

6 (b) The ballot for the election shall be printed to permit  
7 voting for or against the proposition: "The imposition of annual  
8 taxes by the district for hospital purposes at a rate not to exceed  
9 75 cents on the \$100 valuation of all taxable property in the  
10 district."

11 (c) If a majority of the votes favor the proposition, the  
12 board may impose taxes as authorized by the proposition, subject to  
13 Section 1101.254. If a majority of the votes do not favor the  
14 proposition, another election on the question of increasing the  
15 district's maximum tax rate may not be held before the first  
16 anniversary of the date of the most recent election at which voters  
17 disapproved the proposition.

18 (d) Section 41.001(a), Election Code, does not apply to an  
19 election ordered under this section. (Acts 68th Leg., R.S., Ch.  
20 1047, Secs. 7.05(a), (b) (part), (c) (part), (d) (part).)

21 Sec. 1101.254. LIMIT ON ANNUAL INCREASE IN TAX RATE. (a)  
22 Notwithstanding Section 1101.253, the board may not in any year  
23 increase the tax rate by five cents or more on each \$100 valuation  
24 above the tax rate imposed in the preceding year unless the increase  
25 is approved at an election held under this section.

26 (b) The board may order an election to increase the  
27 district's tax rate by five cents or more on each \$100 of valuation

1 above the rate imposed in the preceding year. The board shall order  
2 the election if the board receives a petition requesting an  
3 election that is signed by at least 15 percent of the registered  
4 voters in the district.

5 (c) The ballot for the election shall be printed to permit  
6 voting for or against the proposition: "The imposition of the  
7 (insert year) annual tax by the district for hospital purposes at a  
8 rate not to exceed (insert rate) cents on the \$100 valuation of all  
9 taxable property in the district."

10 (d) If a majority of the votes favor the proposition, the  
11 board may impose taxes as authorized by the proposition. If a  
12 majority of the votes do not favor the proposition, the board may  
13 not increase the tax rate for that year by five cents or more on each  
14 \$100 valuation above the tax rate imposed in the preceding year.

15 (e) This section does not authorize the board to impose  
16 taxes in an amount that exceeds the maximum amount approved by the  
17 voters under Section 1101.253.

18 (f) This section does not affect any rights district voters  
19 may have to petition for an election under Section 26.07, Tax Code,  
20 except that if district voters approve a tax rate increase under  
21 this section, the voters may not petition for an election under  
22 Section 26.07, Tax Code, as to the tax rate for that year.

23 (g) Section 41.001(a), Election Code, does not apply to an  
24 election ordered under this section. (Acts 68th Leg., R.S., Ch.  
25 1047, Secs. 7.06(a), (b), (c) (part), (d) (part), (e) (part), (f),  
26 (g).)

27 Sec. 1101.255. TAX ASSESSOR-COLLECTOR. The board may

1 provide for the appointment of a tax assessor-collector for the  
2 district or may contract for the assessment and collection of taxes  
3 as provided by the Tax Code. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
4 7.04(b).)

5 [Sections 1101.256-1101.300 reserved for expansion]

6 SUBCHAPTER G. DISSOLUTION

7 Sec. 1101.301. DISSOLUTION; ELECTION. (a) The district  
8 may be dissolved as provided by this subchapter.

9 (b) The board may order an election on the question of  
10 dissolving the district and disposing of the district's assets and  
11 obligations.

12 (c) The board shall order an election if the board receives  
13 a petition requesting an election that is signed by at least 15  
14 percent of registered voters in the district.

15 (d) Section 41.001(a), Election Code, does not apply to an  
16 election ordered under this section. (Acts 68th Leg., R.S., Ch.  
17 1047, Secs. 7.21(a), (b), (c) (part).)

18 Sec. 1101.302. BALLOT. The ballot for an election under  
19 this subchapter must be printed to permit voting for or against the  
20 proposition: "The dissolution of the Sutton County Hospital  
21 District." (Acts 68th Leg., R.S., Ch. 1047, Sec. 7.21(d) (part).)

22 Sec. 1101.303. ELECTION RESULTS. (a) If a majority of the  
23 votes in an election under this subchapter favor dissolution, the  
24 board shall find that the district is dissolved.

25 (b) If a majority of the votes in the election do not favor  
26 dissolution, the board shall continue to administer the district  
27 and another election on the question of dissolution may not be held

1 before the first anniversary of the date of the most recent election  
2 to dissolve the district. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
3 7.21(e).)

4 Sec. 1101.304. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
5 If a majority of the votes in an election under this subchapter  
6 favor dissolution, the board shall:

7 (1) transfer to Sutton County the land, buildings,  
8 improvements, equipment, and other assets that belong to the  
9 district; or

10 (2) administer the property, assets, and debts in  
11 accordance with Sections 1101.305, 1101.306, and 1101.307.

12 (b) If the board makes the transfer under Subsection (a)(1),  
13 Sutton County assumes all debts and obligations of the district at  
14 the time of the transfer, and the district is dissolved. (Acts 68th  
15 Leg., R.S., Ch. 1047, Sec. 7.21(f).)

16 Sec. 1101.305. BOARD MANAGEMENT OF ASSETS ON DISSOLUTION;  
17 IMPOSITION OF TAX. (a) If the district does not transfer the land,  
18 buildings, improvements, equipment, and other assets to Sutton  
19 County under Section 1101.304, the board shall continue to control  
20 and administer the property, assets, and debts of the district  
21 until all money has been disposed of and all district debts have  
22 been paid or settled.

23 (b) 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 (c) The board may institute a suit to enforce payment of  
3 taxes and to foreclose liens to secure the payment of taxes due the  
4 district. (Acts 68th Leg., R.S., Ch. 1047, Secs. 7.22(a), (b),  
5 (c).)

6 Sec. 1101.306. RETURN OF SURPLUS TAXES. (a) On the payment  
7 of all outstanding debts and obligations of the district in  
8 accordance with Section 1101.305, the board shall order the board  
9 secretary to return to each district taxpayer the pro rata share of  
10 all unused tax money.

11 (b) A taxpayer may request that the taxpayer's share of  
12 surplus tax money be credited to the taxpayer's county taxes. If a  
13 taxpayer requests the credit, the board shall direct the board  
14 secretary to transmit the money to the county tax  
15 assessor-collector. (Acts 68th Leg., R.S., Ch. 1047, Sec.  
16 7.22(d).)

17 Sec. 1101.307. REPORT; DISSOLUTION ORDER. (a) After the  
18 district has paid all district debts and has disposed of all  
19 district money and other assets as prescribed by this subchapter,  
20 the board shall file a written report with the commissioners court  
21 summarizing the board's actions in dissolving the district.

22 (b) Not later than the 10th day after the date the  
23 commissioners court receives the report and determines that the  
24 requirements of this subchapter have been fulfilled, the  
25 commissioners court shall enter an order dissolving the district.  
26 (Acts 68th Leg., R.S., Ch. 1047, Sec. 7.22(e).)



- 1                   CHAPTER 1102. SWEENY HOSPITAL DISTRICT
- 2                   SUBCHAPTER A. GENERAL PROVISIONS
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- 4 Sec. 1102.002. AUTHORITY FOR OPERATION
- 5 Sec. 1102.003. POLITICAL SUBDIVISION
- 6 Sec. 1102.004. DISTRICT TERRITORY
- 7 Sec. 1102.005. CORRECTION OF INVALID PROCEDURES
- 8           [Sections 1102.006-1102.050 reserved for expansion]
- 9                   SUBCHAPTER B. DISTRICT ADMINISTRATION
- 10 Sec. 1102.051. BOARD ELECTION; TERM
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- 14 Sec. 1102.055. BOARD VACANCY
- 15 Sec. 1102.056. OFFICERS
- 16 Sec. 1102.057. COMPENSATION; EXPENSES
- 17 Sec. 1102.058. VOTING REQUIREMENT
- 18 Sec. 1102.059. APPOINTMENT AND RECRUITMENT OF STAFF
- 19                   AND EMPLOYEES
- 20 Sec. 1102.060. MAINTENANCE OF RECORDS; PUBLIC
- 21                   INSPECTION
- 22 Sec. 1102.061. SEAL
- 23           [Sections 1102.062-1102.100 reserved for expansion]
- 24                   SUBCHAPTER C. POWERS AND DUTIES
- 25 Sec. 1102.101. DISTRICT RESPONSIBILITY
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me

- 1 Sec. 1102.103. MANAGEMENT AND CONTROL OF DISTRICT
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- 4 Sec. 1102.106. RULES
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- 8 Sec. 1102.110. PAYMENT FOR TREATMENT; PROCEDURES
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- 22 Sec. 1102.201. GENERAL OBLIGATION BONDS
- 23 Sec. 1102.202. TAX TO PAY GENERAL OBLIGATION BONDS
- 24 Sec. 1102.203. GENERAL OBLIGATION BOND ELECTION
- 25 Sec. 1102.204. EXECUTION OF GENERAL OBLIGATION BONDS
- 26 Sec. 1102.205. REVENUE BONDS

1 Sec. 1102.206. ADDITIONAL MEANS OF SECURING REPAYMENT  
2 OF BONDS

3 Sec. 1102.207. USE OF BOND PROCEEDS  
4 [Sections 1102.208-1102.250 reserved for expansion]

5 SUBCHAPTER F. TAXES

6 Sec. 1102.251. IMPOSITION OF AD VALOREM TAX

7 Sec. 1102.252. TAX RATE

8 Sec. 1102.253. TAX ASSESSOR-COLLECTOR

9 [Sections 1102.254-1102.300 reserved for expansion]

10 SUBCHAPTER G. DISSOLUTION

11 Sec. 1102.301. DISSOLUTION; ELECTION

12 Sec. 1102.302. NOTICE OF ELECTION

13 Sec. 1102.303. BALLOT

14 Sec. 1102.304. ELECTION RESULTS

15 Sec. 1102.305. TRANSFER OR ADMINISTRATION OF ASSETS

16 Sec. 1102.306. IMPOSITION OF TAX AND RETURN OF SURPLUS  
17 TAXES

18 Sec. 1102.307. REPORT; DISSOLUTION ORDER

19 CHAPTER 1102. SWEENY HOSPITAL DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 1102.001. DEFINITIONS. In this chapter:

22 (1) "Board" means the board of directors of the  
23 district.

24 (2) "Director" means a member of the board.

25 (3) "District" means the Sweeny Hospital District.

26 (New.)

27 Sec. 1102.002. AUTHORITY FOR OPERATION. The Sweeny

1 Hospital District operates in accordance with Section 9, Article  
2 IX, Texas Constitution. (Acts 58th Leg., R.S., Ch. 135, Sec. 1  
3 (part).)

4 Sec. 1102.003. POLITICAL SUBDIVISION. The district is a  
5 political subdivision of this state. (Acts 58th Leg., R.S., Ch.  
6 135, Sec. 16 (part).)

7 Sec. 1102.004. DISTRICT TERRITORY. The boundaries of the  
8 district are coextensive with the boundaries of the Sweeny  
9 Independent School District as those boundaries existed on May 10,  
10 1963. (Acts 58th Leg., R.S., Ch. 135, Sec. 1 (part).)

11 Sec. 1102.005. CORRECTION OF INVALID PROCEDURES. If a  
12 court holds that any procedure under this chapter violates the  
13 constitution of this state or of the United States, the district by  
14 resolution may provide an alternative procedure that conforms with  
15 the constitution. (Acts 58th Leg., R.S., Ch. 135, Sec. 17 (part).)

16 [Sections 1102.006-1102.050 reserved for expansion]

17 SUBCHAPTER B. DISTRICT ADMINISTRATION

18 Sec. 1102.051. BOARD ELECTION; TERM. (a) The board  
19 consists of seven elected directors.

20 (b) Unless four-year terms are established under Section  
21 285.081, Health and Safety Code:

22 (1) directors serve two-year terms; and

23 (2) an election shall be held annually on the May  
24 uniform election date under Section 41.001, Election Code. (Acts  
25 58th Leg., R.S., Ch. 135, Secs. 3(a) (part), (c) (part).)

26 Sec. 1102.052. NOTICE OF ELECTION. Notice of a directors'  
27 election shall be published in a newspaper of general circulation

1 in Brazoria County in accordance with Section 4.003, Election Code.  
2 (Acts 58th Leg., R.S., Ch. 135, Sec. 3(c) (part).)

3 Sec. 1102.053. QUALIFICATIONS FOR OFFICE. (a) A person may  
4 not be elected or appointed as a director unless the person is:

- 5 (1) a resident of the district; and  
6 (2) at least 18 years of age.

7 (b) A district employee may not serve as a director. (Acts  
8 58th Leg., R.S., Ch. 135, Sec. 3(a) (part).)

9 Sec. 1102.054. BOND; RECORD OF BOND AND OATH. (a) Each  
10 director shall execute a good and sufficient bond for \$1,000 that  
11 is:

- 12 (1) payable to the district; and  
13 (2) conditioned on the faithful performance of the  
14 director's duties.

15 (b) Each director's bond and the constitutional oath of  
16 office must be deposited with the district's depository bank for  
17 safekeeping. (Acts 58th Leg., R.S., Ch. 135, Sec. 3(a) (part).)

18 Sec. 1102.055. BOARD VACANCY. (a) If a vacancy occurs in  
19 the office of director, the remaining directors shall appoint a  
20 director for the unexpired term.

21 (b) If the number of directors is reduced to fewer than four  
22 for any reason, the remaining directors shall immediately call a  
23 special election to fill the vacancies. If the remaining directors  
24 do not call the election, a district court, on application of a  
25 district voter or taxpayer, may order the directors to hold the  
26 election. (Acts 58th Leg., R.S., Ch. 135, Sec. 3(b) (part).)

27 Sec. 1102.056. OFFICERS. (a) The board shall elect from

1 among its members a president and secretary.

2 (b) The board may elect or appoint other officers as the  
3 board determines necessary.

4 (c) The board shall prescribe the powers and duties of an  
5 officer position created under Subsection (b) in addition to the  
6 positions of president and secretary. (Acts 58th Leg., R.S., Ch.  
7 135, Sec. 3(b) (part).)

8 Sec. 1102.057. COMPENSATION; EXPENSES. A director serves  
9 without compensation but may be reimbursed for actual expenses  
10 incurred in the performance of official duties on approval of the  
11 expenses by the entire board. (Acts 58th Leg., R.S., Ch. 135, Sec. 4  
12 (part).)

13 Sec. 1102.058. VOTING REQUIREMENT. A concurrence of four  
14 directors is sufficient in any matter relating to district  
15 business. (Acts 58th Leg., R.S., Ch. 135, Sec. 3(b) (part).)

16 Sec. 1102.059. APPOINTMENT AND RECRUITMENT OF STAFF AND  
17 EMPLOYEES. (a) The board may employ a general manager, an attorney,  
18 a bookkeeper, an architect, and other employees considered  
19 necessary for the efficient operation of the district.

20 (b) The board may spend district money, enter into  
21 agreements, and take other necessary action to recruit physicians  
22 as independent contractors to serve as medical staff members and to  
23 recruit other persons to serve as district employees, including:

24 (1) advertising and marketing;

25 (2) paying travel, recruitment, and relocation  
26 expenses;

27 (3) providing a loan or scholarship to:

- 1                   (A) a physician who:
- 2                   (i) is currently enrolled in health care
- 3 education courses at an institution of higher education; and
- 4                   (ii) contractually agrees to serve as an
- 5 independent contractor on the district's medical staff; or
- 6                   (B) a person who is not a physician who:
- 7                   (i) is currently enrolled in health care
- 8 education courses at an institution of higher education; and
- 9                   (ii) contractually agrees to become a
- 10 district employee;
- 11                   (4) paying the tuition or other expenses of a
- 12 full-time medical student who:
- 13                   (A) is enrolled in and is in good standing at an
- 14 accredited medical school, college, or university; and
- 15                   (B) contractually agrees to serve as an
- 16 independent contractor on the district's medical staff in return
- 17 for that assistance; or
- 18                   (5) paying the tuition or other expenses of a
- 19 full-time student in a health occupation who:
- 20                   (A) is not a medical student;
- 21                   (B) is enrolled in and is in good standing at an
- 22 accredited medical school, college, or university; and
- 23                   (C) contractually agrees to serve as an employee
- 24 or independent contractor for the district in return for that
- 25 assistance. (Acts 58th Leg., R.S., Ch. 135, Secs. 7(a) (part),
- 26 (d).)

27                   Sec. 1102.060. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

1 Except as provided by Section 1102.054, all district records,  
2 including books, accounts, notices, and minutes, and all other  
3 matters of the district and the operation of its facilities, shall  
4 be:

- 5           (1) maintained at the district office; and  
6           (2) open to public inspection at the district office  
7 at all reasonable hours. (Acts 58th Leg., R.S., Ch. 135, Sec.  
8 7(b).)

9           Sec. 1102.061. SEAL. The board may adopt a seal for the  
10 district. (Acts 58th Leg., R.S., Ch. 135, Sec. 7(a) (part).)

11           [Sections 1102.062-1102.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1102.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for providing medical and hospital care for the  
15 district's needy inhabitants and needy and indigent residents.  
16 (Acts 58th Leg., R.S., Ch. 135, Secs. 2 (part), 12 (part).)

17           Sec. 1102.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION.  
18 Brazoria County or a municipality in the district may not impose a  
19 tax on property in the district for hospital purposes. (Acts 58th  
20 Leg., R.S., Ch. 135, Sec. 12 (part).)

21           Sec. 1102.103. MANAGEMENT AND CONTROL OF DISTRICT. The  
22 management and control of the district is vested in the board.  
23 (Acts 58th Leg., R.S., Ch. 135, Sec. 4 (part).)

24           Sec. 1102.104. HOSPITAL SYSTEM. The district shall provide  
25 for:

- 26           (1) the establishment of a hospital system to provide  
27 medical and hospital care to district residents by:



1 (A) purchasing, constructing, acquiring,  
2 repairing, or renovating buildings and improvements; and

3 (B) equipping the buildings and improvements;  
4 and

5 (2) the administration of the hospital system for  
6 hospital purposes. (Acts 58th Leg., R.S., Ch. 135, Sec. 2 (part).)

7 Sec. 1102.105. NURSING HOME FACILITIES. The district may  
8 provide outpatient care for the aged or infirm residing in the  
9 district in nursing home facilities by purchasing, constructing,  
10 acquiring, repairing, renovating, or leasing land, buildings, and  
11 improvements. The district may equip the facilities and administer  
12 the facilities for appropriate purposes. (Acts 58th Leg., R.S.,  
13 Ch. 135, Sec. 2a.)

14 Sec. 1102.106. RULES. (a) The board may adopt rules  
15 governing the operation of the district and district facilities.

16 (b) The rules, on approval by the board, may be published in  
17 booklet form at district expense and may be made available to any  
18 taxpayer on request. (Acts 58th Leg., R.S., Ch. 135, Sec. 7(c).)

19 Sec. 1102.107. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
20 The board may prescribe the method and manner of making purchases  
21 and expenditures by and for the district.

22 (b) The board shall prescribe:

23 (1) all accounting and control procedures; and

24 (2) the method of purchasing necessary supplies,  
25 materials, and equipment. (Acts 58th Leg., R.S., Ch. 135, Sec. 7(a)  
26 (part).)

27 Sec. 1102.108. EMINENT DOMAIN. (a) The district may

1 exercise the power of eminent domain to acquire a fee simple or  
2 other interest in any type of property, real, personal, or mixed,  
3 located in district territory, if the interest is necessary or  
4 convenient to exercise a right, power, privilege, or function  
5 conferred on the district by this chapter.

6 (b) The district must exercise the power of eminent domain  
7 in the manner provided by Chapter 21, Property Code, except the  
8 district is not required to deposit in the trial court money or a  
9 bond as provided by Section 21.021(a), Property Code.

10 (c) In a condemnation proceeding brought by the district,  
11 the district is not required to:

12 (1) pay in advance or provide a bond or other security  
13 for costs in the trial court;

14 (2) provide a bond for the issuance of a temporary  
15 restraining order or a temporary injunction; or

16 (3) provide a bond for costs or a supersedeas bond on  
17 an appeal or petition for review. (Acts 58th Leg., R.S., Ch. 135,  
18 Sec. 9.)

19 Sec. 1102.109. GIFTS AND ENDOWMENTS. The board may accept  
20 for the district a gift or endowment to be held in trust and  
21 administered by the board for the purposes and under the  
22 directions, limitations, or other provisions prescribed in writing  
23 by the donor that are not inconsistent with the proper management  
24 and objectives of the district. (Acts 58th Leg., R.S., Ch. 135,  
25 Sec. 14.)

26 Sec. 1102.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
27 When a patient who resides in the district is admitted to a district

1 facility, the board shall have an inquiry made into the  
2 circumstances of:

3 (1) the patient; and

4 (2) the patient's relatives legally liable for the  
5 patient's support.

6 (b) If an agent designated by the district to handle the  
7 inquiry determines that the patient or those relatives cannot pay  
8 for all or part of the patient's care and treatment in the hospital,  
9 the amount that cannot be paid becomes a charge against the  
10 district.

11 (c) If the board determines that the patient or those  
12 relatives are liable to pay for all or part of the patient's care  
13 and treatment, the patient or those relatives shall be ordered to  
14 pay to the district's treasurer a specified amount each week for the  
15 patient's support. The amount ordered must be proportionate to  
16 their financial ability and may not exceed the actual per capita  
17 cost of maintenance.

18 (d) The district may collect the amount from the patient's  
19 estate, or from the patient's relatives legally liable for the  
20 patient's support, in the manner provided by law for the collection  
21 of expenses of the last illness of a deceased person.

22 (e) If there is a dispute as to the ability to pay, or doubt  
23 in the mind of the district's designated agent, the board shall hold  
24 a hearing and, after calling witnesses, shall:

25 (1) resolve the dispute or doubt; and

26 (2) issue any appropriate order.

27 (f) Either party to the dispute may appeal the order to the

1 district court. (Acts 58th Leg., R.S., Ch. 135, Sec. 13.)

2       Sec. 1102.111. NONPROFIT CORPORATION. (a) The district  
3 may create and sponsor a nonprofit corporation under the Business  
4 Organizations Code and may contribute money to or solicit money for  
5 the corporation.

6       (b) The corporation may use money contributed by the  
7 district only to provide health care or other services the district  
8 is authorized to provide under this chapter.

9       (c) The corporation may invest the corporation's money in  
10 any manner in which the district may invest the district's money,  
11 including investing money as authorized by Chapter 2256, Government  
12 Code.

13       (d) The board shall establish controls to ensure that the  
14 corporation uses its money as required by this section. (Acts 58th  
15 Leg., R.S., Ch. 135, Sec. 7A.)

16       Sec. 1102.112. AUTHORITY TO SUE AND BE SUED. As a  
17 governmental agency, the district may sue and be sued in its own  
18 name in any court of this state. (Acts 58th Leg., R.S., Ch. 135,  
19 Sec. 16 (part).)

20       [Sections 1102.113-1102.150 reserved for expansion]

21               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

22       Sec. 1102.151. BUDGET. The board annually shall have a  
23 budget prepared for the next fiscal year that includes:

- 24               (1) proposed expenditures and disbursements;  
25               (2) estimated receipts and collections; and  
26               (3) the amount of taxes required to be imposed for the  
27 year. (Acts 58th Leg., R.S., Ch. 135, Sec. 8(c) (part).)

1           Sec. 1102.152. PROPOSED BUDGET; NOTICE AND HEARING. (a)  
2 The board shall hold a public hearing on the proposed budget.

3           (b) Notice of the hearing must be published at least once in  
4 a newspaper of general circulation in Brazoria County not later  
5 than the 10th day before the date of the hearing.

6           (c) Any district resident is entitled to:

7                 (1) appear at the time and place designated in the  
8 notice; and

9                 (2) be heard regarding any item included in the  
10 proposed budget. (Acts 58th Leg., R.S., Ch. 135, Sec. 8(c) (part).)

11           Sec. 1102.153. FISCAL YEAR. (a) The district operates  
12 according to a fiscal year established by the board.

13           (b) The fiscal year may not be changed:

14                 (1) if revenue bonds of the district are outstanding;  
15 or

16                 (2) more than once in a 24-month period. (Acts 58th  
17 Leg., R.S., Ch. 135, Sec. 8(a).)

18           Sec. 1102.154. ANNUAL AUDIT. The board annually shall have  
19 an independent audit made of the district's books and records.  
20 (Acts 58th Leg., R.S., Ch. 135, Sec. 8(b).)

21           Sec. 1102.155. DEPOSITORY OR TREASURER. (a) The board by  
22 resolution shall designate a bank or banks in Brazoria County as the  
23 district's depository or treasurer. A designated bank serves for  
24 two years and until a successor is designated.

25           (b) All district money shall be secured in the manner  
26 provided for securing county funds. (Acts 58th Leg., R.S., Ch. 135,  
27 Sec. 10.)

1           Sec. 1102.156. GENERAL AUTHORITY TO BORROW MONEY; SECURITY.

2     (a) The board may borrow money at a rate not to exceed the maximum  
3     annual percentage rate allowed by law for district obligations at  
4     the time the loan is made.

5           (b) To secure a loan, the board may pledge:

6                 (1) district revenue that is not pledged to pay the  
7     district's bonded indebtedness;

8                 (2) a district tax to be imposed by the district during  
9     the 12-month period following the date of the pledge that is not  
10    pledged to pay the principal of or interest on district bonds; or

11                (3) a district bond that has been authorized but not  
12    sold.

13           (c) A loan for which taxes or bonds are pledged must mature  
14    not later than the first anniversary of the date the loan is made. A  
15    loan for which district revenue is pledged must mature not later  
16    than the fifth anniversary of the date the loan is made. (Acts 58th  
17    Leg., R.S., Ch. 135, Sec. 7B.)

18           [Sections 1102.157-1102.200 reserved for expansion]

19                                   SUBCHAPTER E. BONDS

20           Sec. 1102.201. GENERAL OBLIGATION BONDS. The board may  
21    issue and sell general obligation bonds in the name and on the faith  
22    and credit of the district to purchase, construct, acquire, repair,  
23    or renovate buildings or improvements and equip buildings or  
24    improvements for hospital purposes. (Acts 58th Leg., R.S., Ch.  
25    135, Sec. 6(a) (part).)

26           Sec. 1102.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)  
27    The board shall impose an ad valorem tax at a rate sufficient to

1 create an interest and sinking fund to pay the principal of and  
2 interest on general obligation bonds issued under Section 1102.201  
3 as the bonds mature.

4 (b) The tax required by this section together with any other  
5 ad valorem tax imposed for the district may not in any year exceed  
6 75 cents on each \$100 valuation of taxable property in the district.  
7 (Acts 58th Leg., R.S., Ch. 135, Secs. 5(a) (part), 6(a) (part).)

8 Sec. 1102.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
9 district may issue general obligation bonds only if the bonds are  
10 authorized by a majority of the district voters voting at an  
11 election held for that purpose.

12 (b) The board may order a bond election in accordance with  
13 Chapter 1251, Government Code.

14 (c) Notice of a bond election shall be given as provided by  
15 Chapter 1251, Government Code. (Acts 58th Leg., R.S., Ch. 135, Sec.  
16 6(c) (part).)

17 Sec. 1102.204. EXECUTION OF GENERAL OBLIGATION BONDS. (a)  
18 The board president shall execute district general obligation bonds  
19 in the district's name.

20 (b) The board secretary shall countersign the bonds. (Acts  
21 58th Leg., R.S., Ch. 135, Sec. 6(b) (part).)

22 Sec. 1102.205. REVENUE BONDS. (a) The board may issue  
23 revenue bonds to purchase, construct, acquire, repair, renovate, or  
24 equip buildings, sites, or improvements for district purposes.

25 (b) The bonds must be payable from and secured by a pledge of  
26 all or part of the revenue derived from the operation of the  
27 district's hospital system.

11/1/11

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

3 (d) The bonds must be issued in the manner provided by  
4 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
5 Health and Safety Code. (Acts 58th Leg., R.S., Ch. 135, Sec. 6(e).)

6 Sec. 1102.206. ADDITIONAL MEANS OF SECURING REPAYMENT OF  
7 BONDS. In addition to the authority to issue general obligation  
8 bonds and revenue bonds under this subchapter, the board may  
9 provide for the security and payment of district bonds from a pledge  
10 of a combination of ad valorem taxes as authorized by Section  
11 1102.202 and revenue and other sources as authorized by Section  
12 1102.205. (Acts 58th Leg., R.S., Ch. 135, Sec. 6A.)

13 Sec. 1102.207. USE OF BOND PROCEEDS. The district may use  
14 the proceeds of bonds issued under this subchapter to pay:

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

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

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

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

24 (B) for one year after the project or facility is  
25 acquired or constructed;

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



1 (5) costs related to the bond issuance;

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

5 (7) construction costs of a project or facility to be  
6 provided through the bonds, including the payment of related  
7 professional services and expenses. (Acts 58th Leg., R.S., Ch.  
8 135, Sec. 6B.)

9 [Sections 1102.208-1102.250 reserved for expansion]

10 SUBCHAPTER F. TAXES

11 Sec. 1102.251. IMPOSITION OF AD VALOREM TAX. (a) On final  
12 approval of the budget, the board shall impose a tax on all property  
13 in the district subject to district taxation.

14 (b) The board shall impose the tax to:

15 (1) pay the interest on and create a sinking fund for  
16 bonds issued by the district for hospital purposes as provided by  
17 this chapter;

18 (2) provide for the maintenance and operation of the  
19 district and hospital system;

20 (3) make improvements and additions to the hospital  
21 system; and

22 (4) acquire necessary sites for the hospital system by  
23 purchase, lease, or condemnation. (Acts 58th Leg., R.S., Ch. 135,  
24 Secs. 5(a) (part), 8(c) (part).)

25 Sec. 1102.252. TAX RATE. The board may impose the tax at a  
26 rate not to exceed 75 cents on each \$100 valuation of all taxable  
27 property in the district. (Acts 58th Leg., R.S., Ch. 135, Sec. 5(a))

1 (part).)

2           Sec. 1102.253. TAX ASSESSOR-COLLECTOR. The board may  
3 provide for the appointment of a tax assessor-collector for the  
4 district or may contract for the assessment and collection of taxes  
5 as provided by the Tax Code. (Acts 58th Leg., R.S., Ch. 135, Sec.  
6 5(c).)

7           [Sections 1102.254-1102.300 reserved for expansion]

8                               SUBCHAPTER G. DISSOLUTION

9           Sec. 1102.301. DISSOLUTION; ELECTION. (a) The district  
10 may be dissolved only on approval of a majority of the registered  
11 district voters voting in an election held for that purpose.

12           (b) The board may order an election on the question of  
13 dissolving the district and disposing of the district's assets and  
14 obligations.

15           (c) The board shall order an election if the board receives  
16 a petition requesting an election that is signed by at least 15  
17 percent of the registered district voters.

18           (d) The election shall be held not later than the 60th day  
19 after the date the election is ordered.

20           (e) The order calling the election must state:

21                   (1) the nature of the election, including the  
22 proposition to appear on the ballot;

23                   (2) the date of the election;

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

25                   (4) the location of the polling places.

26           (f) Section 41.001, Election Code, does not apply to an  
27 election ordered under this section. (Acts 58th Leg., R.S., Ch.

1 135, Secs. 9A(a), (b), (c), (d).)

2       Sec. 1102.302. NOTICE OF ELECTION. (a) The board shall  
3 give notice of an election under this subchapter by publishing once  
4 a week for two consecutive weeks a substantial copy of the election  
5 order in a newspaper with general circulation in the district.

6       (b) The first publication of notice must appear not later  
7 than the 35th day before the date set for the election. (Acts 58th  
8 Leg., R.S., Ch. 135, Sec. 9A(e).)

9       Sec. 1102.303. BALLOT. The ballot for an election under  
10 this subchapter must be printed to permit voting for or against the  
11 proposition: "The dissolution of the Sweeny Hospital District."  
12 (Acts 58th Leg., R.S., Ch. 135, Sec. 9A(f).)

13       Sec. 1102.304. ELECTION RESULTS. (a) If a majority of the  
14 votes in an election under this subchapter favor dissolution, the  
15 board shall find that the district is dissolved.

16       (b) If a majority of the votes in the election do not favor  
17 dissolution, the board shall continue to administer the district  
18 and another election on the question of dissolution may not be held  
19 before the first anniversary of the date of the most recent election  
20 to dissolve the district. (Acts 58th Leg., R.S., Ch. 135, Sec.  
21 9A(g).)

22       Sec. 1102.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a)  
23 If a majority of the votes in the election held under this  
24 subchapter favor dissolution, the board shall:

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

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

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

8           (c) If the district does not make the transfer under  
9 Subsection (a)(1) and the board administers the property, assets,  
10 and debts of the district under Subsection (a)(2), the district is  
11 dissolved when all the money has been disposed of and all district  
12 debts have been paid or settled. (Acts 58th Leg., R.S., Ch. 135,  
13 Secs. 9A(h), (i), (j).)

14           Sec. 1102.306. IMPOSITION OF TAX AND RETURN OF SURPLUS  
15 TAXES. (a) After the board finds that the district is dissolved,  
16 the board shall:

- 17                 (1) determine any debt owed by the district; and  
18                 (2) impose on the property included on the district's  
19 tax roll a tax that is in proportion of any debt to the property  
20 value.

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

25           (c) A taxpayer may request that the taxpayer's share of  
26 surplus tax money be credited to the taxpayer's county taxes. If a  
27 taxpayer requests the credit, the board shall direct the board

1 secretary to transmit the money to the Brazoria County tax  
2 assessor-collector. (Acts 58th Leg., R.S., Ch. 135, Secs. 9A(k),  
3 (l), (m).)

4 Sec. 1102.307. REPORT; DISSOLUTION ORDER. (a) After the  
5 district has paid all district debts and has disposed of all  
6 district money and other assets as prescribed by this subchapter,  
7 the board shall file a written report with the Commissioners Court  
8 of Brazoria County summarizing the board's actions in dissolving  
9 the district.

10 (b) Not later than the 10th day after the date the  
11 commissioners court receives the report and determines that the  
12 requirements of this subchapter have been fulfilled, the  
13 commissioners court shall enter an order dissolving the district  
14 and releasing the board from any further duty or obligation. (Acts  
15 58th Leg., R.S., Ch. 135, Secs. 9A(n), (o).)

16 CHAPTER 1103. SWISHER MEMORIAL HOSPITAL DISTRICT

17 SUBCHAPTER A. GENERAL PROVISIONS

18 Sec. 1103.001. DEFINITIONS

19 Sec. 1103.002. AUTHORITY FOR CREATION

20 Sec. 1103.003. ESSENTIAL PUBLIC FUNCTION

21 Sec. 1103.004. DISTRICT TERRITORY

22 Sec. 1103.005. DISTRICT SUPPORT AND MAINTENANCE NOT

23 STATE OBLIGATION

24 Sec. 1103.006. RESTRICTION ON STATE FINANCIAL

25 ASSISTANCE

26 [Sections 1103.007-1103.050 reserved for expansion]

1                           SUBCHAPTER B. DISTRICT ADMINISTRATION

2   Sec. 1103.051.   BOARD ELECTION; TERM

3   Sec. 1103.052.   NOTICE OF ELECTION

4   Sec. 1103.053.   BALLOT PETITION

5   Sec. 1103.054.   QUALIFICATIONS FOR OFFICE

6   Sec. 1103.055.   BOARD VACANCY

7   Sec. 1103.056.   OFFICERS

8   Sec. 1103.057.   COMPENSATION

9   Sec. 1103.058.   VOTING REQUIREMENT

10  Sec. 1103.059.   DISTRICT ADMINISTRATOR; ASSISTANT

11                           ADMINISTRATOR

12  Sec. 1103.060.   GENERAL DUTIES OF DISTRICT

13                           ADMINISTRATOR

14  Sec. 1103.061.   EMPLOYEES

15  Sec. 1103.062.   RETIREMENT PROGRAM

16  Sec. 1103.063.   MAINTENANCE OF RECORDS; PUBLIC

17                           INSPECTION

18            .[Sections 1103.064-1103.100 reserved for expansion]

19                           SUBCHAPTER C. POWERS AND DUTIES

20  Sec. 1103.101.   DISTRICT RESPONSIBILITY

21  Sec. 1103.102.   RESTRICTION ON COUNTY OR MUNICIPAL

22                           TAXATION AND DEBT

23  Sec. 1103.103.   MANAGEMENT, CONTROL, AND ADMINISTRATION

24  Sec. 1103.104.   HOSPITAL SYSTEM

25  Sec. 1103.105.   RULES

26  Sec. 1103.106.   PURCHASING AND ACCOUNTING PROCEDURES

27  Sec. 1103.107.   EMINENT DOMAIN

- 1 Sec. 1103.108. GIFTS AND ENDOWMENTS  
2 Sec. 1103.109. CONTRACTS WITH GOVERNMENTAL ENTITIES  
3 FOR CARE AND TREATMENT  
4 Sec. 1103.110. PAYMENT FOR TREATMENT; PROCEDURES  
5 Sec. 1103.111. AUTHORITY TO SUE AND BE SUED  
6 [Sections 1103.112-1103.150 reserved for expansion]  
7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS  
8 Sec. 1103.151. BUDGET  
9 Sec. 1103.152. FISCAL YEAR  
10 Sec. 1103.153. AUDIT  
11 Sec. 1103.154. FINANCIAL REPORT  
12 Sec. 1103.155. DEPOSITORY  
13 [Sections 1103.156-1103.200 reserved for expansion]  
14 SUBCHAPTER E. BONDS  
15 Sec. 1103.201. GENERAL OBLIGATION BONDS  
16 Sec. 1103.202. TAX TO PAY GENERAL OBLIGATION BONDS  
17 Sec. 1103.203. GENERAL OBLIGATION BOND ELECTION  
18 Sec. 1103.204. EXECUTION OF GENERAL OBLIGATION BONDS  
19 Sec. 1103.205. REFUNDING BONDS  
20 Sec. 1103.206. BONDS EXEMPT FROM TAXATION  
21 Sec. 1103.207. ANTICIPATION NOTES AND CERTIFICATES OF  
22 OBLIGATION  
23 [Sections 1103.208-1103.250 reserved for expansion]  
24 SUBCHAPTER F. GENERAL TAX PROVISIONS  
25 Sec. 1103.251. IMPOSITION OF AD VALOREM TAX  
26 Sec. 1103.252. TAX RATE  
27 Sec. 1103.253. TAX ASSESSOR-COLLECTOR

1           CHAPTER 1103. SWISHER MEMORIAL HOSPITAL DISTRICT

2                   SUBCHAPTER A. GENERAL PROVISIONS

3           Sec. 1103.001. DEFINITIONS. In this chapter:

4                   (1) "Board" means the board of directors of the  
5 district.

6                   (2) "Director" means a member of the board.

7                   (3) "District" means the Swisher Memorial Hospital  
8 District. (New.)

9           Sec. 1103.002. AUTHORITY FOR CREATION.       The Swisher  
10 Memorial Hospital District is created under the authority of  
11 Section 9, Article IX, Texas Constitution, and has the rights,  
12 powers, and duties provided by this chapter. (Acts 59th Leg., R.S.,  
13 Ch. 16, Sec. 1 (part).)

14           Sec. 1103.003. ESSENTIAL PUBLIC FUNCTION.   The district  
15 performs an essential public function in carrying out the purposes  
16 of this chapter. (Acts 59th Leg., R.S., Ch. 16, Sec. 8 (part).)

17           Sec. 1103.004. DISTRICT TERRITORY.       The boundaries of the  
18 district are coextensive with the boundaries of Swisher County,  
19 Texas. (Acts 59th Leg., R.S., Ch. 16, Sec. 1 (part).)

20           Sec. 1103.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
21 OBLIGATION.   The support and maintenance of the district may not  
22 become a charge against or obligation of this state. (Acts 59th  
23 Leg., R.S., Ch. 16, Sec. 18 (part).)

24           Sec. 1103.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
25 The legislature may not make a direct appropriation for the  
26 construction, maintenance, or improvement of a district facility.  
27 (Acts 59th Leg., R.S., Ch. 16, Sec. 18 (part).)



[Sections 1103.007-1103.050 reserved for expansion]

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1103.051. BOARD ELECTION; TERM. (a) The district is governed by a board of five directors elected as follows:

(1) one director elected from each county commissioners precinct; and

(2) one director elected from the county at large.

(b) Unless four-year terms are established under Section 285.081, Health and Safety Code, directors serve staggered two-year terms, with the terms of two or three directors expiring each year, as appropriate.

(c) An election shall be held on the uniform election date in May of each year to elect the appropriate number of directors. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

Sec. 1103.052. NOTICE OF ELECTION. At least 10 days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in Swisher County. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

Sec. 1103.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file a petition requesting that action. The petition must be:

(1) signed by not less than 25 registered voters; and

(2) filed by the deadline imposed by Section 144.005, Election Code. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

Sec. 1103.054. QUALIFICATIONS FOR OFFICE. (a) A person must at the time of election or appointment as director:

(1) own property subject to taxation in the district;

1 and

2 (2) be at least 18 years of age.

3 (b) A director must reside in the area the director  
4 represents. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

5 Sec. 1103.055. BOARD VACANCY. (a) If a vacancy occurs in  
6 the office of director, the remaining directors shall appoint a  
7 director for the unexpired term.

8 (b) If the number of directors is reduced to fewer than  
9 three for any reason, the remaining directors shall immediately  
10 call a special election to fill the vacancies. If the remaining  
11 directors do not call the election, the county judge of Swisher  
12 County may fill the vacancies by appointment. (Acts 59th Leg.,  
13 R.S., Ch. 16, Sec. 4 (part).)

14 Sec. 1103.056. OFFICERS. The board shall elect from among  
15 its members a president, a vice president, and a secretary. (Acts  
16 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

17 Sec. 1103.057. COMPENSATION. A director is entitled to  
18 compensation at a rate determined by the board. The rate may not  
19 exceed \$10 for each board meeting. (Acts 59th Leg., R.S., Ch. 16,  
20 Sec. 4 (part).)

21 Sec. 1103.058. VOTING REQUIREMENT. A concurrence of three  
22 directors is sufficient in any matter relating to district  
23 business. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

24 Sec. 1103.059. DISTRICT ADMINISTRATOR; ASSISTANT  
25 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
26 district administrator.

27 (b) The board may appoint an assistant administrator.

1 (c) The district administrator and any assistant  
2 administrator serve at the will of the board and receive the  
3 compensation determined by the board.

4 (d) On assuming the duties of district administrator, the  
5 administrator shall execute a bond payable to the district in an  
6 amount set by the board of not less than \$10,000 that:

7 (1) is conditioned on the administrator performing the  
8 administrator's duties; and

9 (2) contains any other condition the board requires.  
10 (Acts 59th Leg., R.S., Ch. 16, Sec. 5 (part).)

11 Sec. 1103.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
12 Subject to any limitations prescribed by the board, the district  
13 administrator shall:

14 (1) supervise the work and activities of the district;  
15 and

16 (2) direct the affairs of the district. (Acts 59th  
17 Leg., R.S., Ch. 16, Sec. 5 (part).)

18 Sec. 1103.061. EMPLOYEES. The board may employ any  
19 doctors, technicians, nurses, and other employees as considered  
20 necessary for the efficient operation of the district or may  
21 provide that the district administrator has the authority to employ  
22 those persons. (Acts 59th Leg., R.S., Ch. 16, Sec. 5 (part).)

23 Sec. 1103.062. RETIREMENT PROGRAM. The board may enter  
24 into any contract or agreement with this state or the federal  
25 government as required to establish or continue a retirement  
26 program for the benefit of the district's employees. (Acts 59th  
27 Leg., R.S., Ch. 16, Sec. 5 (part).)

1           Sec. 1103.063. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

2   (a) The board shall:

3           (1) keep an accurate account of board meetings and  
4 proceedings; and

5           (2) maintain at the district's principal office all  
6 district records and accounts, including contracts, notices,  
7 duplicate vouchers, and duplicate receipts.

8           (b) The information described by Subsection (a) shall be  
9 open to public inspection at the district's principal office at all  
10 reasonable times. (Acts 59th Leg., R.S., Ch. 16, Sec. 4 (part).)

11           [Sections 1103.064-1103.100 reserved for expansion]

12                           SUBCHAPTER C. POWERS AND DUTIES

13           Sec. 1103.101. DISTRICT RESPONSIBILITY. The district has  
14 full responsibility for:

15           (1) operating all hospital facilities for providing  
16 medical and hospital care of indigent persons; and

17           (2) providing medical and hospital care for the  
18 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 16, Secs.  
19 2 (part), 17 (part).)

20           Sec. 1103.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION  
21 AND DEBT. Swisher County or a municipality in Swisher County may  
22 not impose a tax or issue bonds or other obligations for hospital  
23 purposes or for medical care. (Acts 59th Leg., R.S., Ch. 16, Sec.  
24 17 (part).)

25           Sec. 1103.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
26 The board shall manage, control, and administer the district's  
27 hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 16, Sec.

1 5 (part).)

2 Sec. 1103.104. HOSPITAL SYSTEM. The district shall provide  
3 for:

4 (1) the establishment of a hospital system by:

5 (A) purchasing, constructing, acquiring,  
6 repairing, or renovating buildings and equipment; and

7 (B) equipping the buildings; and

8 (2) the administration of the hospital system for  
9 hospital purposes. (Acts 59th Leg., R.S., Ch. 16, Sec. 2 (part).)

10 Sec. 1103.105. RULES. The board may adopt rules for the  
11 operation of the district and as required to administer this  
12 chapter. (Acts 59th Leg., R.S., Ch. 16, Secs. 5 (part), 9 (part).)

13 Sec. 1103.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
14 board may prescribe:

15 (1) the method and manner of making purchases and  
16 expenditures by and for the district; and

17 (2) all accounting and control procedures. (Acts 59th  
18 Leg., R.S., Ch. 16, Sec. 9 (part).)

19 Sec. 1103.107. EMINENT DOMAIN. (a) The district may  
20 exercise the power of eminent domain to acquire a fee simple or  
21 other interest in any type of property located in district  
22 territory if the interest is necessary or convenient to a power,  
23 right, or privilege conferred by this chapter.

24 (b) The district must exercise the power of eminent domain  
25 in the manner provided by Chapter 21, Property Code. (Acts 59th  
26 Leg., R.S., Ch. 16, Sec. 12.)

27 Sec. 1103.108. GIFTS AND ENDOWMENTS. The board may accept

1 for the district a gift or endowment to be held in trust and  
2 administered by the board for the purposes and under any  
3 directions, limitations, or other provisions prescribed in writing  
4 by the donor that are not inconsistent with the proper management  
5 and objectives of the district. (Acts 59th Leg., R.S., Ch. 16, Sec.  
6 15.)

7       Sec. 1103.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
8 CARE AND TREATMENT. (a) The board may contract with a county or  
9 municipality located outside Swisher County for the care and  
10 treatment of a sick or injured person of that county or  
11 municipality.

12       (b) The board may contract with this state or a federal  
13 agency for the treatment of a sick or injured person for whom this  
14 state or the federal government is responsible. (Acts 59th Leg.,  
15 R.S., Ch. 16, Sec. 5 (part).)

16       Sec. 1103.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
17 When a patient who resides in the district is admitted to a district  
18 facility, the district administrator shall have an inquiry made  
19 into the circumstances of:

20             (1) the patient; and

21             (2) the patient's relatives legally liable for the  
22 patient's support.

23       (b) If the district administrator determines that the  
24 patient or those relatives cannot pay for all or part of the  
25 patient's care and treatment in the hospital, the amount that  
26 cannot be paid becomes a charge against the district.

27       (c) If the district administrator determines that the

1 patient or those relatives can pay for all or part of the patient's  
2 care and treatment, the patient or those relatives shall be ordered  
3 to pay the district a specified amount each week for the patient's  
4 support. The amount ordered must be proportionate to their  
5 financial ability and may not exceed the actual per capita cost of  
6 maintenance.

7 (d) The district administrator may collect the amount from  
8 the patient's estate, or from those relatives legally liable for  
9 the patient's support, in the manner provided by law for the  
10 collection of expenses of the last illness of a deceased person.

11 (e) If there is a dispute as to the ability to pay, or doubt  
12 in the mind of the district administrator, the board shall hold a  
13 hearing and, after calling witnesses, shall:

14 (1) resolve the dispute or doubt; and

15 (2) issue any appropriate order.

16 (f) A party to the dispute who is not satisfied with the  
17 order may appeal to the district court. The appeal shall be by  
18 trial de novo as that term is used in an appeal from a justice court  
19 to the county court. (Acts 59th Leg., R.S., Ch. 16, Sec. 14.)

20 Sec. 1103.111. AUTHORITY TO SUE AND BE SUED. The district,  
21 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.  
22 16, Sec. 5 (part).)

23 [Sections 1103.112-1103.150 reserved for expansion]

24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

25 Sec. 1103.151. BUDGET. (a) The district administrator  
26 shall prepare for approval by the board an annual budget that  
27 corresponds to the district's fiscal year.

1 (b) Not later than August 31 of each year, the board shall  
2 publish notice of a public hearing on the proposed budget. The  
3 notice must be published in a newspaper of general circulation in  
4 Swisher County at least 10 days before the date of the hearing.  
5 (Acts 59th Leg., R.S., Ch. 16, Secs. 6 (part), 16.)

6 Sec. 1103.152. FISCAL YEAR. The district shall operate on a  
7 fiscal year that begins on October 1 and ends on September 30.  
8 (Acts 59th Leg., R.S., Ch. 16, Sec. 6 (part).)

9 Sec. 1103.153. AUDIT. (a) The district shall have an audit  
10 made of the district's financial condition.

11 (b) The audit shall be open to inspection at all times at the  
12 district's principal office. (Acts 59th Leg., R.S., Ch. 16, Sec. 6  
13 (part).)

14 Sec. 1103.154. FINANCIAL REPORT. As soon as practicable  
15 after the close of each fiscal year, the district administrator  
16 shall prepare for the board:

17 (1) a complete sworn statement of all district money;  
18 and

19 (2) a complete account of the disbursements of that  
20 money. (Acts 59th Leg., R.S., Ch. 16, Sec. 6 (part).)

21 Sec. 1103.155. DEPOSITORY. (a) The board shall designate  
22 one or more banks in Swisher County to serve as a depository for  
23 district money.

24 (b) All district money shall be immediately deposited on  
25 receipt with a depository bank, except that sufficient money must  
26 be remitted to an appropriate bank to pay the principal of and  
27 interest on the district's outstanding bonds, or other obligations



1 assumed by the district, on or before the maturity date of the  
2 principal and interest.

3 (c) To the extent that money in a depository bank is not  
4 insured by the Federal Deposit Insurance Corporation, the money  
5 must be secured in the manner provided by law for the security of  
6 county funds.

7 (d) Membership on the district's board of an officer or  
8 director of a bank does not disqualify the bank from being  
9 designated as depository. (Acts 59th Leg., R.S., Ch. 16, Sec. 10.)

10 [Sections 1103.156-1103.200 reserved for expansion]

11 SUBCHAPTER E. BONDS

12 Sec. 1103.201. GENERAL OBLIGATION BONDS. The board may  
13 issue and sell general obligation bonds in the name and on the faith  
14 and credit of the district for any purpose related to the purchase,  
15 construction, acquisition, repair, or renovation of buildings or  
16 improvements, and equipping buildings or improvements for a  
17 hospital and the hospital system, as determined by the board. (Acts  
18 59th Leg., R.S., Ch. 16, Sec. 7 (part).)

19 Sec. 1103.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
20 the time general obligation bonds are issued by the district, the  
21 board shall impose an ad valorem tax at a rate sufficient to create  
22 an interest and sinking fund and to pay the principal of and  
23 interest on the bonds as the bonds mature.

24 (b) The tax required by this section together with any other  
25 ad valorem tax imposed for the district may not in any year exceed  
26 75 cents on each \$100 valuation of taxable property in the district.  
27 (Acts 59th Leg., R.S., Ch. 16, Sec. 7 (part).)

1           Sec. 1103.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
2 district may issue general obligation bonds only if the bonds are  
3 authorized by a majority of the district voters voting at an  
4 election held for that purpose.

5           (b) The board shall call the election. The election must be  
6 held in accordance with Chapter 1251, Government Code.

7           (c) The bond election order must specify:

8                 (1) the date of the election;

9                 (2) the location of the polling places;

10                (3) the presiding election officers;

11                (4) the amount of the bonds to be authorized;

12                (5) the maximum maturity of the bonds; and

13                (6) the maximum interest rate of the bonds. (Acts 59th  
14 Leg., R.S., Ch. 16, Sec. 7 (part).)

15           Sec. 1103.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
16 board president shall execute the general obligation bonds in the  
17 district's name and the board secretary shall attest the bonds as  
18 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,  
19 Ch. 16, Sec. 7 (part).)

20           Sec. 1103.205. REFUNDING BONDS. (a) District refunding  
21 bonds may, without an election, be issued to refund any bonds issued  
22 or assumed by the district.

23           (b) A refunding bond may be:

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

26                 (2) exchanged wholly or partly for not less than a  
27 similar principal amount of the outstanding bonds. (Acts 59th

1 Leg., R.S., Ch. 16, Sec. 7 (part).)

2 Sec. 1103.206. BONDS EXEMPT FROM TAXATION. The following  
3 are exempt from taxation by this state or a political subdivision of  
4 this state:

- 5 (1) any bonds issued by the district;
- 6 (2) the transfer and issuance of the bonds; and
- 7 (3) any profits made in the sale of the bonds. (Acts  
8 59th Leg., R.S., Ch. 16, Sec. 8 (part).)

9 Sec. 1103.207. ANTICIPATION NOTES AND CERTIFICATES OF  
10 OBLIGATION. The board may issue:

- 11 (1) anticipation notes under Chapter 1431, Government  
12 Code; and
- 13 (2) certificates of obligation under Subchapter C,  
14 Chapter 271, Local Government Code. (Acts 59th Leg., R.S., Ch. 16,  
15 Sec. 7A.)

16 [Sections 1103.208-1103.250 reserved for expansion]

17 SUBCHAPTER F. GENERAL TAX PROVISIONS

18 Sec. 1103.251. IMPOSITION OF AD VALOREM TAX. (a) The  
19 district may impose a tax on all taxable property in the district  
20 subject to district taxation.

21 (b) The tax may be used to meet the requirements of:

- 22 (1) district bonds;
- 23 (2) indebtedness assumed by the district; and
- 24 (3) district maintenance and operating expenses.  
25 (Acts 59th Leg., R.S., Ch. 16, Secs. 3 (part), 13 (part).)

26 Sec. 1103.252. TAX RATE. The district may impose the tax at  
27 a rate not to exceed 75 cents on each \$100 valuation of taxable

1 property in the district. (Acts 59th Leg., R.S., Ch. 16, Sec. 3  
2 (part).)

3 Sec. 1103.253. TAX ASSESSOR-COLLECTOR. The tax  
4 assessor-collector of Swisher County shall assess and collect taxes  
5 imposed by the district. (Acts 59th Leg., R.S., Ch. 16, Sec. 13  
6 (part).)

7 CHAPTER 1104. TEAGUE HOSPITAL DISTRICT

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 1104.001. DEFINITIONS

10 Sec. 1104.002. AUTHORITY FOR OPERATION

11 Sec. 1104.003. ESSENTIAL PUBLIC FUNCTION

12 Sec. 1104.004. DISTRICT TERRITORY

13 Sec. 1104.005. DISTRICT SUPPORT AND MAINTENANCE NOT

14 STATE OBLIGATION

15 Sec. 1104.006. RESTRICTION ON STATE FINANCIAL

16 ASSISTANCE

17 [Sections 1104.007-1104.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 1104.051. BOARD ELECTION; TERMS

20 Sec. 1104.052. NOTICE OF ELECTION

21 Sec. 1104.053. BALLOT PETITION

22 Sec. 1104.054. QUALIFICATIONS FOR OFFICE

23 Sec. 1104.055. BOND

24 Sec. 1104.056. BOARD VACANCY

25 Sec. 1104.057. OFFICERS

26 Sec. 1104.058. COMPENSATION; EXPENSES

27 Sec. 1104.059. VOTING REQUIREMENT

- 1 Sec. 1104.060. DISTRICT ADMINISTRATOR  
2 Sec. 1104.061. GENERAL DUTIES OF DISTRICT  
3 ADMINISTRATOR  
4 Sec. 1104.062. ASSISTANT DISTRICT ADMINISTRATOR;  
5 ATTORNEY  
6 Sec. 1104.063. APPOINTMENT OF STAFF AND EMPLOYEES  
7 Sec. 1104.064. RETIREMENT BENEFITS  
8 [Sections 1104.065-1104.100 reserved for expansion]  
9 SUBCHAPTER C. POWERS AND DUTIES  
10 Sec. 1104.101. DISTRICT RESPONSIBILITY  
11 Sec. 1104.102. RESTRICTION ON MUNICIPAL TAXATION AND  
12 DEBT  
13 Sec. 1104.103. MANAGEMENT, CONTROL, AND ADMINISTRATION  
14 Sec. 1104.104. RULES  
15 Sec. 1104.105. PURCHASING AND ACCOUNTING PROCEDURES  
16 Sec. 1104.106. DISTRICT PROPERTY, FACILITIES, AND  
17 EQUIPMENT  
18 Sec. 1104.107. EMINENT DOMAIN  
19 Sec. 1104.108. COST OF RELOCATING OR ALTERING PROPERTY  
20 Sec. 1104.109. GIFTS AND ENDOWMENTS  
21 Sec. 1104.110. CONSTRUCTION CONTRACTS  
22 Sec. 1104.111. OPERATING AND MANAGEMENT CONTRACTS  
23 Sec. 1104.112. CONTRACTS WITH GOVERNMENTAL ENTITIES  
24 FOR SERVICES  
25 Sec. 1104.113. PAYMENT FOR TREATMENT; PROCEDURES  
26 Sec. 1104.114. REIMBURSEMENT FOR SERVICES  
27 Sec. 1104.115. AUTHORITY TO SUE AND BE SUED

1 [Sections 1104.116-1104.150 reserved for expansion]

2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3 Sec. 1104.151. BUDGET

4 Sec. 1104.152. NOTICE; HEARING; ADOPTION OF BUDGET

5 Sec. 1104.153. AMENDMENTS TO BUDGET

6 Sec. 1104.154. RESTRICTION ON EXPENDITURES

7 Sec. 1104.155. FISCAL YEAR

8 Sec. 1104.156. ANNUAL AUDIT

9 Sec. 1104.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT

10 RECORDS

11 Sec. 1104.158. FINANCIAL REPORT

12 Sec. 1104.159. DEPOSITORY

13 Sec. 1104.160. SPENDING AND INVESTMENT RESTRICTIONS

14 [Sections 1104.161-1104.200 reserved for expansion]

15 SUBCHAPTER E. BONDS

16 Sec. 1104.201. GENERAL OBLIGATION BONDS

17 Sec. 1104.202. TAX TO PAY GENERAL OBLIGATION BONDS

18 Sec. 1104.203. GENERAL OBLIGATION BOND ELECTION

19 Sec. 1104.204. REVENUE BONDS

20 Sec. 1104.205. REFUNDING BONDS

21 Sec. 1104.206. MATURITY OF BONDS

22 Sec. 1104.207. EXECUTION OF BONDS

23 Sec. 1104.208. BONDS EXEMPT FROM TAXATION

24 [Sections 1104.209-1104.250 reserved for expansion]

25 SUBCHAPTER F. TAXES

26 Sec. 1104.251. IMPOSITION OF AD VALOREM TAX

27 Sec. 1104.252. TAX RATE

1 Sec. 1104.253. ELECTION TO INCREASE MAXIMUM TAX RATE

2 Sec. 1104.254. TAX ASSESSOR-COLLECTOR

3 [Sections 1104.255-1104.300 reserved for expansion]

4 SUBCHAPTER G. DISSOLUTION

5 Sec. 1104.301. DISSOLUTION; ELECTION

6 Sec. 1104.302. NOTICE OF ELECTION

7 Sec. 1104.303. BALLOT

8 Sec. 1104.304. ELECTION RESULTS

9 Sec. 1104.305. DIRECTORS IN OFFICE AFTER DISSOLUTION

10 Sec. 1104.306. IMPOSITION OF TAX; TRANSFER OF DEBTS

11 Sec. 1104.307. DISPOSITION OR TRANSFER OF ASSETS AND  
12 DEBTS

13 Sec. 1104.308. SPENDING RESTRICTIONS

14 Sec. 1104.309. REPORT; DISSOLUTION ORDER

15 CHAPTER 1104. TEAGUE HOSPITAL DISTRICT

16 SUBCHAPTER A. GENERAL PROVISIONS

17 Sec. 1104.001. DEFINITIONS. In this chapter:

18 (1) "Board" means the board of directors of the  
19 district.

20 (2) "Director" means a member of the board.

21 (3) "District" means the Teague Hospital District.

22 (Acts 68th Leg., R.S., Ch. 1055, Sec. 1.01.)

23 Sec. 1104.002. AUTHORITY FOR OPERATION. The Teague  
24 Hospital District operates and is financed as provided by Section  
25 9, Article IX, Texas Constitution, and by this chapter. (Acts 68th  
26 Leg., R.S., Ch. 1055, Sec. 1.02.)

27 Sec. 1104.003. ESSENTIAL PUBLIC FUNCTION. The district is

1 a public entity performing an essential public function. (Acts  
2 68th Leg., R.S., Ch. 1055, Sec. 7.11 (part).)

3 Sec. 1104.004. DISTRICT TERRITORY. The boundaries of the  
4 district are coextensive with the boundaries of the Teague  
5 Independent School District as those boundaries existed on June 19,  
6 1983. (Acts 68th Leg., R.S., Ch. 1055, Sec. 1.03.)

7 Sec. 1104.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
8 OBLIGATION. This state may not become obligated for the support or  
9 maintenance of the district. (Acts 68th Leg., R.S., Ch. 1055, Sec.  
10 10.01 (part).)

11 Sec. 1104.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
12 The legislature may not make a direct appropriation for the  
13 construction, maintenance, or improvement of a district facility.  
14 (Acts 68th Leg., R.S., Ch. 1055, Sec. 10.01 (part).)

15 [Sections 1104.007-1104.050 reserved for expansion]

16 SUBCHAPTER B. DISTRICT ADMINISTRATION

17 Sec. 1104.051. BOARD ELECTION; TERMS. (a) The district is  
18 governed by a board of seven directors elected from the district at  
19 large.

20 (b) Directors serve staggered two-year terms unless  
21 four-year terms are established under Section 285.081, Health and  
22 Safety Code. (Acts 68th Leg., R.S., Ch. 1055, Secs. 4.01(a),  
23 4.03(a), (c).)

24 Sec. 1104.052. NOTICE OF ELECTION. At least 35 days before  
25 the date of a directors' election, notice of the election must be  
26 published one time in a newspaper with general circulation in the  
27 district. (Acts 68th Leg., R.S., Ch. 1055, Sec. 4.04.)



1           Sec. 1104.053. BALLOT PETITION. A person who wants to have  
2 the person's name printed on the ballot as a candidate for director  
3 must file with the board secretary a petition requesting that  
4 action. The petition must be:

5           (1) signed by at least 50 registered voters of the  
6 district, as determined by the most recent official lists of  
7 registered voters; and

8           (2) filed by the deadline imposed by Section 144.005,  
9 Election Code. (Acts 68th Leg., R.S., Ch. 1055, Sec. 4.05.)

10          Sec. 1104.054. QUALIFICATIONS FOR OFFICE. (a) To be  
11 eligible to be a candidate for or to serve as a director, a person  
12 must be:

13           (1) a resident of the district; and

14           (2) a qualified voter.

15          (b) A district employee may not serve as a director. (Acts  
16 68th Leg., R.S., Ch. 1055, Sec. 4.06.)

17          Sec. 1104.055. BOND. (a) Before assuming the duties of  
18 office, each director must execute a bond for \$5,000 that is:

19           (1) payable to the district; and

20           (2) conditioned on the faithful performance of the  
21 director's duties.

22          (b) The board may pay for directors' bonds with district  
23 money.

24          (c) Each director's bond shall be kept in the district's  
25 permanent records. (Acts 68th Leg., R.S., Ch. 1055, Sec. 4.07.)

26          Sec. 1104.056. BOARD VACANCY. If a vacancy occurs in the  
27 office of director, the remaining directors shall appoint a

1 director for the unexpired term. (Acts 68th Leg., R.S., Ch. 1055,  
2 Sec. 4.08.)

3       Sec. 1104.057. OFFICERS. (a) The board shall elect from  
4 among its members a president, a vice president, and a secretary.

5       (b) Each officer of the board serves a one-year term.

6       (c) The board shall fill a vacancy in a board office for the  
7 unexpired term. (Acts 68th Leg., R.S., Ch. 1055, Secs. 4.09, 4.10.)

8       Sec. 1104.058. COMPENSATION; EXPENSES. A director or  
9 officer serves without compensation but may be reimbursed for  
10 actual expenses incurred in the performance of official duties.  
11 The expenses must be:

12               (1) reported in the district's records; and

13               (2) approved by the board. (Acts 68th Leg., R.S., Ch.  
14 1055, Sec. 4.11.)

15       Sec. 1104.059. VOTING REQUIREMENT. A concurrence of a  
16 majority of the directors voting is necessary in any matter  
17 relating to district business. (Acts 68th Leg., R.S., Ch. 1055,  
18 Sec. 4.12.)

19       Sec. 1104.060. DISTRICT ADMINISTRATOR. (a) The board may  
20 appoint a qualified person as district administrator.

21       (b) The district administrator serves at the will of the  
22 board and is entitled to compensation as determined by the board.

23       (c) Before assuming the duties of district administrator,  
24 the administrator must execute a bond in an amount determined by the  
25 board of not less than \$5,000 that is:

26               (1) payable to the district; and

27               (2) conditioned on the faithful performance of the

1 administrator's duties under this chapter.

2 (d) The board may pay for the bond with district money.  
3 (Acts 68th Leg., R.S., Ch. 1055, Secs. 4.13(a) (part), (b) (part),  
4 (c) (part), (d).)

5 Sec. 1104.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
6 Subject to the limitations prescribed by the board, the district  
7 administrator shall:

8 (1) supervise the work and activities of the district;  
9 and

10 (2) direct the general affairs of the district. (Acts  
11 68th Leg., R.S., Ch. 1055, Sec. 4.16.)

12 Sec. 1104.062. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

13 (a) The board may appoint qualified persons as:

14 (1) the assistant district administrator; and

15 (2) the attorney for the district.

16 (b) The assistant district administrator and the attorney  
17 for the district serve at the will of the board and are entitled to  
18 compensation as determined by the board. (Acts 68th Leg., R.S., Ch.  
19 1055, Secs. 4.13(a) (part), (b) (part), (c) (part).)

20 Sec. 1104.063. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
21 board may appoint to the staff any doctors the board considers  
22 necessary for the efficient operation of the district and may make  
23 temporary appointments as considered necessary.

24 (b) The district may employ technicians, nurses, fiscal  
25 agents, accountants, architects, additional attorneys, and other  
26 necessary employees.

27 (c) The board may delegate to the district administrator the

1 authority to employ persons for the district. (Acts 68th Leg.,  
2 R.S., Ch. 1055, Secs. 4.14, 4.15.)

3 Sec. 1104.064. RETIREMENT BENEFITS. The board may provide  
4 retirement benefits for district employees by:

5 (1) establishing or administering a retirement  
6 program; or

7 (2) participating in:

8 (A) the Texas County and District Retirement  
9 System; or

10 (B) another statewide retirement system in which  
11 the district is eligible to participate. (Acts 68th Leg., R.S., Ch.  
12 1055, Sec. 4.17.)

13 [Sections 1104.065-1104.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 1104.101. DISTRICT RESPONSIBILITY. The district has  
16 full responsibility for operating hospital facilities and for  
17 providing medical and hospital care for the district's needy  
18 inhabitants. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.02 (part).)

19 Sec. 1104.102. RESTRICTION ON MUNICIPAL TAXATION AND DEBT.  
20 The City of Teague may not impose a tax or issue bonds or other  
21 obligations for hospital purposes or to provide medical care for  
22 district residents. (Acts 68th Leg., R.S., Ch. 1055, Sec.  
23 5.01(b).)

24 Sec. 1104.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
25 The board shall manage, control, and administer the hospital system  
26 and the district's money and resources. (Acts 68th Leg., R.S., Ch.  
27 1055, Sec. 5.03.)

1           Sec. 1104.104. RULES. The board may adopt rules governing:

2           (1) the operation of the hospital and hospital system;

3 and

4           (2) the duties, functions, and responsibilities of  
5 district staff and employees. (Acts 68th Leg., R.S., Ch. 1055, Sec.  
6 5.04.)

7           Sec. 1104.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
8 board may prescribe:

9           (1) the method of making purchases and expenditures by  
10 and for the district; and

11           (2) accounting and control procedures for the  
12 district. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.05.)

13           Sec. 1104.106. DISTRICT PROPERTY, FACILITIES, AND  
14 EQUIPMENT. (a) The board shall determine:

15           (1) the type, number, and location of buildings  
16 required to maintain an adequate hospital system; and

17           (2) the type of equipment necessary for hospital care.

18           (b) The board may:

19           (1) acquire property, including facilities and  
20 equipment, for the district for use in the hospital system; and

21           (2) mortgage or pledge the property as security for  
22 payment of the purchase price.

23           (c) The board may lease hospital facilities for the  
24 district.

25           (d) The board may sell or otherwise dispose of property,  
26 including facilities or equipment, for the district. (Acts 68th  
27 Leg., R.S., Ch. 1055, Sec. 5.06.)

1           Sec. 1104.107. EMINENT DOMAIN. (a) The district may  
2 exercise the power of eminent domain to acquire a fee simple or  
3 other interest in property located in district territory if the  
4 interest is necessary to exercise a right or authority conferred by  
5 this chapter.

6           (b) The district must exercise the power of eminent domain  
7 in the manner provided by Chapter 21, Property Code, except the  
8 district is not required to deposit in the trial court money or a  
9 bond as provided by Section 21.021(a), Property Code.

10          (c) In a condemnation proceeding brought by the district,  
11 the district is not required to:

12                 (1) pay in advance or provide a bond or other security  
13 for costs in the trial court;

14                 (2) provide a bond for the issuance of a temporary  
15 restraining order or a temporary injunction; or

16                 (3) provide a bond for costs or a supersedeas bond on  
17 an appeal or petition for review. (Acts 68th Leg., R.S., Ch. 1055,  
18 Sec. 5.09.)

19          Sec. 1104.108. COST OF RELOCATING OR ALTERING PROPERTY. In  
20 exercising the power of eminent domain, if the board requires  
21 relocating, raising, lowering, rerouting, changing the grade, or  
22 altering the construction of any railroad, highway, pipeline, or  
23 electric transmission, telegraph, or telephone line, conduit,  
24 pole, or facility, the district must bear the actual cost of  
25 relocating, raising, lowering, rerouting, changing the grade, or  
26 altering the construction to provide comparable replacement  
27 without enhancement of facilities, after deducting the net salvage

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1 value derived from the old facility. (Acts 68th Leg., R.S., Ch.  
2 1055, Sec. 5.10.)

3       Sec. 1104.109. GIFTS AND ENDOWMENTS. The board may accept  
4 for the district a gift or endowment to be held in trust for any  
5 purpose and under any direction, limitation, or other provision  
6 prescribed in writing by the donor that is consistent with the  
7 proper management of the district. (Acts 68th Leg., R.S., Ch. 1055,  
8 Sec. 5.14.)

9       Sec. 1104.110. CONSTRUCTION CONTRACTS. (a) The board may  
10 enter into construction contracts for the district.

11       (b) The board may enter into a construction contract that  
12 involves the expenditure of more than the amount provided by  
13 Section 271.024, Local Government Code, only after competitive  
14 bidding as provided by Subchapter B, Chapter 271, Local Government  
15 Code. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.07(a).)

16       Sec. 1104.111. OPERATING AND MANAGEMENT CONTRACTS. The  
17 board may enter into an operating or management contract relating  
18 to a hospital facility for the district. (Acts 68th Leg., R.S., Ch.  
19 1055, Sec. 5.08.)

20       Sec. 1104.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
21 SERVICES. The board may contract with a political subdivision of  
22 this state or with a state or federal agency for the district to:

- 23           (1) furnish a mobile emergency medical service; or
- 24           (2) provide for the investigatory or welfare needs of
- 25 district inhabitants. (Acts 68th Leg., R.S., Ch. 1055, Sec. 5.13.)

26       Sec. 1104.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
27 When an individual who resides in the district is admitted as a

1 patient to a district facility, the district administrator may have  
2 an inquiry made into the financial circumstances of:

- 3           (1) the patient; and  
4           (2) a relative of the patient legally responsible for  
5 the patient's support.

6           (b) To the extent that the patient or a relative of the  
7 patient legally responsible for the patient's support cannot pay  
8 for care and treatment provided by the district, the district shall  
9 supply the care and treatment without charging the patient or the  
10 patient's relative.

11           (c) On determining that the patient or a relative legally  
12 responsible for the patient's support can pay for all or part of the  
13 care and treatment provided by the district, the district  
14 administrator shall report that determination to the board, and the  
15 board shall issue an order directing the patient or the relative to  
16 pay the district a specified amount each week. The amount must be  
17 based on the individual's ability to pay.

18           (d) The district administrator may collect money owed to the  
19 district from the patient's estate or from that of a relative  
20 legally responsible for the patient's support in the manner  
21 provided by law for the collection of expenses in the last illness  
22 of a deceased person.

23           (e) If there is a dispute relating to an individual's  
24 ability to pay or if the district administrator has any doubt  
25 concerning an individual's ability to pay, the board shall:

- 26           (1) call witnesses;  
27           (2) hear and resolve the question; and



1 (3) issue a final order.

2 (f) The final order of the board may be appealed to a  
3 district court in the county in which the district is located. The  
4 substantial evidence rule applies to the appeal. (Acts 68th Leg.,  
5 R.S., Ch. 1055, Sec. 5.11.)

6 Sec. 1104.114. REIMBURSEMENT FOR SERVICES. (a) The board  
7 shall require a county or municipality located outside the district  
8 to reimburse the district for the district's care and treatment of a  
9 sick or injured person of that county or municipality.

10 (b) On behalf of the district, the board may contract with  
11 the state or federal government for that government to reimburse  
12 the district for treatment of a sick or injured person. (Acts 68th  
13 Leg., R.S., Ch. 1055, Sec. 5.12.)

14 Sec. 1104.115. AUTHORITY TO SUE AND BE SUED. The board may  
15 sue and be sued on behalf of the district. (Acts 68th Leg., R.S.,  
16 Ch. 1055, Sec. 5.15.)

17 [Sections 1104.116-1104.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 1104.151. BUDGET. (a) The district administrator  
20 shall prepare a proposed annual budget for the district.

21 (b) The proposed budget must contain a complete financial  
22 statement, including a statement of:

23 (1) the outstanding obligations of the district;

24 (2) the amount of cash on hand to the credit of each  
25 district fund;

26 (3) the amount of money received by the district from  
27 all sources during the previous year;

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1           (4) the amount of money available to the district from  
2 all sources during the ensuing year;

3           (5) the amount of the balances expected at the end of  
4 the year in which the budget is being prepared;

5           (6) the estimated amount of revenue and balances  
6 available to cover the proposed budget; and

7           (7) the estimated tax rate required. (Acts 68th Leg.,  
8 R.S., Ch. 1055, Sec. 6.04.)

9           Sec. 1104.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)

10 The board shall hold a public hearing on the proposed annual budget.

11           (b) The board shall publish notice of the hearing in a  
12 newspaper of general circulation in the district not later than the  
13 10th day before the date of the hearing.

14           (c) Any district resident is entitled to be present and  
15 participate at the hearing.

16           (d) At the conclusion of the hearing, the board shall adopt  
17 a budget by acting on the budget proposed by the district  
18 administrator. The board may make any changes in the proposed  
19 budget that the board judges to be in the interests of the  
20 taxpayers.

21           (e) The budget is effective only after adoption by the  
22 board. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.05.)

23           Sec. 1104.153. AMENDMENTS TO BUDGET. After the annual  
24 budget is adopted, the budget may be amended on the board's  
25 approval. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.06.)

26           Sec. 1104.154. RESTRICTION ON EXPENDITURES. Money may be  
27 spent only for an expense included in the annual budget or an

1 amendment to the budget. (Acts 68th Leg., R.S., Ch. 1055, Sec.  
2 6.07.)

3       Sec. 1104.155. FISCAL YEAR. (a) The district operates  
4 according to a fiscal year established by the board.

5       (b) The fiscal year may not be changed:

6           (1) during a period that revenue bonds of the district  
7 are outstanding; or

8           (2) more than once in a 24-month period. (Acts 68th  
9 Leg., R.S., Ch. 1055, Sec. 6.01.)

10       Sec. 1104.156. ANNUAL AUDIT. The board annually shall have  
11 an audit made of the district's financial condition. (Acts 68th  
12 Leg., R.S., Ch. 1055, Sec. 6.02.)

13       Sec. 1104.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
14 RECORDS. The annual audit and other district records shall be open  
15 to inspection during regular business hours at the district's  
16 principal office. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.03.)

17       Sec. 1104.158. FINANCIAL REPORT. As soon as practicable  
18 after the close of the fiscal year, the district administrator  
19 shall prepare for the board:

20           (1) a sworn statement of the amount of district money;  
21 and

22           (2) an account of the disbursements of that money.  
23 (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.08.)

24       Sec. 1104.159. DEPOSITORY. (a) The board shall select at  
25 least one bank to serve as a depository for district money.

26       (b) District money, other than money invested as provided by  
27 Section 1104.160(b) and money transmitted to a bank for payment of

1 bonds or obligations issued or assumed by the district, shall be  
2 deposited as received with the depository bank and shall remain on  
3 deposit. This subsection does not limit the power of the board to:

- 4 (1) place a part of district money on time deposit; or
- 5 (2) purchase certificates of deposit. (Acts 68th  
6 Leg., R.S., Ch. 1055, Secs. 6.10(a), (b).)

7 Sec. 1104.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
8 Except as provided by Sections 1104.110, 1104.201, 1104.204, and  
9 1104.205, the district may not incur a debt payable from district  
10 revenue other than the revenue on hand or to be on hand in the  
11 current and immediately following district fiscal years.

12 (b) The board may invest operating, depreciation, or  
13 building reserves only in funds or securities specified by Chapter  
14 2256, Government Code. (Acts 68th Leg., R.S., Ch. 1055, Sec. 6.09.)

15 [Sections 1104.161-1104.200 reserved for expansion]

16 SUBCHAPTER E. BONDS

17 Sec. 1104.201. GENERAL OBLIGATION BONDS. If authorized by  
18 an election, the board may issue and sell general obligation bonds  
19 in the name and on the faith and credit of the district to:

20 (1) purchase, construct, acquire, repair, or renovate  
21 buildings or improvements; or

22 (2) equip buildings or improvements for hospital  
23 purposes. (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.01.)

24 Sec. 1104.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
25 the time general obligation bonds are issued by the district, the  
26 board shall impose an ad valorem tax at a rate sufficient to create  
27 an interest and sinking fund to pay the principal of and interest on

1 the bonds as the bonds mature.

2 (b) The tax required by this section together with any other  
3 ad valorem tax the district imposes may not in any year exceed the  
4 limit approved by the voters at the election authorizing the  
5 imposition of the tax. (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.02.)

6 Sec. 1104.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
7 district may issue general obligation bonds only if the bonds are  
8 authorized by a majority of the district voters.

9 (b) The board may order a bond election.

10 (c) The order calling the election must specify:

- 11 (1) the nature and date of the election;  
12 (2) the hours during which the polls will be open;  
13 (3) the location of the polling places;  
14 (4) the amount of the bonds to be authorized; and  
15 (5) the maximum maturity of the bonds.

16 (d) Notice of a bond election shall be given as provided by  
17 Section 1251.003, Government Code.

18 (e) The board shall declare the results of the election.  
19 (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.03.)

20 Sec. 1104.204. REVENUE BONDS. (a) The board may issue  
21 revenue bonds to:

- 22 (1) purchase, construct, acquire, repair, equip, or  
23 renovate buildings or improvements for hospital purposes; or  
24 (2) acquire sites to be used for hospital purposes.

25 (b) The bonds must be payable from and secured by a pledge of  
26 all or part of the revenue derived from the operation of the  
27 district's hospital system.

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

3 (d) The bonds must be issued in the manner provided by  
4 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049,  
5 Health and Safety Code, for issuance of revenue bonds by a county  
6 hospital authority. (Acts 68th Leg., R.S., Ch. 1055, Sec. 7.04.)

7 Sec. 1104.205. REFUNDING BONDS. (a) District refunding  
8 bonds may be issued to refund outstanding indebtedness issued or  
9 assumed by the district.

10 (b) A refunding bond may be:

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

13 (2) exchanged wholly or partly for not less than a  
14 similar principal amount of outstanding indebtedness. (Acts 68th  
15 Leg., R.S., Ch. 1055, Secs. 7.05(a), (c) (part).)

16 Sec. 1104.206. MATURITY OF BONDS. District bonds must  
17 mature not later than 50 years after the date of issuance. (Acts  
18 68th Leg., R.S., Ch. 1055, Sec. 7.06 (part).)

19 Sec. 1104.207. EXECUTION OF BONDS. The board president  
20 shall execute the district's bonds in the district's name, and the  
21 board secretary shall countersign the bonds in the manner provided  
22 by Chapter 618, Government Code. (Acts 68th Leg., R.S., Ch. 1055,  
23 Sec. 7.07.)

24 Sec. 1104.208. BONDS EXEMPT FROM TAXATION. The following  
25 are exempt from taxation by this state or a political subdivision of  
26 this state:

27 (1) bonds issued by the district;

1 (2) any transaction relating to the bonds; and

2 (3) profits made in the sale of the bonds. (Acts 68th  
3 Leg., R.S., Ch. 1055, Sec. 7.11 (part).)

4 [Sections 1104.209-1104.250 reserved for expansion]

5 SUBCHAPTER F. TAXES

6 Sec. 1104.251. IMPOSITION OF AD VALOREM TAX. (a) The board  
7 shall impose a tax on all property in the district subject to  
8 district taxation.

9 (b) The tax may be used to pay:

10 (1) the general obligation bonds issued and the  
11 indebtedness assumed by the district; and

12 (2) district maintenance and operating expenses.

13 (c) The district may not impose a tax to pay the principal of  
14 or interest on revenue bonds issued under this chapter. (Acts 68th  
15 Leg., R.S., Ch. 1055, Secs. 8.01(a) (part), (c), (d), 8.02(b).)

16 Sec. 1104.252. TAX RATE. (a) The board may impose the tax  
17 at a rate not to exceed the limit approved by the voters at the  
18 election authorizing the imposition of the tax.

19 (b) Unless the rate is increased as provided by Section  
20 1104.253, the tax rate for all purposes may not exceed five cents on  
21 each \$100 valuation of all taxable property in the district.

22 (c) In setting the tax rate, the board shall consider the  
23 income of the district from sources other than taxation. (Acts 68th  
24 Leg., R.S., Ch. 1055, Secs. 8.01(a) (part), (b), 8.03 (part).)

25 Sec. 1104.253. ELECTION TO INCREASE MAXIMUM TAX RATE. (a)  
26 The board may order an election to increase the district's maximum  
27 tax rate to 12 cents on each \$100 valuation of taxable property in

1 the district. The board shall order the election if the board  
2 receives a petition requesting an election that is signed by at  
3 least 50 registered voters in the district.

4 (b) The ballot for the election shall be printed to permit  
5 voting for or against the proposition: "The imposition of annual  
6 taxes by the district for hospital purposes at a rate not to exceed  
7 12 cents on the \$100 valuation of all taxable property in the  
8 district."

9 (c) If the board finds that the election results favor the  
10 proposition, the board may impose taxes as authorized by the  
11 proposition. If the board finds that the election results do not  
12 favor the proposition, another election on the question of  
13 increasing the district's maximum tax rate may not be held before  
14 the first anniversary of the date of the most recent election at  
15 which voters disapproved the proposition.

16 (d) Section 41.001(a), Election Code, does not apply to an  
17 election ordered under this section. (Acts 68th Leg., R.S., Ch.  
18 1055, Secs. 8.01A(a), (b) (part), (c) (part), (d) (part).)

19 Sec. 1104.254. TAX ASSESSOR-COLLECTOR. The board may  
20 provide for the appointment of a tax assessor-collector for the  
21 district or may contract for the assessment and collection of taxes  
22 as provided by the Tax Code. (Acts 68th Leg., R.S., Ch. 1055, Sec.  
23 8.04(b).)

24 [Sections 1104.255-1104.300 reserved for expansion]

25 SUBCHAPTER G. DISSOLUTION

26 Sec. 1104.301. DISSOLUTION; ELECTION. (a) The district  
27 may be dissolved only on approval of a majority of the district



1 voters voting in an election held for that purpose.

2 (b) A majority of the board may order that a dissolution  
3 election be held.

4 (c) If the board receives a petition requesting an election  
5 that is signed by at least 10 percent of the registered voters of  
6 the district, according to the most recent official list of  
7 registered voters, the board shall order an election to be held.  
8 The election shall be called not later than the 60th day after the  
9 date the petition is presented to the district.

10 (d) The order calling the election must state:

11 (1) the nature of the election, including the  
12 proposition to appear on the ballot;

13 (2) the date of the election;

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

15 (4) the location of the polling places.

16 (e) Section 41.001(a), Election Code, does not apply to an  
17 election ordered under this section. (Acts 68th Leg., R.S., Ch.  
18 1055, Secs. 9.01, 9.02, 9.03, 9.05(b).)

19 Sec. 1104.302. NOTICE OF ELECTION. (a) The board shall  
20 give notice of an election under this subchapter by publishing once  
21 a week for two consecutive weeks a substantial copy of the election  
22 order in a newspaper with general circulation in the district.

23 (b) The first publication must appear at least 35 days  
24 before the date set for the election. (Acts 68th Leg., R.S., Ch.  
25 1055, Sec. 9.04.)

26 Sec. 1104.303. BALLOT. The ballot for an election under  
27 this subchapter must be printed to permit voting for or against the

1 proposition: "The dissolution of the Teague Hospital District."  
2 (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.06.)

3       Sec. 1104.304. ELECTION RESULTS. (a) If the board finds  
4 that the election results favor the proposition to dissolve the  
5 district, the board shall:

6             (1) issue an order declaring the district be  
7 dissolved; and

8             (2) specify in the order the date the dissolution  
9 takes effect.

10       (b) If the board finds that the election results do not  
11 favor the proposition to dissolve the district, another dissolution  
12 election may not be held before the first anniversary of the date of  
13 the election at which the voters disapproved the proposition.  
14 (Acts 68th Leg., R.S., Ch. 1055, Secs. 9.07(b), (c).)

15       Sec. 1104.305. DIRECTORS IN OFFICE AFTER DISSOLUTION. The  
16 directors in office on the date of the dissolution shall continue in  
17 office, without further election, until:

18             (1) the affairs of the district are effectively  
19 concluded; and

20             (2) all duties or acts required of the board are  
21 completed. (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.08(c).)

22       Sec. 1104.306. IMPOSITION OF TAX; TRANSFER OF DEBTS. After  
23 issuing the dissolution order, the board shall determine the debt  
24 owed by the district and shall:

25             (1) impose on property subject to taxation in the  
26 district a tax in proportion of the debt to the property value and  
27 use the tax revenue to pay the district's bonds or satisfy other

1 district debts; or

2 (2) transfer the district's debts to any governmental  
3 entity assuming responsibility after dissolution of the district  
4 for providing hospital care in the territory included in the  
5 district. (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.08(a).)

6 Sec. 1104.307. DISPOSITION OR TRANSFER OF ASSETS AND DEBTS.

7 (a) The board may not dispose of or transfer the district's assets  
8 except for due compensation unless:

9 (1) the debts are transferred to another governmental  
10 entity embracing the district; and

11 (2) the transferred assets are used for the benefit of  
12 citizens formerly in the district.

13 (b) If the board transfers the district's debts to another  
14 governmental entity, the board shall also transfer to that  
15 governmental entity:

16 (1) title to land, buildings, improvements, and  
17 equipment related to the hospital system owned by the district; and

18 (2) operating money and reserves for operating  
19 expenses and money budgeted by the district to provide medical care  
20 for district residents for the remainder of the fiscal year in which  
21 the district is dissolved. (Acts 68th Leg., R.S., Ch. 1055, Secs.  
22 9.08(b), (d) (part).)

23 Sec. 1104.308. SPENDING RESTRICTIONS. After the effective  
24 date of the district's dissolution, the board may not spend any  
25 money except as authorized together with all reasonable dissolution  
26 expenses and the district's legal debts incurred before that date.  
27 (Acts 68th Leg., R.S., Ch. 1055, Sec. 9.08(d) (part).)

1           Sec. 1104.309. REPORT; DISSOLUTION ORDER. (a) After the  
2 district has paid all district debts and has disposed of all  
3 district money and other assets as prescribed by this subchapter,  
4 the board shall file a written report with the Commissioners Court  
5 of Freestone County summarizing the board's actions in dissolving  
6 the district. The report must include a summary of the district's  
7 debts.

8           (b) Not later than the 10th day after the date the  
9 Commissioners Court of Freestone County receives the report, the  
10 commissioners court shall:

11                   (1) determine whether the board has fulfilled the  
12 requirements of this subchapter; and

13                   (2) if the commissioners court determines the board  
14 has fulfilled its duties, enter an order to that effect.

15           (c) On entry of an order under Subsection (b)(2), the  
16 directors are discharged from liability under their bonds. (Acts  
17 68th Leg., R.S., Ch. 1055, Sec. 9.08(e).)

18                   CHAPTER 1105. TERRY MEMORIAL HOSPITAL DISTRICT

19                           SUBCHAPTER A. GENERAL PROVISIONS

20           Sec. 1105.001. DEFINITIONS

21           Sec. 1105.002. AUTHORITY FOR CREATION

22           Sec. 1105.003. ESSENTIAL PUBLIC FUNCTION

23           Sec. 1105.004. DISTRICT TERRITORY

24           Sec. 1105.005. DISTRICT SUPPORT AND MAINTENANCE NOT

25                           STATE OBLIGATION

26           Sec. 1105.006. RESTRICTION ON STATE FINANCIAL

27                           ASSISTANCE

1 [Sections 1105.007-1105.050 reserved for expansion]

2 SUBCHAPTER B. DISTRICT ADMINISTRATION

3 Sec. 1105.051. BOARD ELECTION; TERM

4 Sec. 1105.052. NOTICE OF ELECTION

5 Sec. 1105.053. BALLOT PETITION

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8 Sec. 1105.056. BOARD VACANCY

9 Sec. 1105.057. OFFICERS

10 Sec. 1105.058. COMPENSATION

11 Sec. 1105.059. VOTING REQUIREMENT

12 Sec. 1105.060. DISTRICT ADMINISTRATOR; ASSISTANT  
13 ADMINISTRATOR

14 Sec. 1105.061. GENERAL DUTIES OF DISTRICT  
15 ADMINISTRATOR

16 Sec. 1105.062. EMPLOYEES

17 Sec. 1105.063. RECRUITMENT OF MEDICAL STAFF

18 Sec. 1105.064. CONTINUING EDUCATION; RETRAINING

19 Sec. 1105.065. RETIREMENT PROGRAM

20 Sec. 1105.066. MAINTENANCE OF RECORDS; PUBLIC  
21 INSPECTION

22 [Sections 1105.067-1105.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 1105.101. DISTRICT RESPONSIBILITY

25 Sec. 1105.102. RESTRICTION ON COUNTY OR MUNICIPAL  
26 TAXATION AND DEBT

27 Sec. 1105.103. MANAGEMENT, CONTROL, AND ADMINISTRATION

- 1 Sec. 1105.104. HOSPITAL SYSTEM
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- 4 Sec. 1105.107. RATES AND CHARGES
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- 7 Sec. 1105.110. CONTRACTS WITH GOVERNMENTAL ENTITIES
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- 9 Sec. 1105.111. DISPOSITION OF REAL PROPERTY
- 10 Sec. 1105.112. PROVISION OF CERTAIN HEALTH CARE
- 11                   SERVICES
- 12 Sec. 1105.113. PAYMENT FOR TREATMENT; PROCEDURES
- 13 Sec. 1105.114. AUTHORITY TO SUE AND BE SUED
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- 15                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 16 Sec. 1105.151. BUDGET
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- 20 Sec. 1105.155. DEPOSITORY
- 21 Sec. 1105.156. AUTHORITY TO BORROW MONEY; SECURITY
- 22                   [Sections 1105.157-1105.200 reserved for expansion]
- 23                   SUBCHAPTER E. BONDS
- 24 Sec. 1105.201. GENERAL OBLIGATION BONDS
- 25 Sec. 1105.202. TAX TO PAY GENERAL OBLIGATION BONDS
- 26 Sec. 1105.203. GENERAL OBLIGATION BOND ELECTION
- 27 Sec. 1105.204. EXECUTION OF GENERAL OBLIGATION BONDS

1 Sec. 1105.205. REFUNDING BONDS

2 Sec. 1105.206. BONDS EXEMPT FROM TAXATION

3 [Sections 1105.207-1105.250 reserved for expansion]

4 SUBCHAPTER F. TAXES

5 Sec. 1105.251. IMPOSITION OF AD VALOREM TAX

6 Sec. 1105.252. TAX RATE

7 Sec. 1105.253. TAX ASSESSOR-COLLECTOR

8 CHAPTER 1105. TERRY MEMORIAL HOSPITAL DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 1105.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the board of directors of the  
12 district.

13 (2) "Director" means a member of the board.

14 (3) "District" means the Terry Memorial Hospital  
15 District. (New.)

16 Sec. 1105.002. AUTHORITY FOR CREATION. The Terry Memorial  
17 Hospital District is created under the authority of Section 9,  
18 Article IX, Texas Constitution, and has the rights, powers, and  
19 duties provided by this chapter. (Acts 59th Leg., R.S., Ch. 653,  
20 Sec. 1 (part).)

21 Sec. 1105.003. ESSENTIAL PUBLIC FUNCTION. The district  
22 performs an essential public function in carrying out the purposes  
23 of this chapter. (Acts 59th Leg., R.S., Ch. 653, Sec. 8 (part).)

24 Sec. 1105.004. DISTRICT TERRITORY. The boundaries of the  
25 district are coextensive with the boundaries of Terry County,  
26 Texas. (Acts 59th Leg., R.S., Ch. 653, Sec. 1 (part).)

27 Sec. 1105.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

1 OBLIGATION. The support and maintenance of the district may not  
2 become a charge against or obligation of this state. (Acts 59th  
3 Leg., R.S., Ch. 653, Sec. 18 (part).)

4 Sec. 1105.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
5 The legislature may not make a direct appropriation for the  
6 construction, maintenance, or improvement of a district facility.  
7 (Acts 59th Leg., R.S., Ch. 653, Sec. 18 (part).)

8 [Sections 1105.007-1105.050 reserved for expansion]

9 SUBCHAPTER B. DISTRICT ADMINISTRATION

10 Sec. 1105.051. BOARD ELECTION; TERM. (a) The district is  
11 governed by a board of seven directors elected from the district at  
12 large.

13 (b) Unless four-year terms are established under Section  
14 285.081, Health and Safety Code:

15 (1) directors serve staggered two-year terms with the  
16 terms of three or four directors expiring each year as appropriate;  
17 and

18 (2) a directors' election shall be held annually on the  
19 May uniform election date. (Acts 59th Leg., R.S., Ch. 653, Sec. 4  
20 (part).)

21 Sec. 1105.052. NOTICE OF ELECTION. At least 10 days before  
22 the date of a directors' election, notice of the election must be  
23 published one time in a newspaper of general circulation in Terry  
24 County. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

25 Sec. 1105.053. BALLOT PETITION. A person who wants to have  
26 the person's name printed on the ballot as a candidate for director  
27 must file a petition requesting that action. The petition must be:



1           (1) signed by not fewer than 10 registered voters; and  
2           (2) filed by the deadline imposed by Section 144.005,  
3 Election Code. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

4           Sec. 1105.054. QUALIFICATIONS FOR OFFICE. A person must at  
5 the time of election or appointment as director be:

6           (1) registered to vote in the district; and  
7           (2) at least 18 years of age. (Acts 59th Leg., R.S.,  
8 Ch. 653, Sec. 4 (part).)

9           Sec. 1105.055. FILING OF OATH. The constitutional oath of  
10 office executed by a director must be filed in the district's  
11 office. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

12          Sec. 1105.056. BOARD VACANCY. (a) If a vacancy occurs in  
13 the office of director, the remaining directors shall appoint a  
14 director for the unexpired term.

15          (b) If the number of directors is reduced to fewer than four  
16 for any reason, the remaining directors shall immediately call a  
17 special election to fill the vacancies. If the remaining directors  
18 do not call the election, the county judge of Terry County may fill  
19 the vacancies by appointment. (Acts 59th Leg., R.S., Ch. 653, Sec.  
20 4 (part).)

21          Sec. 1105.057. OFFICERS. The board shall elect from among  
22 its members a president, a vice president, and a secretary. (Acts  
23 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

24          Sec. 1105.058. COMPENSATION. A director is entitled to  
25 compensation at a rate determined by the board. The rate may not  
26 exceed \$10 for each board meeting. (Acts 59th Leg., R.S., Ch. 653,  
27 Sec. 4 (part).)

1           Sec. 1105.059. VOTING REQUIREMENT. A concurrence of four  
2 directors is sufficient in any matter relating to district  
3 business. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

4           Sec. 1105.060. DISTRICT ADMINISTRATOR; ASSISTANT  
5 ADMINISTRATOR. (a) The board shall appoint a qualified person as  
6 district administrator.

7           (b) The board may appoint an assistant administrator.

8           (c) The district administrator and any assistant  
9 administrator serve at the will of the board and receive the  
10 compensation determined by the board.

11           (d) On assuming the duties of district administrator, the  
12 administrator shall execute a bond payable to the district in an  
13 amount set by the board of not less than \$10,000 that:

14                   (1) is conditioned on the administrator performing the  
15 administrator's duties; and

16                   (2) contains any other condition the board requires.  
17 (Acts 59th Leg., R.S., Ch. 653, Sec. 5 (part).)

18           Sec. 1105.061. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
19 Subject to any limitations prescribed by the board, the district  
20 administrator shall:

21                   (1) supervise the work and activities of the district;  
22 and

23                   (2) direct the affairs of the district. (Acts 59th  
24 Leg., R.S., Ch. 653, Sec. 5 (part).)

25           Sec. 1105.062. EMPLOYEES. The board may employ any nurses,  
26 technicians, and other lay personnel considered necessary for the  
27 efficient operation of the district or may provide that the

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1 district administrator has the authority to employ those persons.  
2 (Acts 59th Leg., R.S., Ch. 653, Sec. 5 (part).)

3       Sec. 1105.063. RECRUITMENT OF MEDICAL STAFF. (a) The board  
4 may spend district money to recruit physicians, nurses, or other  
5 trained medical personnel.

6       (b) The board may:

7           (1) contract with a full-time medical or nursing  
8 student who is enrolled and in good standing in an accredited  
9 school, college, or university; and

10           (2) agree to pay the student's tuition or other costs  
11 or expenses if the student agrees to serve in the district on terms  
12 prescribed by the contract. (Acts 59th Leg., R.S., Ch. 653, Secs.  
13 5B(a), (b).)

14       Sec. 1105.064. CONTINUING EDUCATION; RETRAINING. The board  
15 may spend district money for continuing education and retraining of  
16 employees. (Acts 59th Leg., R.S., Ch. 653, Sec. 5B(c).)

17       Sec. 1105.065. RETIREMENT PROGRAM. The board may enter  
18 into any contract or agreement with this state or the federal  
19 government that is required to establish or continue a retirement  
20 program for the benefit of the district's employees. (Acts 59th  
21 Leg., R.S., Ch. 653, Sec. 5 (part).)

22       Sec. 1105.066. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.

23 (a) The board shall:

24           (1) keep an accurate account of all board meetings and  
25 proceedings; and

26           (2) maintain at the district's principal office all  
27 district records and accounts, including all contracts, notices,

1 duplicate vouchers, and duplicate receipts.

2 (b) The information described by Subsection (a) shall be  
3 open to public inspection at the district's principal office at all  
4 reasonable times. (Acts 59th Leg., R.S., Ch. 653, Sec. 4 (part).)

5 [Sections 1105.067-1105.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 1105.101. DISTRICT RESPONSIBILITY. The district has  
8 full responsibility for:

9 (1) operating all hospital facilities for providing  
10 medical and hospital care of indigent persons; and

11 (2) providing medical and hospital care for the  
12 district's needy inhabitants. (Acts 59th Leg., R.S., Ch. 653,  
13 Secs. 2 (part), 17 (part).)

14 Sec. 1105.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION  
15 AND DEBT. Terry County or a municipality in Terry County may not  
16 impose a tax or issue bonds or other obligations for hospital  
17 purposes or for medical care. (Acts 59th Leg., R.S., Ch. 653, Sec.  
18 17 (part).)

19 Sec. 1105.103. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
20 The board shall manage, control, and administer the district's  
21 hospitals and hospital system. (Acts 59th Leg., R.S., Ch. 653, Sec.  
22 5 (part).)

23 Sec. 1105.104. HOSPITAL SYSTEM. The district shall provide  
24 for:

25 (1) the establishment of a hospital system by:

26 (A) purchasing, constructing, acquiring,  
27 repairing, or renovating buildings and equipment; and

1 (B) equipping the buildings; and  
2 (2) the administration of the hospital system for  
3 hospital purposes. (Acts 59th Leg., R.S., Ch. 653, Sec. 2 (part).)

4 Sec. 1105.105. RULES. The board may adopt rules for the  
5 operation of the district and as required to administer this  
6 chapter. (Acts 59th Leg., R.S., Ch. 653, Secs. 5 (part), 9 (part).)

7 Sec. 1105.106. PURCHASING AND ACCOUNTING PROCEDURES. The  
8 board may prescribe:

9 (1) the method and manner of making purchases and  
10 expenditures by and for the district; and

11 (2) all accounting and control procedures. (Acts 59th  
12 Leg., R.S., Ch. 653, Sec. 9 (part).)

13 Sec. 1105.107. RATES AND CHARGES. The board shall  
14 establish the rates and charges for:

15 (1) services;

16 (2) supplies; and

17 (3) the use of district facilities. (Acts 59th Leg.,  
18 R.S., Ch. 653, Sec. 14 (part).)

19 Sec. 1105.108. EMINENT DOMAIN. (a) The district may  
20 exercise the power of eminent domain to acquire a fee simple or  
21 other interest in any type of property located in district  
22 territory if the interest is necessary or convenient to a power,  
23 right, or privilege conferred by this chapter.

24 (b) The district must exercise the power of eminent domain  
25 in the manner provided by Chapter 21, Property Code. (Acts 59th  
26 Leg., R.S., Ch. 653, Sec. 12.)

27 Sec. 1105.109. GIFTS AND ENDOWMENTS. The board may accept

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1 for the district a gift or endowment to be held in trust and  
2 administered by the board for the purposes and under the  
3 directions, limitations, or other provisions prescribed in writing  
4 by the donor that are not inconsistent with the proper management  
5 and objectives of the district. (Acts 59th Leg., R.S., Ch. 653,  
6 Sec. 15.)

7       Sec. 1105.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
8 CARE AND TREATMENT. (a) The board may contract with a county or  
9 municipality located outside Terry County for the care and  
10 treatment of a sick or injured person of that county or  
11 municipality.

12       (b) The board may contract with this state or a federal  
13 agency for the treatment of a sick or injured person for whom this  
14 state or the federal government is responsible. (Acts 59th Leg.,  
15 R.S., Ch. 653, Sec. 5 (part).)

16       Sec. 1105.111. DISPOSITION OF REAL PROPERTY. The district  
17 may sell or otherwise dispose of real property on terms the board  
18 finds are in the best interest of the district. (Acts 59th Leg.,  
19 R.S., Ch. 653, Sec. 5A.)

20       Sec. 1105.112. PROVISION OF CERTAIN HEALTH CARE SERVICES.  
21 The district may provide any appropriate health care services the  
22 board determines are necessary to meet the needs of the district,  
23 including:

- 24               (1) emergency medical services;
- 25               (2) home health care services;
- 26               (3) long-term care services;
- 27               (4) rehabilitation services; and

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1           (5) fitness services. (Acts 59th Leg., R.S., Ch. 653,  
2 Sec. 2A.)

3           Sec. 1105.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)

4 When an indigent patient is admitted to a district facility, the  
5 district administrator shall have an inquiry made into the  
6 circumstances of:

7           (1) the patient; and

8           (2) the patient's relatives legally liable for the  
9 patient's support.

10          (b) If the district administrator determines that the  
11 patient or those relatives cannot pay for all or part of the  
12 patient's care and treatment in the hospital, the amount that  
13 cannot be paid becomes a charge against the district.

14          (c) If the district administrator determines that the  
15 patient or those relatives can pay for all or part of the patient's  
16 care and treatment, the patient or those relatives shall be ordered  
17 to pay the district a specified amount each week for the patient's  
18 support. The amount ordered must be proportionate to their  
19 financial ability and may not exceed the actual per capita cost of  
20 maintenance.

21          (d) The district administrator may collect the amount from  
22 the patient's estate, or from those relatives, in the manner  
23 provided by law for the collection of expenses of the last illness  
24 of a deceased person.

25          (e) If there is a dispute as to the ability to pay, or doubt  
26 in the mind of the district administrator, the board shall hold a  
27 hearing and, after calling witnesses, shall:

1 (1) resolve the dispute or doubt; and

2 (2) issue any appropriate order.

3 (f) A party to the dispute who is not satisfied with the  
4 order may appeal to the district court. The appeal shall be by  
5 trial de novo as that term is used in an appeal from a justice court  
6 to the county court. (Acts 59th Leg., R.S., Ch. 653, Sec. 14  
7 (part).)

8 Sec. 1105.114. AUTHORITY TO SUE AND BE SUED. The district,  
9 through the board, may sue and be sued. (Acts 59th Leg., R.S., Ch.  
10 653, Sec. 5 (part).)

11 [Sections 1105.115-1105.150 reserved for expansion]

12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

13 Sec. 1105.151. BUDGET. (a) The district administrator  
14 shall prepare for approval by the board an annual budget that  
15 corresponds to the district's fiscal year.

16 (b) Not later than August 31 of each year, the board shall  
17 publish notice of a public hearing on the proposed budget. The  
18 notice must be published in a newspaper of general circulation in  
19 Terry County at least 10 days before the date of the hearing. (Acts  
20 59th Leg., R.S., Ch. 653, Secs. 6 (part), 16.)

21 Sec. 1105.152. FISCAL YEAR. The district shall operate on a  
22 fiscal year that begins on October 1 and ends on September 30.  
23 (Acts 59th Leg., R.S., Ch. 653, Sec. 6 (part).)

24 Sec. 1105.153. AUDIT. (a) The district shall have an audit  
25 made of the district's financial condition.

26 (b) The audit shall be open to inspection at all times at the  
27 district's principal office. (Acts 59th Leg., R.S., Ch. 653, Sec. 6



1 (part).)

2           Sec. 1105.154. FINANCIAL REPORT. As soon as practicable  
3 after the close of each fiscal year, the district administrator  
4 shall prepare for the board:

5                   (1) a complete sworn statement of all district money;  
6 and

7                   (2) a complete account of the disbursements of that  
8 money. (Acts 59th Leg., R.S., Ch. 653, Sec. 6 (part).)

9           Sec. 1105.155. DEPOSITORY. (a) The board shall designate  
10 one or more banks in Terry County to serve as a depository for  
11 district money.

12                   (b) All district money shall be immediately deposited on  
13 receipt with a depository bank, except that sufficient money must  
14 be remitted to an appropriate bank to pay the principal of and  
15 interest on the district's outstanding bonds, or other obligations  
16 assumed by the district, on or before the maturity date of the  
17 principal and interest.

18                   (c) To the extent that money in a depository bank is not  
19 insured by the Federal Deposit Insurance Corporation, the money  
20 must be secured in the manner provided by law for the security of  
21 county funds.

22                   (d) Membership on the district's board of an officer or  
23 director of a bank does not disqualify the bank from being  
24 designated as depository. (Acts 59th Leg., R.S., Ch. 653, Sec. 10.)

25           Sec. 1105.156. AUTHORITY TO BORROW MONEY; SECURITY. (a)  
26 The board may borrow money at a rate not to exceed the maximum  
27 annual percentage rate allowed by law for district obligations at

1 the time the loan is made if the board declares that:

2 (1) money is not available to meet authorized  
3 obligations of the district; and

4 (2) an emergency exists.

5 (b) To secure a loan, the board may pledge:

6 (1) district revenue that is not pledged to pay the  
7 district's bonded indebtedness;

8 (2) a district tax to be imposed by the district in the  
9 next 12-month period that is not pledged to pay the principal of or  
10 interest on district bonds; or

11 (3) a district bond that has been authorized but not  
12 sold.

13 (c) A loan for which taxes or bonds are pledged must mature  
14 not later than the first anniversary of the date the loan is made. A  
15 loan for which district revenue is pledged must mature not later  
16 than the fifth anniversary of the date the loan is made.

17 (d) The board may not spend money obtained from a loan under  
18 this section for any purpose other than:

19 (1) the purpose for which the board declared an  
20 emergency; and

21 (2) if district taxes or bonds are pledged to pay the  
22 loan, the purposes for which the taxes were imposed or the bonds  
23 were authorized. (Acts 59th Leg., R.S., Ch. 653, Sec. 8A.)

24 [Sections 1105.157-1105.200 reserved for expansion]

25 SUBCHAPTER E. BONDS

26 Sec. 1105.201. GENERAL OBLIGATION BONDS. The board may  
27 issue and sell general obligation bonds in the name and on the faith

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1 and credit of the district for any purpose related to the purchase,  
2 construction, acquisition, repair, or renovation of buildings or  
3 improvements, and equipping buildings or improvements for a  
4 hospital and the hospital system, as determined by the board. (Acts  
5 59th Leg., R.S., Ch. 653, Sec. 7 (part).)

6       Sec. 1105.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At  
7 the time general obligation bonds are issued by the district, the  
8 board shall impose an ad valorem tax at a rate sufficient to create  
9 an interest and sinking fund and to pay the principal of and  
10 interest on the bonds as the bonds mature.

11       (b) The tax required by this section together with any other  
12 ad valorem tax imposed for the district may not in any year exceed  
13 75 cents on each \$100 valuation of taxable property. (Acts 59th  
14 Leg., R.S., Ch. 653, Sec. 7 (part).)

15       Sec. 1105.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
16 district may issue general obligation bonds only if the bonds are  
17 authorized by a majority of the district voters voting at an  
18 election held for that purpose.

19       (b) The board shall call the election. The election must be  
20 held in accordance with Chapter 1251, Government Code.

21       (c) The bond election order must specify:  
22           (1) the date of the election;  
23           (2) the location of the polling places;  
24           (3) the presiding election officers;  
25           (4) the amount of the bonds to be authorized;  
26           (5) the maximum maturity of the bonds; and  
27           (6) the maximum interest rate of the bonds. (Acts 59th

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1 Leg., R.S., Ch. 653, Sec. 7 (part).)

2           Sec. 1105.204. EXECUTION OF GENERAL OBLIGATION BONDS. The  
3 board president shall execute the general obligation bonds in the  
4 district's name and the board secretary shall attest the bonds as  
5 provided by Chapter 618, Government Code. (Acts 59th Leg., R.S.,  
6 Ch. 653, Sec. 7 (part).)

7           Sec. 1105.205. REFUNDING BONDS. (a) District bonds may be  
8 issued without an election to refund any bonds issued or assumed by  
9 the district.

10           (b) A refunding bond may be:

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

13                   (2) exchanged wholly or partly for not less than a  
14 similar principal amount of the outstanding bonds. (Acts 59th  
15 Leg., R.S., Ch. 653, Sec. 7 (part).)

16           Sec. 1105.206. BONDS EXEMPT FROM TAXATION. The following  
17 are exempt from taxation by this state or a political subdivision of  
18 this state:

19                   (1) any bonds issued by the district;

20                   (2) the transfer of the bonds; and

21                   (3) bond revenue, including any profits made in the  
22 sale of the bonds. (Acts 59th Leg., R.S., Ch. 653, Sec. 8 (part).)

23                   [Sections 1105.207-1105.250 reserved for expansion]

24                                   SUBCHAPTER F. TAXES

25           Sec. 1105.251. IMPOSITION OF AD VALOREM TAX. (a) The  
26 district may impose a tax on all taxable property in the district  
27 subject to district taxation.

1 (b) The tax may be used to meet the requirements of:  
2 (1) district bonds;  
3 (2) indebtedness assumed by the district; and  
4 (3) district maintenance and operating expenses.  
5 (Acts 59th Leg., R.S., Ch. 653, Secs. 3 (part), 13 (part).)

6 Sec. 1105.252. TAX RATE. The district may impose the tax at  
7 a rate not to exceed 75 cents on each \$100 valuation of taxable  
8 property in the district. (Acts 59th Leg., R.S., Ch. 653, Sec. 3  
9 (part).)

10 Sec. 1105.253. TAX ASSESSOR-COLLECTOR. The tax  
11 assessor-collector of Terry County shall assess and collect taxes  
12 imposed by the district. (Acts 59th Leg., R.S., Ch. 653, Sec. 13  
13 (part).)

14 CHAPTER 1106. TEXHOMA MEMORIAL HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1106.001. DEFINITIONS

17 Sec. 1106.002. AUTHORITY FOR OPERATION

18 Sec. 1106.003. POLITICAL SUBDIVISION

19 Sec. 1106.004. DISTRICT TERRITORY

20 [Sections 1106.005-1106.050 reserved for expansion]

21 SUBCHAPTER B. DISTRICT ADMINISTRATION

22 Sec. 1106.051. BOARD; TERM

23 Sec. 1106.052. NOTICE OF ELECTION

24 Sec. 1106.053. BALLOT PETITION

25 Sec. 1106.054. QUALIFICATIONS FOR OFFICE

26 Sec. 1106.055. BOND NOT REQUIRED

27 Sec. 1106.056. BOARD VACANCY

- 1 Sec. 1106.057. OFFICERS
- 2 Sec. 1106.058. COMPENSATION; EXPENSES
- 3 Sec. 1106.059. VOTING REQUIREMENT
- 4 Sec. 1106.060. EMPLOYEES
- 5 Sec. 1106.061. MAINTENANCE OF RECORDS; PUBLIC
- 6 INSPECTION
- 7 Sec. 1106.062. SEAL
- 8 [Sections 1106.063-1106.100 reserved for expansion]
- 9 SUBCHAPTER C. POWERS AND DUTIES
- 10 Sec. 1106.101. DISTRICT RESPONSIBILITY
- 11 Sec. 1106.102. RESTRICTION ON POLITICAL SUBDIVISION
- 12 TAXATION
- 13 Sec. 1106.103. MANAGEMENT AND CONTROL OF DISTRICT
- 14 Sec. 1106.104. HOSPITAL SYSTEM
- 15 Sec. 1106.105. RULES
- 16 Sec. 1106.106. PURCHASING AND ACCOUNTING PROCEDURES
- 17 Sec. 1106.107. EMINENT DOMAIN
- 18 Sec. 1106.108. GIFTS AND ENDOWMENTS
- 19 Sec. 1106.109. CONTRACTS WITH POLITICAL SUBDIVISIONS
- 20 FOR HOSPITAL AND MEDICAL CARE
- 21 Sec. 1106.110. PAYMENT FOR TREATMENT; PROCEDURES
- 22 Sec. 1106.111. AUTHORITY TO SUE AND BE SUED
- 23 [Sections 1106.112-1106.150 reserved for expansion]
- 24 SUBCHAPTER D. FINANCIAL PROVISIONS
- 25 Sec. 1106.151. BUDGET
- 26 Sec. 1106.152. PROPOSED BUDGET: NOTICE AND HEARING
- 27 Sec. 1106.153. FISCAL YEAR

1 Sec. 1106.154. ANNUAL AUDIT

2 Sec. 1106.155. DEPOSITORY OR TREASURER

3 [Sections 1106.156-1106.200 reserved for expansion]

4 SUBCHAPTER E. BONDS

5 Sec. 1106.201. GENERAL OBLIGATION BONDS

6 Sec. 1106.202. TAX TO PAY GENERAL OBLIGATION BONDS

7 Sec. 1106.203. GENERAL OBLIGATION BOND ELECTION

8 Sec. 1106.204. MATURITY OF GENERAL OBLIGATION BONDS

9 Sec. 1106.205. EXECUTION OF GENERAL OBLIGATION BONDS

10 [Sections 1106.206-1106.250 reserved for expansion]

11 SUBCHAPTER F. TAXES

12 Sec. 1106.251. IMPOSITION OF AD VALOREM TAX

13 Sec. 1106.252. TAX RATE

14 CHAPTER 1106. TEXHOMA MEMORIAL HOSPITAL DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 1106.001. DEFINITIONS. In this chapter:

17 (1) "Board" means the board of directors of the  
18 district.

19 (2) "Director" means a member of the board.

20 (3) "District" means the Texhoma Memorial Hospital  
21 District. (New.)

22 Sec. 1106.002. AUTHORITY FOR OPERATION. The Texhoma  
23 Memorial Hospital District operates in accordance with Section 9,  
24 Article IX, Texas Constitution. (Acts 60th Leg., R.S., Ch. 422,  
25 Sec. 1(a) (part).)

26 Sec. 1106.003. POLITICAL SUBDIVISION. The district is a  
27 political subdivision of this state. (Acts 60th Leg., R.S., Ch.

1 422, Sec. 16 (part).)

2       Sec. 1106.004. DISTRICT TERRITORY. The boundaries of the  
3 district are coextensive with the boundaries of the Texhoma  
4 Independent School District in Sherman County, as those boundaries  
5 existed as of January 1, 1967. (Acts 60th Leg., R.S., Ch. 422, Sec.  
6 1(a) (part).)

7       [Sections 1106.005-1106.050 reserved for expansion]

8                   SUBCHAPTER B. DISTRICT ADMINISTRATION

9       Sec. 1106.051. BOARD; TERM. (a) The board consists of five  
10 elected directors.

11       (b) Unless four-year terms are established under Section  
12 285.081, Health and Safety Code, directors serve staggered two-year  
13 terms with the terms of two or three directors expiring each year as  
14 appropriate. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(a) (part).)

15       Sec. 1106.052. NOTICE OF ELECTION. At least 10 days before  
16 the date of a directors' election, notice of the election must be  
17 published one time in a newspaper of general circulation in the  
18 district. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(c) (part).)

19       Sec. 1106.053. BALLOT PETITION. A person who wants to have  
20 the person's name printed on the ballot as a candidate for director  
21 must file with the board secretary a petition requesting that  
22 action. The petition must be:

- 23               (1) signed by not less than 15 registered voters; and  
24               (2) filed by the deadline imposed by Section 144.005,  
25 Election Code. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(c) (part).)

26       Sec. 1106.054. QUALIFICATIONS FOR OFFICE. A person may not  
27 be appointed or elected a director unless the person:



1           (1) is a resident of the district;  
2           (2) owns land in the district subject to taxation; and  
3           (3) is at least 18 years of age at the time of the  
4 election or appointment. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(a)  
5 (part).)

6           Sec. 1106.055. BOND NOT REQUIRED. A director is not  
7 required to post a public official's bond. (Acts 60th Leg., R.S.,  
8 Ch. 422, Sec. 3(a) (part).)

9           Sec. 1106.056. BOARD VACANCY. (a) If a vacancy occurs in  
10 the office of director, the remaining directors shall appoint a  
11 director for the unexpired term.

12           (b) If the number of directors is reduced to fewer than  
13 three for any reason, the remaining directors shall immediately  
14 call a special election to fill the vacancies. If the remaining  
15 directors do not call the election, a district court, on  
16 application of a district voter or taxpayer, may order the  
17 directors to hold the election. (Acts 60th Leg., R.S., Ch. 422,  
18 Sec. 3(b) (part).)

19           Sec. 1106.057. OFFICERS. The board shall elect from among  
20 its members a president and a secretary. (Acts 60th Leg., R.S., Ch.  
21 422, Sec. 3(b) (part).)

22           Sec. 1106.058. COMPENSATION; EXPENSES. A director serves  
23 without compensation but is entitled to reimbursement for actual  
24 expenses incurred in the performance of official duties on approval  
25 of the expenses by the board. (Acts 60th Leg., R.S., Ch. 422, Secs.  
26 3(a) (part), 4 (part).)

27           Sec. 1106.059. VOTING REQUIREMENT. A concurrence of three

1 directors is sufficient in any matter relating to district  
2 business. (Acts 60th Leg., R.S., Ch. 422, Sec. 3(b) (part).)

3       Sec. 1106.060. EMPLOYEES. The board may employ a general  
4 manager, attorney, bookkeeper, architect, and any other employee  
5 considered necessary for the efficient operation of the district.  
6 (Acts 60th Leg., R.S., Ch. 422, Sec. 7(a) (part).)

7       Sec. 1106.061. MAINTENANCE OF RECORDS; PUBLIC INSPECTION.  
8 All district records, including books, accounts, notices, and  
9 minutes, and all other matters of the district and the operation of  
10 its facilities, shall be:

11             (1) maintained at the district office; and  
12             (2) open to public inspection at the district office  
13 at all reasonable hours. (Acts 60th Leg., R.S., Ch. 422, Sec.  
14 7(b).)

15       Sec. 1106.062. SEAL. The board may adopt a seal for the  
16 district. (Acts 60th Leg., R.S., Ch. 422, Sec. 7(a) (part).)

17             [Sections 1106.063-1106.100 reserved for expansion]

18                             SUBCHAPTER C. POWERS AND DUTIES

19       Sec. 1106.101. DISTRICT RESPONSIBILITY. The district has  
20 full responsibility for providing medical and hospital care for the  
21 district's needy inhabitants and needy and indigent residents.  
22 (Acts 60th Leg., R.S., Ch. 422, Secs. 2(a) (part), 12 (part).)

23       Sec. 1106.102. RESTRICTION ON POLITICAL SUBDIVISION  
24 TAXATION. Sherman County or any other political subdivision in the  
25 district may not impose a tax on property in the district for  
26 hospital purposes. (Acts 60th Leg., R.S., Ch. 422, Sec. 12 (part).)

27       Sec. 1106.103. MANAGEMENT AND CONTROL OF DISTRICT. The

1 management and control of the district are vested in the board.  
2 (Acts 60th Leg., R.S., Ch. 422, Sec. 4 (part).)

3       Sec. 1106.104. HOSPITAL SYSTEM. The district shall provide  
4 for:

5               (1) the establishment of a hospital system to provide  
6 medical and hospital care to district residents by:

7                       (A) purchasing, constructing, acquiring,  
8 repairing, or renovating buildings and improvements; and

9                       (B) equipping the buildings and improvements;

10 and

11               (2) the administration of the hospital system for  
12 hospital purposes. (Acts 60th Leg., R.S., Ch. 422, Sec. 2(a)  
13 (part).)

14       Sec. 1106.105. RULES. (a) The board may adopt rules  
15 governing the operation of the district and district facilities.

16               (b) The rules may, on approval by the board, be published in  
17 booklet form at district expense and made available to any taxpayer  
18 on request. (Acts 60th Leg., R.S., Ch. 422, Sec. 7(c).)

19       Sec. 1106.106. PURCHASING AND ACCOUNTING PROCEDURES. (a)  
20 The board may prescribe the method and manner of making purchases  
21 and expenditures by and for the district.

22               (b) The board shall prescribe:

23                       (1) all accounting and control procedures; and

24                       (2) the method of purchasing necessary supplies,  
25 materials, and equipment. (Acts 60th Leg., R.S., Ch. 422, Sec. 7(a)  
26 (part).)

27       Sec. 1106.107. EMINENT DOMAIN. (a) The district may

1 exercise the power of eminent domain to acquire a fee simple or  
2 other interest in any type of property, real, personal, or mixed,  
3 located in district territory if the interest is necessary or  
4 convenient to exercise a right, power, privilege, or function  
5 conferred on the district by this chapter.

6 (b) The district must exercise the power of eminent domain  
7 in the manner provided by Chapter 21, Property Code, except the  
8 district is not required to deposit in the trial court money or a  
9 bond as provided by Section 21.021(a), Property Code.

10 (c) In a condemnation proceeding brought by the district,  
11 the district is not required to:

12 (1) pay in advance or provide a bond or other security  
13 for costs in the trial court;

14 (2) provide a bond for the issuance of a temporary  
15 restraining order or a temporary injunction; or

16 (3) provide a bond for costs or a supersedeas bond on  
17 an appeal or petition for review. (Acts 60th Leg., R.S., Ch. 422,  
18 Sec. 9.)

19 Sec. 1106.108. GIFTS AND ENDOWMENTS. The board may accept  
20 for the district a gift or endowment for the purposes and under the  
21 directions, limitations, or other provisions prescribed in writing  
22 by the donor that are not inconsistent with the proper management  
23 and objectives of the district. (Acts 60th Leg., R.S., Ch. 422,  
24 Sec. 14.)

25 Sec. 1106.109. CONTRACTS WITH POLITICAL SUBDIVISIONS FOR  
26 HOSPITAL AND MEDICAL CARE. (a) The board may enter into an  
27 agreement or contract with another political subdivision of this

1 state that has boundaries contiguous to the district, on terms the  
2 board considers reasonable and proper, to provide medical and  
3 hospital care for residents of the other political subdivision.

4 (b) A contract or agreement entered into under this section  
5 must require the other political subdivision to pay for all medical  
6 and hospital care received by or provided to any resident of the  
7 other political subdivision if the person fails to pay for the  
8 medical and hospital services received by the resident. (Acts 60th  
9 Leg., R.S., Ch. 422, Sec. 18.)

10 Sec. 1106.110. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
11 When a patient who resides in the district is admitted to a district  
12 facility, the board shall have an inquiry made into the  
13 circumstances of:

- 14 (1) the patient; and  
15 (2) the patient's relatives legally liable for the  
16 patient's support.

17 (b) If an agent designated by the district to handle the  
18 inquiry determines that the patient or those relatives cannot pay  
19 for all or part of the patient's care and treatment in the hospital,  
20 the amount of the costs that cannot be paid becomes a charge against  
21 the district.

22 (c) If the board determines that the patient or those  
23 relatives are liable to pay for all or part of the patient's care  
24 and treatment, the patient or those relatives shall be ordered to  
25 pay to the district's treasurer a specified amount each week for the  
26 patient's support. The amount ordered must be proportionate to  
27 their financial ability and may not exceed the actual per capita

1 cost of maintenance.

2 (d) The district may collect the amount from the patient's  
3 estate, or from those relatives legally liable for the patient's  
4 support, in the manner provided by law for the collection of  
5 expenses of the last illness of a deceased person.

6 (e) If there is a dispute as to the ability to pay, or doubt  
7 in the mind of the district's designated agent, the board shall hold  
8 a hearing and, after calling witnesses, shall:

9 (1) resolve the dispute or doubt; and

10 (2) issue any appropriate order.

11 (f) Either party to the dispute may appeal the order to the  
12 district court. (Acts 60th Leg., R.S., Ch. 422, Sec. 13.)

13 Sec. 1106.111. AUTHORITY TO SUE AND BE SUED. As a  
14 governmental agency, the district may sue and be sued in its own  
15 name in any court of this state. (Acts 60th Leg., R.S., Ch. 422,  
16 Sec. 16 (part).)

17 [Sections 1106.112-1106.150 reserved for expansion]

18 SUBCHAPTER D. FINANCIAL PROVISIONS

19 Sec. 1106.151. BUDGET. The board annually shall require a  
20 budget to be prepared for the next fiscal year that includes:

21 (1) proposed expenditures and disbursements;

22 (2) estimated receipts and collections; and

23 (3) the amount of taxes required to be imposed for the  
24 year. (Acts 60th Leg., R.S., Ch. 422, Sec. 8(b) (part).)

25 Sec. 1106.152. PROPOSED BUDGET: NOTICE AND HEARING. (a)  
26 The board shall hold a public hearing on the proposed budget.

27 (b) Notice of the hearing must be published at least once in

1 a newspaper of general circulation in Sherman County not later than  
2 the 10th day before the date of the hearing.

3 (c) Any district taxpayer is entitled to:

4 (1) appear at the time and place designated in the  
5 notice; and

6 (2) be heard regarding any item included in the  
7 proposed budget. (Acts 60th Leg., R.S., Ch. 422, Sec. 8(b) (part).)

8 Sec. 1106.153. FISCAL YEAR. The district's fiscal year  
9 begins on October 1 and ends on September 30. (Acts 60th Leg.,  
10 R.S., Ch. 422, Sec. 8(a) (part).)

11 Sec. 1106.154. ANNUAL AUDIT. The board annually shall have  
12 an independent audit made of the district's books and records.  
13 (Acts 60th Leg., R.S., Ch. 422, Sec. 8(a) (part).)

14 Sec. 1106.155. DEPOSITORY OR TREASURER. (a) The board by  
15 resolution shall designate a bank or banks in Sherman County as the  
16 district's depository or treasurer. A designated bank serves for  
17 two years and until a successor is designated.

18 (b) All district money shall be secured in the manner  
19 provided for securing county funds. (Acts 60th Leg., R.S., Ch. 422,  
20 Sec. 10.)

21 [Sections 1106.156-1106.200 reserved for expansion]

22 SUBCHAPTER E. BONDS

23 Sec. 1106.201. GENERAL OBLIGATION BONDS. The board may  
24 issue and sell general obligation bonds in the name and on the faith  
25 of the district for any purpose relating to the purchase,  
26 construction, acquisition, repair, or renovation of buildings or  
27 improvements and equipping the buildings or improvements for

1 hospital purposes. (Acts 60th Leg., R.S., Ch. 422, Sec. 6(a)  
2 (part).)

3       Sec. 1106.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a)  
4 The board shall impose an ad valorem tax at a rate sufficient to  
5 create an interest and sinking fund to pay the principal of and  
6 interest on general obligation bonds issued under Section 1106.201  
7 as the bonds mature.

8       (b) The tax required by this section together with any other  
9 ad valorem tax imposed for the district may not in any year exceed  
10 75 cents on each \$100 valuation of all taxable property in the  
11 district. (Acts 60th Leg., R.S., Ch. 422, Secs. 5(a) (part), 6(a)  
12 (part).)

13       Sec. 1106.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
14 district may issue general obligation bonds only if the bonds are  
15 authorized by a majority of the district voters voting in an  
16 election held for that purpose.

17       (b) The board may order a bond election on its own motion.

18       (c) The order calling the election must specify:

- 19           (1) the date of the election;  
20           (2) the location of the polling places;  
21           (3) the presiding election officers;  
22           (4) the purpose for which the bonds are to be issued;  
23           (5) the amount of the bonds to be authorized;  
24           (6) the maximum interest rate of the bonds; and  
25           (7) the maximum maturity date of the bonds.

26       (d) Notice of a bond election shall be given by publishing a  
27 substantial copy of the order in a newspaper of general circulation





1 purchase, lease, or condemnation. (Acts 60th Leg., R.S., Ch. 422,  
2 Secs. 5(a) (part), 8(b) (part).)

3       Sec. 1106.252. TAX RATE. The board may impose the tax at a  
4 rate not to exceed 75 cents on each \$100 valuation of all taxable  
5 property in the district. (Acts 60th Leg., R.S., Ch. 422, Sec. 5(a)  
6 (part).)

7           CHAPTER 1108. TRINITY MEMORIAL HOSPITAL DISTRICT

8                   SUBCHAPTER A. GENERAL PROVISIONS

9   Sec. 1108.001. DEFINITIONS

10   Sec. 1108.002. AUTHORITY FOR OPERATION

11   Sec. 1108.003. ESSENTIAL PUBLIC FUNCTION

12   Sec. 1108.004. DISTRICT TERRITORY

13   Sec. 1108.005. DISTRICT SUPPORT AND MAINTENANCE NOT

14                   STATE OBLIGATION .

15   Sec. 1108.006. RESTRICTION ON STATE FINANCIAL

16                   ASSISTANCE

17           [Sections 1108.007-1108.050 reserved for expansion]

18                   SUBCHAPTER B. DISTRICT ADMINISTRATION

19   Sec. 1108.051. BOARD ELECTION; TERM

20   Sec. 1108.052. NOTICE OF ELECTION

21   Sec. 1108.053. BALLOT PETITION

22   Sec. 1108.054. QUALIFICATIONS FOR OFFICE

23   Sec. 1108.055. BOARD VACANCY

24   Sec. 1108.056. OFFICERS

25   Sec. 1108.057. COMPENSATION; EXPENSES

26   Sec. 1108.058. QUORUM; VOTING REQUIREMENT

27   Sec. 1108.059. DISTRICT ADMINISTRATOR

- 1 Sec. 1108.060. GENERAL DUTIES OF DISTRICT
- 2 ADMINISTRATOR
- 3 Sec. 1108.061. ASSISTANT DISTRICT ADMINISTRATOR;
- 4 ATTORNEY
- 5 Sec. 1108.062. APPOINTMENT OF STAFF AND EMPLOYEES
- 6 Sec. 1108.063. RETIREMENT BENEFITS
- 7 [Sections 1108.064-1108.100 reserved for expansion]
- 8 SUBCHAPTER C. POWERS AND DUTIES
- 9 Sec. 1108.101. DISTRICT RESPONSIBILITY
- 10 Sec. 1108.102. MANAGEMENT, CONTROL, AND ADMINISTRATION
- 11 Sec. 1108.103. HOSPITAL SYSTEM; MOBILE EMERGENCY
- 12 MEDICAL SERVICES
- 13 Sec. 1108.104. RULES
- 14 Sec. 1108.105. PURCHASING AND ACCOUNTING PROCEDURES
- 15 Sec. 1108.106. DISTRICT PROPERTY, FACILITIES, AND
- 16 EQUIPMENT
- 17 Sec. 1108.107. EMINENT DOMAIN
- 18 Sec. 1108.108. COST OF RELOCATING OR ALTERING PROPERTY
- 19 Sec. 1108.109. GIFTS AND ENDOWMENTS
- 20 Sec. 1108.110. CONSTRUCTION CONTRACTS
- 21 Sec. 1108.111. OPERATING AND MANAGEMENT CONTRACTS
- 22 Sec. 1108.112. CONTRACTS WITH GOVERNMENTAL ENTITIES
- 23 FOR SERVICES
- 24 Sec. 1108.113. PAYMENT FOR TREATMENT; PROCEDURES
- 25 Sec. 1108.114. REIMBURSEMENT FOR SERVICES
- 26 Sec. 1108.115. AUTHORITY TO SUE AND BE SUED
- 27 [Sections 1108.116-1108.150 reserved for expansion]

- 1                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 2   Sec. 1108.151.   BUDGET
- 3   Sec. 1108.152.   NOTICE; HEARING; APPROVAL OF BUDGET
- 4   Sec. 1108.153.   AMENDMENTS TO BUDGET
- 5   Sec. 1108.154.   RESTRICTION ON EXPENDITURES
- 6   Sec. 1108.155.   FISCAL YEAR
- 7   Sec. 1108.156.   ANNUAL AUDIT
- 8   Sec. 1108.157.   INSPECTION OF ANNUAL AUDIT AND DISTRICT
- 9                   RECORDS
- 10   Sec. 1108.158.   FINANCIAL REPORT
- 11   Sec. 1108.159.   DEPOSITORY
- 12   Sec. 1108.160.   SPENDING AND INVESTMENT RESTRICTIONS
- 13                   [Sections 1108.161-1108.200 reserved for expansion]
- 14                   SUBCHAPTER E. BONDS
- 15   Sec. 1108.201.   GENERAL OBLIGATION BONDS
- 16   Sec. 1108.202.   TAX TO PAY GENERAL OBLIGATION BONDS
- 17   Sec. 1108.203.   GENERAL OBLIGATION BOND ELECTION
- 18   Sec. 1108.204.   REVENUE BONDS
- 19   Sec. 1108.205.   REFUNDING BONDS
- 20   Sec. 1108.206.   MATURITY OF BONDS
- 21   Sec. 1108.207.   EXECUTION OF BONDS
- 22   Sec. 1108.208.   BONDS EXEMPT FROM TAXATION
- 23                   [Sections 1108.209-1108.250 reserved for expansion]
- 24                   SUBCHAPTER F. TAXES
- 25   Sec. 1108.251.   IMPOSITION OF AD VALOREM TAX
- 26   Sec. 1108.252.   TAX RATE
- 27   Sec. 1108.253.   TAX ASSESSOR-COLLECTOR

1           CHAPTER 1108. TRINITY MEMORIAL HOSPITAL DISTRICT

2                   SUBCHAPTER A. GENERAL PROVISIONS

3           Sec. 1108.001. DEFINITIONS. In this chapter:

4                   (1) "Board" means the board of directors of the  
5 district.

6                   (2) "Director" means a member of the board.

7                   (3) "District" means the Trinity Memorial Hospital  
8 District. (New.)

9           Sec. 1108.002. AUTHORITY FOR OPERATION.       The Trinity  
10 Memorial Hospital District operates and is administered and  
11 financed in accordance with Section 9, Article IX, Texas  
12 Constitution, and has the rights, powers, and duties provided by  
13 this chapter. (Acts 67th Leg., R.S., Ch. 265, Sec. 1.)

14           Sec. 1108.003. ESSENTIAL PUBLIC FUNCTION.    The district  
15 performs an essential public function in carrying out the purposes  
16 of this chapter. (Acts 67th Leg., R.S., Ch. 265, Sec. 24 (part).)

17           Sec. 1108.004. DISTRICT TERRITORY.        The district is  
18 composed of the territory in Trinity County described by Section 2,  
19 Chapter 265, Acts of the 67th Legislature, Regular Session, 1981.  
20 (New.)

21           Sec. 1108.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
22 OBLIGATION.    The support and maintenance of the district may not  
23 become a charge against or obligation of this state. (Acts 67th  
24 Leg., R.S., Ch. 265, Sec. 23 (part).)

25           Sec. 1108.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
26 The legislature may not make a direct appropriation for the  
27 construction, maintenance, or improvement of a district facility.

1 (Acts 67th Leg., R.S., Ch. 265, Sec. 23 (part).)

2 [Sections 1108.007-1108.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT ADMINISTRATION

4 Sec. 1108.051. BOARD ELECTION; TERM. (a) The board  
5 consists of nine directors elected by place.

6 (b) Unless four-year terms are established under Section  
7 285.081, Health and Safety Code, directors serve staggered two-year  
8 terms with the terms of four or five directors expiring each year as  
9 appropriate. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(d) (part).)

10 Sec. 1108.052. NOTICE OF ELECTION. At least 30 days before  
11 the date of a directors' election, notice of the election must be  
12 published one time in a newspaper or newspapers that individually  
13 or collectively have general circulation in the district. (Acts  
14 67th Leg., R.S., Ch. 265, Sec. 5(e).)

15 Sec. 1108.053. BALLOT PETITION. A person who wants to have  
16 the person's name printed on the ballot as a candidate for director  
17 must file with the board secretary a petition requesting that  
18 action. The petition must:

- 19 (1) be signed by at least 10 voters in the district;  
20 (2) be filed by the deadline imposed by Section  
21 144.005, Election Code; and  
22 (3) specify the place for which the person is to be a  
23 candidate. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(f).)

24 Sec. 1108.054. QUALIFICATIONS FOR OFFICE. (a) A person may  
25 not be elected or appointed as a director unless the person is:

- 26 (1) at least 18 years of age;  
27 (2) a resident of the district; and

1           (3) a qualified voter.

2           (b) A person elected or appointed to fill Place 1 or 3 on the  
3 board must also be a resident of the portion of Commissioners  
4 Precinct 1 or 3, respectively, that lies within the district.

5           (c) A person is not eligible to serve as a director if the  
6 person is:

7                 (1) the district administrator; or

8                 (2) a district employee. (Acts 67th Leg., R.S., Ch.  
9 265, Sec. 5(h).)

10           Sec. 1108.055. BOARD VACANCY. If a vacancy occurs in the  
11 office of director, the remaining directors shall fill the vacancy  
12 for the unexpired term. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(g).)

13           Sec. 1108.056. OFFICERS. (a) The board shall elect:

14                 (1) a president and a vice president from among its  
15 members; and

16                 (2) a secretary, who need not be a director.

17           (b) Each officer of the board serves a one-year term.

18           (c) The board shall fill a vacancy in a board office for the  
19 unexpired term. (Acts 67th Leg., R.S., Ch. 265, Sec. 5(i) (part).)

20           Sec. 1108.057. COMPENSATION; EXPENSES. A director or  
21 officer serves without compensation but may be reimbursed for  
22 actual expenses incurred in the performance of official duties.  
23 The expenses must be:

24                 (1) reported in the district's records; and

25                 (2) approved by the board. (Acts 67th Leg., R.S., Ch.  
26 265, Sec. 5(i) (part).)

27           Sec. 1108.058. QUORUM; VOTING REQUIREMENT. (a) Any four

1 directors constitute a quorum.

2 (b) A concurrence of four directors is sufficient in any  
3 matter relating to district business. (Acts 67th Leg., R.S., Ch.  
4 265, Sec. 5(i) (part).)

5 Sec. 1108.059. DISTRICT ADMINISTRATOR. (a) The board may  
6 appoint a qualified person as district administrator.

7 (b) The district administrator serves at the will of the  
8 board and is entitled to receive the compensation determined by the  
9 board.

10 (c) Before assuming the duties of district administrator,  
11 the administrator must execute a bond in the amount set by the board  
12 of not less than \$5,000 that:

13 (1) is conditioned on the administrator performing the  
14 administrator's required duties; and

15 (2) contains any other condition the board requires.  
16 (Acts 67th Leg., R.S., Ch. 265, Sec. 6 (part).)

17 Sec. 1108.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.  
18 Subject to the limitations prescribed by the board, the district  
19 administrator shall:

20 (1) supervise the work and activities of the district;  
21 and

22 (2) direct the affairs of the district. (Acts 67th  
23 Leg., R.S., Ch. 265, Sec. 6 (part).)

24 Sec. 1108.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

25 (a) The board may appoint qualified persons as:

26 (1) the assistant district administrator; and

27 (2) the attorney for the district.



1 (b) The assistant district administrator and the attorney  
2 serve at the will of the board and are entitled to receive the  
3 compensation determined by the board. (Acts 67th Leg., R.S., Ch.  
4 265, Sec. 6 (part).)

5 Sec. 1108.062. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
6 board may appoint to the staff any doctors the board considers  
7 necessary for the efficient operation of the district and may make  
8 temporary appointments as warranted.

9 (b) The district may employ fiscal agents, accountants,  
10 architects, and additional attorneys as the board considers proper.

11 (c) The board may delegate to the district administrator the  
12 authority to employ district employees, including technicians and  
13 nurses. (Acts 67th Leg., R.S., Ch. 265, Secs. 6 (part), 19.)

14 Sec. 1108.063. RETIREMENT BENEFITS. The board may provide  
15 retirement benefits for district employees by:

16 (1) establishing or administering a retirement  
17 program; or

18 (2) participating in:

19 (A) the Texas County and District Retirement  
20 System; or

21 (B) another statewide retirement system in which  
22 the district is eligible to participate. (Acts 67th Leg., R.S., Ch.  
23 265, Sec. 7.)

24 [Sections 1108.064-1108.100 reserved for expansion]

25 SUBCHAPTER C. POWERS AND DUTIES

26 Sec. 1108.101. DISTRICT RESPONSIBILITY. The district has  
27 full responsibility for operating all hospital facilities and for

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1 providing medical and hospital care for the district's needy  
2 inhabitants. (Acts 67th Leg., R.S., Ch. 265, Sec. 22 (part).)

3       Sec. 1108.102. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
4 The board shall manage, control, and administer the hospital system  
5 and the district's money and resources. (Acts 67th Leg., R.S., Ch.  
6 265, Sec. 6 (part).)

7       Sec. 1108.103. HOSPITAL SYSTEM; MOBILE EMERGENCY MEDICAL  
8 SERVICES. (a) The district shall provide for:

9               (1) the establishment of a hospital system and the  
10 provision of emergency medical services by:

11                       (A) purchasing, constructing, acquiring,  
12 repairing, or renovating buildings and equipment; and

13                       (B) equipping the buildings; and

14               (2) the administration of the hospital system for  
15 hospital purposes.

16       (b) The hospital system may include any facilities and  
17 equipment the board considers necessary for hospital care. (Acts  
18 67th Leg., R.S., Ch. 265, Secs. 3 (part), 12(a) (part).)

19       Sec. 1108.104. RULES. The board may adopt rules governing  
20 the operation of the hospital, the hospital system, and the  
21 district's staff and employees. (Acts 67th Leg., R.S., Ch. 265,  
22 Sec. 6 (part).)

23       Sec. 1108.105. PURCHASING AND ACCOUNTING PROCEDURES. The  
24 board may prescribe:

25               (1) the method and manner of making purchases and  
26 expenditures by and for the district; and

27               (2) all accounting and control procedures. (Acts 67th

1 Leg., R.S., Ch. 265, Sec. 12(b) (part).)

2       Sec. 1108.106. DISTRICT PROPERTY, FACILITIES, AND  
3 EQUIPMENT. (a) The board shall determine the type, number, and  
4 location of buildings required to maintain an adequate hospital  
5 system.

6       (b) The board may lease all or part of the district's  
7 facilities on terms considered to be in the best interest of the  
8 district's inhabitants.

9       (c) The district may acquire equipment for use in the  
10 district's hospital system and mortgage or pledge the property as  
11 security for the payment of the purchase price.

12       (d) The district may sell or otherwise dispose of any  
13 property, including equipment, on terms the board finds are in the  
14 best interest of the district's inhabitants. (Acts 67th Leg.,  
15 R.S., Ch. 265, Secs. 12(a) (part), (b) (part).)

16       Sec. 1108.107. EMINENT DOMAIN. (a) The district may  
17 exercise the power of eminent domain to acquire a fee simple or  
18 other interest in any type of property located in district  
19 territory if the interest is necessary or convenient to a power,  
20 right, or privilege conferred by this chapter.

21       (b) The district must exercise the power of eminent domain  
22 in the manner provided by Chapter 21, Property Code, except the  
23 district is not required to deposit in the trial court money or a  
24 bond as provided by Section 21.021(a), Property Code.

25       (c) In a condemnation proceeding brought by the district,  
26 the district is not required to:

27           (1) pay in advance or provide a bond or other security

1 for costs in the trial court;

2 (2) provide a bond for the issuance of a temporary  
3 restraining order or a temporary injunction; or

4 (3) provide a bond for costs or a supersedeas bond on  
5 an appeal or petition for review. (Acts 67th Leg., R.S., Ch. 265,  
6 Sec. 18(a).)

7 Sec. 1108.108. COST OF RELOCATING OR ALTERING PROPERTY. In  
8 exercising the power of eminent domain, if the board requires  
9 relocating, raising, lowering, rerouting, changing the grade, or  
10 altering the construction of any railroad, electric transmission,  
11 telegraph or telephone line, conduit, pole, or facility, or  
12 pipeline, the district must bear the actual cost of relocating,  
13 raising, lowering, rerouting, changing the grade, or altering the  
14 construction to provide comparable replacement without enhancement  
15 of facilities, after deducting the net salvage value derived from  
16 the old facility. (Acts 67th Leg., R.S., Ch. 265, Sec. 18(b).)

17 Sec. 1108.109. GIFTS AND ENDOWMENTS. The board may accept  
18 for the district a gift or endowment to be held in trust for the  
19 purposes and under the directions, limitations, or other provisions  
20 prescribed in writing by the donor that are consistent with the  
21 proper management and objectives of the district. (Acts 67th Leg.,  
22 R.S., Ch. 265, Sec. 21.)

23 Sec. 1108.110. CONSTRUCTION CONTRACTS. A construction  
24 contract that involves the expenditure of more than \$10,000 may be  
25 made only after advertising in the manner provided by Chapter 252  
26 and Subchapter C, Chapter 262, Local Government Code. (Acts 67th  
27 Leg., R.S., Ch. 265, Sec. 12(b) (part).)

1           Sec. 1108.111. OPERATING AND MANAGEMENT CONTRACTS. The  
2 board may enter into an operating or management contract relating  
3 to a district facility. (Acts 67th Leg., R.S., Ch. 265, Sec. 12(a)  
4 (part).)

5           Sec. 1108.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
6 SERVICES. The board may contract with a political subdivision or  
7 governmental agency for the district to provide mobile emergency  
8 medical services and investigatory or other services as to  
9 facilities for the medical care, hospital, or welfare needs of  
10 district inhabitants. (Acts 67th Leg., R.S., Ch. 265, Sec. 6  
11 (part).)

12           Sec. 1108.113. PAYMENT FOR TREATMENT; PROCEDURES. (a)  
13 When a patient who resides in the district is admitted to a district  
14 facility, the district administrator may have an inquiry made into  
15 the circumstances of:

16                     (1) the patient; and

17                     (2) the patient's relatives legally liable for the  
18 patient's support.

19           (b) If the district administrator determines that the  
20 patient or those relatives cannot pay for all or part of the care  
21 and treatment in the hospital, the amount that cannot be paid  
22 becomes a charge against the district.

23           (c) If the district administrator determines that the  
24 patient or those relatives can pay for all or part of the costs of  
25 the patient's care and treatment, the patient or those relatives  
26 shall be ordered to pay the district a specified amount each week  
27 for the patient's care and support. The amount ordered must be

1 proportionate to their financial ability.

2 (d) The district administrator may collect the amount from  
3 the patient's estate, or from those relatives legally liable for  
4 the patient's support, in the manner provided by law for the  
5 collection of expenses of the last illness of a deceased person.

6 (e) If there is a dispute as to the ability to pay, or doubt  
7 in the mind of the district administrator, the board shall:

8 (1) call witnesses;

9 (2) hear and resolve the dispute or doubt; and

10 (3) issue a final order.

11 (f) A final order of the board may be appealed to the  
12 district court. The substantial evidence rule applies to the  
13 appeal. (Acts 67th Leg., R.S., Ch. 265, Sec. 20.)

14 Sec. 1108.114. REIMBURSEMENT FOR SERVICES. (a) The board  
15 shall require a county or municipality located outside the district  
16 to reimburse the district for the care and treatment of a sick or  
17 injured person of that county or municipality.

18 (b) The board shall require the sheriff of Trinity County to  
19 reimburse the district for the care and treatment of a prisoner  
20 imprisoned in Trinity County who is not a district resident.

21 (c) The district may contract with this state or a federal  
22 agency for the reimbursement for the treatment of a sick or injured  
23 person. (Acts 67th Leg., R.S., Ch. 265, Sec. 6 (part).)

24 Sec. 1108.115. AUTHORITY TO SUE AND BE SUED. The district,  
25 through the board, may sue and be sued. (Acts 67th Leg., R.S., Ch.  
26 265, Sec. 6 (part).)

27 [Sections 1108.116-1108.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

1           Sec. 1108.151. BUDGET. (a) The district administrator  
2 shall prepare an annual budget for approval by the board.  
3

4           (b) The proposed budget must contain a complete financial  
5 statement of:

6                 (1) the outstanding obligations of the district;

7                 (2) the cash on hand to the credit of each district  
8 fund;

9                 (3) the money received by the district from all  
10 sources during the previous year;

11                (4) the money available to the district from all  
12 sources during the ensuing year;

13                (5) the balances expected at the end of the year in  
14 which the budget is being prepared;

15                (6) the estimated revenue and balances available to  
16 cover the budget; and

17                (7) the estimated tax rate required. (Acts 67th Leg.,  
18 R.S., Ch. 265, Sec. 8 (part).)

19           Sec. 1108.152. NOTICE; HEARING; APPROVAL OF BUDGET. (a)  
20 The board shall hold a public hearing on the proposed annual budget.

21           (b) At least 10 days before the date of the hearing, notice  
22 of the hearing must be published one time in a newspaper with  
23 general circulation in the district.

24           (c) Any district resident is entitled to be present and  
25 participate at the hearing.

26           (d) At the conclusion of the hearing, the board shall act on  
27 the budget as proposed by the district administrator. The board may

1 make any changes in the proposed budget that the board judges to be  
2 in the interests of the taxpayers and the law warrants. The budget  
3 must be approved by the board. (Acts 67th Leg., R.S., Ch. 265, Sec.  
4 8 (part).)

5       Sec. 1108.153. AMENDMENTS TO BUDGET. After the annual  
6 budget is adopted, the budget may be amended as required by  
7 circumstances. The board must approve all amendments. (Acts 67th  
8 Leg., R.S., Ch. 265, Sec. 8 (part).)

9       Sec. 1108.154. RESTRICTION ON EXPENDITURES. Money may be  
10 spent only for an expense included in the budget or an amendment to  
11 the budget. (Acts 67th Leg., R.S., Ch. 265, Sec. 8 (part).)

12       Sec. 1108.155. FISCAL YEAR. (a) The district operates  
13 according to a fiscal year established by the board.

14       (b) The fiscal year may not be changed:

15               (1) during a period that district revenue bonds are  
16 outstanding; or

17               (2) more than once in any 24-month period. (Acts 67th  
18 Leg., R.S., Ch. 265, Sec. 8 (part).)

19       Sec. 1108.156. ANNUAL AUDIT. The board annually shall have  
20 an audit made of the district's financial condition. (Acts 67th  
21 Leg., R.S., Ch. 265, Sec. 8 (part).)

22       Sec. 1108.157. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
23 RECORDS. The annual audit and other district records shall be open  
24 to inspection at the district's principal office. (Acts 67th Leg.,  
25 R.S., Ch. 265, Sec. 8 (part).)

26       Sec. 1108.158. FINANCIAL REPORT. As soon as practicable  
27 after the close of each fiscal year, the district administrator



1 shall prepare for the board:

2           (1) a complete sworn statement of all district money;

3 and

4           (2) a complete account of the disbursements of that  
5 money. (Acts 67th Leg., R.S., Ch. 265, Sec. 8 (part).)

6           Sec. 1108.159. DEPOSITORY. (a) The board shall select one  
7 or more banks inside or outside the district to serve as a  
8 depository for district money.

9           (b) District money, other than money invested as provided by  
10 Section 1108.160(b) and money transmitted to a bank for payment of  
11 bonds or obligations issued or assumed by the district, shall be  
12 deposited as received with the depository bank and shall remain on  
13 deposit.

14           (c) This chapter, including Subsection (b), does not limit  
15 the power of the board to place a part of district money on time  
16 deposit or to purchase certificates of deposit. (Acts 67th Leg.,  
17 R.S., Ch. 265, Sec. 13(a).)

18           Sec. 1108.160. SPENDING AND INVESTMENT RESTRICTIONS. (a)  
19 Except as provided by Section 1108.106(c) and by Subchapter E, the  
20 district may not incur an obligation payable from district revenue  
21 other than the revenue on hand or to be on hand in the current and  
22 following district fiscal years.

23           (b) The board may invest operating, depreciation, or  
24 building reserves only in funds or securities specified by Chapter  
25 2256, Government Code. (Acts 67th Leg., R.S., Ch. 265, Secs. 6  
26 (part), 12(b) (part).)

27           [Sections 1108.161-1108.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. 1108.201. GENERAL OBLIGATION BONDS. The board may issue and sell general obligation bonds in the name and on the faith and credit of the district for any purpose relating to:

(1) the purchase, construction, acquisition, repair, or renovation of buildings or improvements;

(2) equipping buildings or improvements for hospital purposes; and

(3) the acquisition and operation of mobile emergency medical services to assist the district in carrying out its hospital purposes. (Acts 67th Leg., R.S., Ch. 265, Sec. 9(a) (part).)

Sec. 1108.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At the time general obligation bonds are issued by the district, the board shall impose an ad valorem tax at a rate sufficient to create an interest and sinking fund to pay the principal of and interest on the bonds as the bonds mature.

(b) The tax required by this section together with any other ad valorem tax imposed for the district may not in any year exceed 75 cents on each \$100 valuation of all taxable property in the district subject to hospital district taxation. (Acts 67th Leg., R.S., Ch. 265, Sec. 9(a) (part).)

Sec. 1108.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds only if the bonds are authorized by a majority of the district voters.

(b) The board, in ordering a bond election, must provide for clerks as in county elections and must specify:

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

7           (c) Notice of a bond election shall be given as provided by

8 Section 1251.003, Government Code.

9           (d) Section 41.001(a), Election Code, does not apply to an

10 election held under this section.

11           (e) The board shall declare the results of the election.

12 (Acts 67th Leg., R.S., Ch. 265, Sec. 9(a) (part).)

13           Sec. 1108.204. REVENUE BONDS. (a) The board may issue

14 revenue bonds to:

- 15           (1) purchase, construct, acquire, repair, renovate,
- 16 or equip buildings or improvements for hospital purposes;
- 17           (2) acquire and operate mobile emergency medical
- 18 services to assist the district in carrying out its hospital
- 19 purposes; and
- 20           (3) acquire sites to be used for hospital purposes.

21           (b) The bonds must be payable from and secured by a pledge of

22 all or part of district revenue derived from the operation of the

23 district's hospitals.

24           (c) The bonds may be additionally secured by a mortgage or

25 deed of trust lien on all or part of district property.

26           (d) The bonds must be issued in the manner and in accordance

27 with the procedures and requirements prescribed by Sections

1 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health  
2 and Safety Code, for issuance of revenue bonds by a county hospital  
3 authority. (Acts 67th Leg., R.S., Ch. 265, Sec. 11 (part).)

4       Sec. 1108.205. REFUNDING BONDS. (a) The board may, without  
5 an election, issue refunding bonds to refund outstanding  
6 indebtedness issued or assumed by the district.

7       (b) A refunding bond may be:

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

10           (2) exchanged wholly or partly for not less than a  
11 similar principal amount of outstanding indebtedness. (Acts 67th  
12 Leg., R.S., Ch. 265, Secs. 9(a) (part), (b) (part), 11 (part).)

13       Sec. 1108.206. MATURITY OF BONDS. District bonds must  
14 mature not later than 40 years after their date of issuance. (Acts  
15 67th Leg., R.S., Ch. 265, Sec. 9(c) (part).)

16       Sec. 1108.207. EXECUTION OF BONDS. The board president  
17 shall execute the district's bonds in the district's name, and the  
18 board secretary shall countersign the bonds in the manner provided  
19 by Chapter 618, Government Code. (Acts 67th Leg., R.S., Ch. 265,  
20 Sec. 9(c) (part).)

21       Sec. 1108.208. BONDS EXEMPT FROM TAXATION. The following  
22 are exempt from taxation by this state or a political subdivision of  
23 this state:

24           (1) bonds issued by the district;

25           (2) the transfer and issuance of the bonds; and

26           (3) any profits made in the sale of the bonds. (Acts  
27 67th Leg., R.S., Ch. 265, Sec. 24 (part).)

[Sections 1108.209-1108.250 reserved for expansion]

SUBCHAPTER F. TAXES

Sec. 1108.251. IMPOSITION OF AD VALOREM TAX. (a) The board may impose a tax on all property in the district subject to district taxation.

(b) The board shall impose the tax to pay:

(1) indebtedness issued or assumed by the district;

and

(2) district maintenance and operating expenses.

(c) The board may not impose a tax to pay the principal of or interest on revenue bonds issued under Section 1108.204. (Acts 67th Leg., R.S., Ch. 265, Secs. 14(a) (part), (c).)

Sec. 1108.252. TAX RATE. (a) The board may impose the tax at a rate not to exceed 75 cents on each \$100 valuation of taxable property in the district subject to district taxation.

(b) In setting the tax rate, the board shall consider the income of the district from sources other than taxation. (Acts 67th Leg., R.S., Ch. 265, Secs. 4(b) (part), 14(a) (part), (d) (part).)

Sec. 1108.253. 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 Title 1, Tax Code. (Acts 67th Leg., R.S., Ch. 265, Sec. 16(b).)

CHAPTER 1111. WALKER COUNTY HOSPITAL DISTRICT

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- 11 Sec. 1111.113. AUTHORITY TO SUE AND BE SUED
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- 14 Sec. 1111.151. DEPOSITORY
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- 16 SUBCHAPTER E. BONDS
- 17 Sec. 1111.201. GENERAL OBLIGATION BONDS
- 18 Sec. 1111.202. TAX TO PAY GENERAL OBLIGATION BONDS
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- 26 SUBCHAPTER F. TAXES
- 27 Sec. 1111.251. IMPOSITION OF AD VALOREM TAX

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3 ASSESSOR-COLLECTOR

4 Sec. 1111.254. ASSESSMENT AND COLLECTION BY DISTRICT

5 TAX ASSESSOR-COLLECTOR

6 CHAPTER 1111. WALKER COUNTY HOSPITAL DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 1111.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the board of hospital managers of  
10 the district.

11 (2) "District" means the Walker County Hospital  
12 District of Walker County, Texas.

13 (3) "Manager" means a member of the board. (New.)

14 Sec. 1111.002. AUTHORITY FOR CREATION. The Walker County  
15 Hospital District of Walker County, Texas, is created under the  
16 authority of Section 9, Article IX, Texas Constitution. (Acts 62nd  
17 Leg., R.S., Ch. 848, Sec. 1 (part).)

18 Sec. 1111.003. POLITICAL SUBDIVISION. The district is a  
19 political subdivision of this state. (Acts 62nd Leg., R.S., Ch.  
20 848, Sec. 14 (part).)

21 Sec. 1111.004. DISTRICT TERRITORY. The boundaries of the  
22 district are coextensive with the boundaries of Walker County,  
23 Texas. (Acts 62nd Leg., R.S., Ch. 848, Sec. 1 (part).)

24 Sec. 1111.005. CORRECTION OF INVALID PROCEDURES. If a  
25 court holds that any procedure under this chapter violates the  
26 constitution of this state or of the United States, the district by  
27 resolution may provide an alternative procedure that conforms with



1 the constitution. (Acts 62nd Leg., R.S., Ch. 848, Sec. 16 (part).)

2       Sec. 1111.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
3 OBLIGATION. The support and maintenance of the district's hospital  
4 system may not become a charge against or obligation of this state.  
5 (Acts 62nd Leg., R.S., Ch. 848, Sec. 6 (part).)

6       [Sections 1111.007-1111.050 reserved for expansion]

7                   SUBCHAPTER B. DISTRICT ADMINISTRATION

8       Sec. 1111.051. BOARD ELECTION; TERM. (a) The board  
9 consists of five elected managers.

10       (b) Unless four-year terms are established under Section  
11 285.081, Health and Safety Code, managers serve staggered two-year  
12 terms with the terms of two or three managers expiring each year as  
13 appropriate. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(b) (part).)

14       Sec. 1111.052. NOTICE OF ELECTION. At least 10 days before  
15 the date of a managers' election, notice of the election must be  
16 published one time in a newspaper of general circulation in Walker  
17 County. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(b) (part).)

18       Sec. 1111.053. REQUEST TO APPEAR ON BALLOT. A person who  
19 wants to have the person's name printed on the ballot as a candidate  
20 for manager must file a written request with the board secretary.  
21 The request must be:

- 22               (1) signed by at least 20 district voters; and
- 23               (2) filed by the deadline imposed by Section 144.005,
- 24 Election Code. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(b) (part).)

25       Sec. 1111.054. QUALIFICATIONS FOR OFFICE. A person may not  
26 serve as a manager unless the person is:

- 27               (1) a resident of the district; and

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1           (2) at least 18 years of age. (Acts 62nd Leg., R.S.,  
2 Ch. 848, Sec. 4(b) (part).)

3           Sec. 1111.055. BOND; RECORD OF BOND AND OATH. (a) Each  
4 manager shall execute a good and sufficient bond for \$5,000 that is:

- 5           (1) approved by the board;
  - 6           (2) payable to the district; and
  - 7           (3) conditioned on the faithful performance of the
- 8 manager's duties.

9           (b) Each manager's bond and constitutional oath of office  
10 must be kept in the district's permanent records. (Acts 62nd Leg.,  
11 R.S., Ch. 848, Sec. 4(b) (part).)

12          Sec. 1111.056. OFFICERS. (a) The board shall select from  
13 among the managers a presiding officer.

14          (b) A presiding officer pro tem shall preside in the absence  
15 of the presiding officer.

16          (c) The district administrator or any manager may be  
17 appointed secretary. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(e)  
18 (part).)

19          Sec. 1111.057. OFFICE; MEETINGS. (a) The board:

20           (1) shall establish an office and meeting place in the  
21 district;

22           (2) shall establish regular meetings to conduct  
23 district business; and

24           (3) may hold special meetings at other times as  
25 district business requires.

26          (b) Except as provided by this section, Chapter 551,  
27 Government Code, applies to board meetings.

1 (c) If there is an emergency or urgent public necessity,  
2 posting of notice of a board meeting is not required.

3 (d) Failure to post notice does not affect the validity of  
4 an action taken at a regular board meeting. Failure to post notice  
5 may affect the validity of an action taken at a special meeting  
6 unless the board declares, by an action taken at the special  
7 meeting, that an emergency exists.

8 (e) Any interested person may attend a board meeting. (Acts  
9 62nd Leg., R.S., Ch. 848, Sec. 4(e) (part).)

10 Sec. 1111.058. RECORDS OF PROCEEDINGS. (a) The board shall  
11 require the board secretary to keep suitable records of all  
12 proceedings of each board meeting.

13 (b) After each meeting:

14 (1) the manager presiding at the meeting shall read  
15 and sign the record; and

16 (2) the board secretary shall attest the record.  
17 (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(e) (part).)

18 Sec. 1111.059. DISTRICT ADMINISTRATOR. (a) The board may  
19 appoint a qualified person as district administrator.

20 (b) The district administrator serves at the will of the  
21 board and receives the compensation determined by the board.

22 (c) Before assuming the duties of district administrator,  
23 the administrator must execute a bond payable to the district in an  
24 amount of not less than \$10,000 that:

25 (1) is conditioned on the administrator performing  
26 well and faithfully the administrator's required duties; and

27 (2) contains any other condition the board requires.

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1 (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

2 Sec. 1111.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

3 Subject to any limitations prescribed by the board, the district  
4 administrator shall:

5 (1) supervise the work and activities of the district;

6 and

7 (2) direct the affairs of the district. (Acts 62nd  
8 Leg., R.S., Ch. 848, Sec. 4(c) (part).)

9 Sec. 1111.061. APPOINTMENT OF STAFF AND EMPLOYEES. (a) The  
10 board may:

11 (1) appoint to the staff any doctors and employ any  
12 technicians, nurses, and other employees considered necessary for  
13 the efficient operation of the district; and

14 (2) provide that the district administrator has the  
15 authority to employ district employees, including technicians and  
16 nurses.

17 (b) The district may employ fiscal agents, accountants,  
18 architects, and attorneys the board considers proper. (Acts 62nd  
19 Leg., R.S., Ch. 848, Secs. 4(c) (part), 8.)

20 Sec. 1111.062. RETIREMENT PROGRAM. The board may contract  
21 with this state or the federal government as necessary to establish  
22 or continue a retirement program for the benefit of district  
23 employees. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

24 Sec. 1111.063. SEAL. The board shall have a seal engraved  
25 with the district's name to authenticate the board's acts. The  
26 board secretary shall keep the seal. (Acts 62nd Leg., R.S., Ch.  
27 848, Sec. 4(e) (part).)

[Sections 1111.064-1111.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1111.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing hospital care for the district's needy inhabitants. (Acts 62nd Leg., R.S., Ch. 848, Sec. 2 (part).)

Sec. 1111.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision in Walker County, other than the district, may not impose a tax or issue bonds or other obligations for hospital purposes or to provide medical care in the district. (Acts 62nd Leg., R.S., Ch. 848, Sec. 2 (part).)

Sec. 1111.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

Sec. 1111.104. HOSPITAL SYSTEM. (a) The district shall provide for:

(1) the establishment of a hospital or hospital system in the district to furnish hospital care to district residents by:

(A) purchasing, constructing, acquiring, repairing, or renovating buildings and improvements; and

(B) equipping the buildings and improvements;

and

(2) the administration of the hospital system for hospital purposes.

(b) The board shall determine the type, number, and location of buildings required to maintain an adequate hospital system.

(c) The hospital system may include:

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- 1           (1) domiciliary hospital care of the sick or injured;
- 2           (2) outpatient clinics;
- 3           (3) dispensaries;
- 4           (4) geriatric domiciliary care;
- 5           (5) convalescent home facilities;
- 6           (6) necessary nurses;
- 7           (7) domiciliaries and training centers;
- 8           (8) blood banks;
- 9           (9) community health centers;
- 10          (10) research centers or laboratories; and
- 11          (11) any other facilities the board considers
- 12 necessary for hospital care. (Acts 62nd Leg., R.S., Ch. 848, Secs.
- 13 2 (part), 4(d) (part).)

14           Sec. 1111.105. RULES. The district through the board may  
 15 adopt rules for the operation of the district. (Acts 62nd Leg.,  
 16 R.S., Ch. 848, Sec. 4(c) (part).)

17           Sec. 1111.106. EMINENT DOMAIN. (a) The district may  
 18 exercise the power of eminent domain to acquire a fee simple or  
 19 other interest in any type of property, real, personal, or mixed,  
 20 located in district territory, if the interest is necessary or  
 21 convenient to exercise a right, power, privilege, or function  
 22 conferred on the district by this chapter.

23           (b) The district must exercise the power of eminent domain  
 24 in the manner provided by Chapter 21, Property Code, except the  
 25 district is not required to deposit in the trial court money or a  
 26 bond as provided by Section 21.021(a), Property Code.

27           (c) In a condemnation proceeding brought by the district,

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1 the district is not required to:

2 (1) pay in advance or provide a bond or other security  
3 for costs in the trial court;

4 (2) provide a bond for the issuance of a temporary  
5 restraining order or a temporary injunction; or

6 (3) provide a bond for costs or a supersedeas bond on  
7 an appeal or petition for review. (Acts 62nd Leg., R.S., Ch. 848,  
8 Sec. 10.)

9 Sec. 1111.107. GIFTS AND ENDOWMENTS. The board may accept  
10 for the district a gift or endowment to be held in trust and  
11 administered by the board for the purposes and under any  
12 directions, limitations, or other provisions prescribed in writing  
13 by the donor that are not inconsistent with the proper management  
14 and objectives of the district. (Acts 62nd Leg., R.S., Ch. 848,  
15 Sec. 15.)

16 Sec. 1111.108. LEASES. (a) The district through the board  
17 may lease all or part of the buildings and facilities comprising the  
18 hospital system to any person on terms considered to be in the  
19 district's best interest. The term of a lease may not exceed 40  
20 years.

21 (b) When leasing a building or other facility, the board may  
22 delegate as it considers appropriate the board's power to manage,  
23 control, and administer the leased buildings and facilities to  
24 furnish hospital care.

25 (c) If all or part of a district building or other facility  
26 is leased, the board shall provide that the lessee charges  
27 sufficient rates for services rendered or goods provided at the

1 leased premise that together with other sources of the lessee's  
2 revenue produce an amount sufficient to enable the lessee to pay the  
3 expenses of operating and maintaining the leased premise as the  
4 lessee is required to pay under the lease. The rates also must  
5 enable the lessee to pay lease rentals to the district that will be  
6 sufficient, when taken with any other source of the district's  
7 estimated revenue that are pledged for the same purpose, to:

8           (1) pay the interest on any revenue or special  
9 obligation bonds that are payable wholly or partly from the lease  
10 rentals;

11           (2) create and maintain a sinking fund to pay the  
12 principal of and any premium on the bonds as they become due;

13           (3) create and maintain a bond reserve fund and any  
14 other fund required by the bond resolution or trust indenture  
15 authorizing the issuance of the bonds; and

16           (4) pay all other charges, fees, costs, and expenses  
17 that the lessee is required to pay under the resolution or  
18 indenture.

19           (d) The lease, management agreement, bond resolution, or  
20 trust indenture may prescribe systems, methods, routines,  
21 procedures, and policies for the operation of the buildings and  
22 other facilities owned by the district. If all or part of the  
23 district's buildings or other facilities are leased, the district  
24 may delegate to the lessee the duty to establish the systems,  
25 methods, routines, procedures, and policies for the operation of  
26 the leased premise. (Acts 62nd Leg., R.S., Ch. 848, Sec. 4(d)  
27 (part).)



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1           Sec. 1111.109. OPERATING AND MANAGEMENT CONTRACTS. The  
2 district through the board may:

3                   (1) enter into an operating or management contract  
4 with any person regarding any district hospital or any part of the  
5 district hospital system; and

6                   (2) delegate to the person the power to:

7                           (A) manage and operate the hospital or hospital  
8 system or a portion of the hospital or hospital system; and

9                           (B) employ and discharge employees or appoint and  
10 remove doctors from the staff. (Acts 62nd Leg., R.S., Ch. 848, Sec.  
11 4(d) (part).)

12           Sec. 1111.110. CONTRACTS FOR CARE. The board may contract  
13 with any lessee of the district's hospitals or any other person to  
14 provide hospital care to needy district inhabitants for the  
15 payments and terms and under the conditions the board considers to  
16 be in the district's best interests. (Acts 62nd Leg., R.S., Ch.  
17 848, Sec. 4(c) (part).)

18           Sec. 1111.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR  
19 HOSPITALIZATION. (a) The board may contract with a county or  
20 municipality located outside the district's boundaries for the  
21 hospitalization of a sick or injured person of that county or  
22 municipality.

23                   (b) The board may contract with this state or a federal  
24 agency for the hospitalization of a sick or injured person. (Acts  
25 62nd Leg., R.S., Ch. 848, Sec. 4(c) (part).)

26           Sec. 1111.112. DISPOSITION OF PROPERTY. The district may  
27 sell or otherwise dispose of any property, including equipment, on

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1 terms the board finds are in the district's best interest. (Acts  
2 62nd Leg., R.S., Ch. 848, Sec. 4(d) (part).)

3       Sec. 1111.113. AUTHORITY TO SUE AND BE SUED. As a  
4 governmental agency, the district, through the board, may sue and  
5 be sued in the district's own name in any court of this state. (Acts  
6 62nd Leg., R.S., Ch. 848, Secs. 4(c) (part), 14 (part).)

7       [Sections 1111.114-1111.150 reserved for expansion]

8                   SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9       Sec. 1111.151. DEPOSITORY. (a) The board by resolution  
10 shall designate a bank in Walker County as the district's  
11 depository. A designated bank serves for two years and until a  
12 successor is designated.

13       (b) All district money shall be secured in the manner  
14 provided for securing county funds. (Acts 62nd Leg., R.S., Ch. 848,  
15 Sec. 9.)

16       [Sections 1111.152-1111.200 reserved for expansion]

17                   SUBCHAPTER E. BONDS

18       Sec. 1111.201. GENERAL OBLIGATION BONDS. The board may  
19 issue and sell general obligation bonds in the name and on the faith  
20 and credit of the district for any purpose relating to the purchase,  
21 construction, acquisition, repair, or renovation of buildings or  
22 improvements and equipping buildings or improvements for hospital  
23 purposes. (Acts 62nd Leg., R.S., Ch. 848, Sec. 11(a) (part).)

24       Sec. 1111.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) An  
25 ad valorem tax shall be imposed at a rate sufficient to create an  
26 interest and sinking fund to pay the principal of and interest on  
27 general obligation bonds issued under Section 1111.201 as the bonds

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1 mature.

2 (b) The tax required by this section together with any other  
3 ad valorem tax imposed for the district may not in any year exceed  
4 75 cents on each \$100 valuation of all taxable property in the  
5 district. (Acts 62nd Leg., R.S., Ch. 848, Sec. 11(a) (part).)

6 Sec. 1111.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
7 district may issue general obligation bonds only if the bonds are  
8 authorized by a majority of the district voters voting in an  
9 election held for that purpose.

10 (b) The board may order a bond election on its own motion.

11 (c) The order calling the election must specify:

- 12 (1) the date of the election;  
13 (2) the location of the polling places;  
14 (3) the presiding election officers;  
15 (4) each proposition to be voted on; and  
16 (5) any other matter considered necessary or desirable  
17 by the board.

18 (d) Notice of a bond election shall be given by publishing a  
19 substantial copy of the order calling the election in a newspaper of  
20 general circulation in the district once each week for two  
21 consecutive weeks. The first publication must occur at least 14  
22 days before the date of the election. (Acts 62nd Leg., R.S., Ch.  
23 848, Secs. 5 (part), 11(a) (part).)

24 Sec. 1111.204. MATURITY OF GENERAL OBLIGATION BONDS.  
25 District general obligation bonds must mature not later than 40  
26 years after the date of issuance. (Acts 62nd Leg., R.S., Ch. 848,  
27 Sec. 11(a) (part).)



1 to district taxation.

2 (b) The tax shall be imposed for and may be pledged to:

3 (1) meet the requirements of district bonds and  
4 indebtedness assumed by the district;

5 (2) provide for the district's maintenance and  
6 operating expenses, including the costs or contract payments for  
7 hospital care for needy district inhabitants;

8 (3) make improvements and additions to the district's  
9 hospitals or hospital system; and

10 (4) acquire necessary sites for the hospitals or  
11 hospital system by gift, purchase, lease, or condemnation. (Acts  
12 62nd Leg., R.S., Ch. 848, Secs. 6 (part), 7 (part).)

13 Sec. 1111.252. TAX RATE. The board shall impose the tax at  
14 a rate not to exceed 75 cents on each \$100 valuation of all taxable  
15 property in the district. (Acts 62nd Leg., R.S., Ch. 848, Sec. 6  
16 (part).)

17 Sec. 1111.253. ASSESSMENT AND COLLECTION BY COUNTY TAX  
18 ASSESSOR-COLLECTOR. Unless the board elects to have taxes assessed  
19 and collected by its own tax assessor-collector under Section  
20 1111.254, the tax assessor-collector of Walker County shall assess  
21 and collect taxes imposed by and for the district. (Acts 62nd Leg.,  
22 R.S., Ch. 848, Secs. 7 (part), 7(a) (part).)

23 Sec. 1111.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX  
24 ASSESSOR-COLLECTOR. (a) The board by majority vote may elect to  
25 have district taxes assessed and collected by a tax  
26 assessor-collector appointed by the board. An election under this  
27 subsection must be made before December 1 and governs the manner in

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1 which taxes are assessed and collected, until changed by the board.

2 (b) The district tax assessor-collector must:

3 (1) reside in the district; and

4 (2) own real property subject to district taxation.

5 (c) The board shall prescribe the district tax  
6 assessor-collector's term of employment and compensation. (Acts  
7 62nd Leg., R.S., Ch. 848, Secs. 7 (part), 7(b) (part).)

8 SECTION 1.02. Subtitle E, Title 6, Special District Local  
9 Laws Code, is amended by adding Chapters 7806 and 7807 to read as  
10 follows:

11 CHAPTER 7806. NORTHWEST DALLAS COUNTY FLOOD CONTROL DISTRICT

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 7806.001. DEFINITIONS

14 Sec. 7806.002. NATURE OF DISTRICT; POLITICAL

15 SUBDIVISION

16 Sec. 7806.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

17 Sec. 7806.004. DISTRICT TERRITORY

18 [Sections 7806.005-7806.050 reserved for expansion]

19 SUBCHAPTER B. DISTRICT ADMINISTRATION

20 Sec. 7806.051. COMPOSITION OF BOARD

21 Sec. 7806.052. ELIGIBILITY

22 Sec. 7806.053. BOARD VACANCY

23 Sec. 7806.054. OFFICERS

24 Sec. 7806.055. COMPENSATION

25 Sec. 7806.056. MEETINGS

26 [Sections 7806.057-7806.100 reserved for expansion]

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 7806.101. LEVEE IMPROVEMENT DISTRICT POWERS

3 Sec. 7806.102. RECLAMATION AND DRAINAGE

4 Sec. 7806.103. ANNEXATION OR EXCLUSION OF LAND

5 Sec. 7806.104. COST OF RELOCATING OR ALTERING PROPERTY

6 Sec. 7806.105. DISTRICT ELECTIONS

7 [Sections 7806.106-7806.150 reserved for expansion]

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 7806.151. TAX METHOD

10 Sec. 7806.152. TAX ASSESSMENT AND COLLECTION

11 Sec. 7806.153. DEPOSITORY

12 Sec. 7806.154. INVESTMENT OF DISTRICT MONEY

13 Sec. 7806.155. EXPENDITURES

14 [Sections 7806.156-7806.200 reserved for expansion]

15 SUBCHAPTER E. BONDS

16 Sec. 7806.201. AUTHORITY TO ISSUE BONDS

17 Sec. 7806.202. ELECTION REQUIRED

18 CHAPTER 7806. NORTHWEST DALLAS COUNTY FLOOD CONTROL DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 7806.001. DEFINITIONS. In this chapter:

21 (1) "Board" means the district's board of directors.

22 (2) "Director" means a member of the board.

23 (3) "District" means the Northwest Dallas County Flood

24 Control District. (Acts 69th Leg., R.S., Ch. 472, Sec. 2; New.)

25 Sec. 7806.002. NATURE OF DISTRICT; POLITICAL SUBDIVISION.

26 The district is:

27 (1) a conservation and reclamation district created

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1 under Section 59, Article XVI, Texas Constitution; and

2 (2) a political subdivision of this state. (Acts 69th  
3 Leg., R.S., Ch. 472, Sec. 1 (part).)

4 Sec. 7806.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
5 The district is created to serve a public use and benefit.

6 (b) All land and other property included in the district's  
7 boundaries will benefit from the works and projects of the  
8 district.

9 (c) The creation of the district will accomplish the  
10 purposes of Section 59, Article XVI, Texas Constitution. (Acts  
11 69th Leg., R.S., Ch. 472, Sec. 4 (part).)

12 Sec. 7806.004. DISTRICT TERRITORY. (a) The district is  
13 composed of the territory described by Section 3, Chapter 472, Acts  
14 of the 69th Legislature, Regular Session, 1985, as that territory  
15 may have been modified under:

16 (1) Section 7806.103 of this chapter or its  
17 predecessor statute, former Section 14, Chapter 472, Acts of the  
18 69th Legislature, Regular Session, 1985;

19 (2) Subchapter J, Chapter 49, Water Code; or

20 (3) other law.

21 (b) The boundaries of the district form a closure. A  
22 mistake in the description of the district's boundaries does not  
23 affect:

24 (1) the district's organization, existence, or  
25 validity; or

26 (2) the exercise of a power, function, or purpose  
27 under this chapter. (Acts 69th Leg., R.S., Ch. 472, Sec. 4 (part);



1 New.)

2 [Sections 7806.005-7806.050 reserved for expansion]

3 SUBCHAPTER B. DISTRICT ADMINISTRATION

4 Sec. 7806.051. COMPOSITION OF BOARD. The district is  
5 governed by a board of three elected directors. (Acts 69th Leg.,  
6 R.S., Ch. 472, Secs. 9(a), (g) (part).)

7 Sec. 7806.052. ELIGIBILITY. To serve as a director, a  
8 person must:

9 (1) own taxable property in the district; or

10 (2) be a resident of the district. (Acts 69th Leg.,  
11 R.S., Ch. 472, Sec. 9(b).)

12 Sec. 7806.053. BOARD VACANCY. A vacancy on the board shall  
13 be filled by the remaining directors for the unexpired term. (Acts  
14 69th Leg., R.S., Ch. 472, Sec. 9(1).)

15 Sec. 7806.054. OFFICERS. (a) The board shall elect a  
16 president, a vice president, and a secretary-treasurer at the first  
17 board meeting after each directors' election.

18 (b) The secretary-treasurer:

19 (1) is the custodian of district records; and

20 (2) shall attest to all legal documents executed by  
21 the district.

22 (c) The board may employ an assistant secretary to act in  
23 the absence of the secretary. (Acts 69th Leg., R.S., Ch. 472, Sec.  
24 9(n) (part).)

25 Sec. 7806.055. COMPENSATION. Unless the board by  
26 resolution increases the fee to an amount authorized by Section  
27 49.060, Water Code, each director is entitled to receive \$50 for

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1 each day the director is actually engaged in duties for the  
2 district, but not more than \$200 in any month. (Acts 69th Leg.,  
3 R.S., Ch. 472, Sec. 9(i) (part); New.)

4 Sec. 7806.056. MEETINGS. (a) The board shall:  
5 (1) establish a regular meeting time and place; and  
6 (2) publish notice of the meeting time and place in a  
7 newspaper with general circulation in the district.

8 (b) The board by order may change the meeting time and place  
9 if the board gives notice as provided by this section. (Acts 69th  
10 Leg., R.S., Ch. 472, Sec. 9(m).)

11 [Sections 7806.057-7806.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 7806.101. LEVEE IMPROVEMENT DISTRICT POWERS. The  
14 district may exercise all of the rights, powers, privileges, and  
15 functions conferred or imposed by the general law of this state  
16 applicable to a levee improvement district created under Section  
17 59, Article XVI, Texas Constitution, including those provided by  
18 Chapters 49 and 57, Water Code. (Acts 69th Leg., R.S., Ch. 472,  
19 Sec. 5(a) (part); New.)

20 Sec. 7806.102. RECLAMATION AND DRAINAGE. (a) The district  
21 may purchase, acquire, construct, own, operate, maintain, repair,  
22 rebuild, add to, and make improvements to any works, materials,  
23 facilities, plants, equipment, and improvements necessary,  
24 helpful, or incident to the reclamation of land in the district and  
25 for the proper drainage of land in the district.

26 (b) To accomplish the purposes of Subsection (a), the  
27 district may issue bonds and notes, enter into contracts, or incur

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1 obligations in the manner provided by this chapter. (Acts 69th  
2 Leg., R.S., Ch. 472, Sec. 6.)

3       Sec. 7806.103. ANNEXATION OR EXCLUSION OF LAND. (a) The  
4 district may annex land to or may, before holding a bond election,  
5 exclude land from the district in accordance with Subchapter J,  
6 Chapter 49, or Subchapter H, Chapter 54, Water Code.

7       (b) The district is not required to hold an exclusion  
8 hearing unless the board determines the hearing should be held.  
9 (Acts 69th Leg., R.S., Ch. 472, Sec. 14; New.)

10       Sec. 7806.104. COST OF RELOCATING OR ALTERING PROPERTY. If  
11 the district's exercise of the powers granted under this chapter  
12 makes necessary the relocating, raising, rerouting, changing the  
13 grade of, or altering the construction of any highway, railroad,  
14 electric transmission or distribution line, pipeline, or telephone  
15 or telegraph properties or facilities, the district shall pay all  
16 of the actual cost of:

17               (1) the relocating, raising, rerouting, changing in  
18 grade, or altering of construction; and

19               (2) providing comparable replacement of facilities  
20 without enhancement, less the net salvage value of the facilities.  
21 (Acts 69th Leg., R.S., Ch. 472, Sec. 16.)

22       Sec. 7806.105. DISTRICT ELECTIONS. (a) Notice of an  
23 election must be published once a week for two consecutive weeks in  
24 a newspaper with general circulation in the district, with the  
25 first publication occurring at least 14 days before the date of the  
26 election.

27       (b) A bond or maintenance tax election may be held at the

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1 same time. (Acts 69th Leg., R.S., Ch. 472, Secs. 10(a), (b)  
2 (part).)

3 [Sections 7806.106-7806.150 reserved for expansion]

4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5 Sec. 7806.151. TAX METHOD. (a) The district shall use the  
6 ad valorem plan of taxation.

7 (b) The board is not required to hold a hearing on the  
8 adoption of a plan of taxation. (Acts 69th Leg., R.S., Ch. 472,  
9 Sec. 8.)

10 Sec. 7806.152. TAX ASSESSMENT AND COLLECTION. The district  
11 may:

- 12 (1) employ a tax collector; or
- 13 (2) contract with any qualified person to assess and  
14 collect taxes for the district. (Acts 69th Leg., R.S., Ch. 472,  
15 Secs. 9(o) (part), 13(b).)

16 Sec. 7806.153. DEPOSITORY. The board may select one or more  
17 depositories. (Acts 69th Leg., R.S., Ch. 472, Sec. 9(o) (part).)

18 Sec. 7806.154. INVESTMENT OF DISTRICT MONEY. District  
19 money may be invested by the board or the board's designee under  
20 Subchapter E, Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch.  
21 472, Sec. 9(p).)

22 Sec. 7806.155. EXPENDITURES. An expenditure of the  
23 district must be made by check signed by two directors. (Acts 69th  
24 Leg., R.S., Ch. 472, Sec. 9(q).)

25 [Sections 7806.156-7806.200 reserved for expansion]

26 SUBCHAPTER E. BONDS

27 Sec. 7806.201. AUTHORITY TO ISSUE BONDS. (a) The board may

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1 issue bonds or notes of the district for any authorized purpose or  
2 combination of purposes under Chapter 54, Water Code.

3 (b) Sections 49.181 and 49.182, Water Code, do not apply to  
4 the district. (Acts 69th Leg., R.S., Ch. 472, Sec. 11(a).)

5 Sec. 7806.202. ELECTION REQUIRED. The district may not  
6 issue bonds, except refunding bonds, secured wholly or partly by  
7 the imposition of ad valorem taxes unless the issuance is  
8 authorized by a majority of the district voters voting at an  
9 election called for that purpose. (Acts 69th Leg., R.S., Ch. 472,  
10 Sec. 11(b).)

11 CHAPTER 7807. VALWOOD IMPROVEMENT AUTHORITY OF DALLAS COUNTY, TEXAS

12 SUBCHAPTER A. GENERAL PROVISIONS

13 Sec. 7807.001. DEFINITIONS

14 Sec. 7807.002. NATURE OF DISTRICT

15 Sec. 7807.003. DISSOLUTION AND ABOLITION OF DISTRICT

16 Sec. 7807.004. LIBERAL CONSTRUCTION OF CHAPTER

17 [Sections 7807.005-7807.050 reserved for expansion]

18 SUBCHAPTER B. DISTRICT ADMINISTRATION

19 Sec. 7807.051. COMPOSITION OF BOARD; TERMS

20 Sec. 7807.052. QUALIFICATIONS FOR OFFICE

21 Sec. 7807.053. DIRECTOR'S BOND

22 Sec. 7807.054. BOARD VACANCY

23 Sec. 7807.055. OFFICERS AND ASSISTANTS

24 Sec. 7807.056. SECRETARY'S DUTIES

25 Sec. 7807.057. COMPENSATION

26 Sec. 7807.058. BOARD PROCEDURES

27 Sec. 7807.059. MEETING PLACE

1 [Sections 7807.060-7807.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 7807.101. LEVEE IMPROVEMENT DISTRICT POWERS

4 Sec. 7807.102. EXCLUSION OR ANNEXATION OF LAND

5 Sec. 7807.103. EMINENT DOMAIN

6 Sec. 7807.104. COST OF RELOCATING OR ALTERING PROPERTY

7 Sec. 7807.105. CONTRACTS FOR FACILITIES AND

8 IMPROVEMENTS; ELECTION NOT REQUIRED

9 Sec. 7807.106. CONSTRUCTION CONTRACTS: MUNICIPAL

10 APPROVAL REQUIRED

11 Sec. 7807.107. CONSTRUCTION CONTRACTS: AWARD

12 Sec. 7807.108. CONSTRUCTION CONTRACTS: EXECUTION AND

13 AVAILABILITY

14 Sec. 7807.109. CONSTRUCTION CONTRACTS: PAYMENT

15 Sec. 7807.110. FLOOD HAZARD AREAS

16 Sec. 7807.111. SETBACK LINES

17 Sec. 7807.112. DISTRICT ELECTIONS

18 [Sections 7807.113-7807.150 reserved for expansion]

19 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

20 Sec. 7807.151. TAX METHOD

21 Sec. 7807.152. TAX ASSESSOR AND COLLECTOR

22 Sec. 7807.153. DEPOSITORY

23 Sec. 7807.154. INVESTMENT OF DISTRICT MONEY

24 [Sections 7807.155-7807.200 reserved for expansion]

25 SUBCHAPTER E. BONDS

26 Sec. 7807.201. AUTHORITY TO ISSUE BONDS

27 Sec. 7807.202. FORM OF BONDS

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- 1 Sec. 7807.203. MATURITY
- 2 Sec. 7807.204. ELECTION REQUIRED
- 3 Sec. 7807.205. USE OF BOND PROCEEDS
- 4 Sec. 7807.206. TAXES FOR BONDS
- 5 Sec. 7807.207. BOND ANTICIPATION NOTES AND PRELIMINARY
- 6 BONDS
- 7 Sec. 7807.208. REFUNDING BONDS

8 CHAPTER 7807. VALWOOD IMPROVEMENT AUTHORITY OF DALLAS COUNTY, TEXAS

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 7807.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the district's board of directors.

12 (2) "Director" means a member of the board.

13 (3) "District" means the Valwood Improvement

14 Authority of Dallas County, Texas. (Acts 64th Leg., R.S., Ch. 201,

15 Sec. 2; New.)

16 Sec. 7807.002. NATURE OF DISTRICT. The district is a

17 conservation and reclamation district established under Section

18 59, Article XVI, Texas Constitution. (Acts 64th Leg., R.S., Ch.

19 201, Sec. 1 (part).)

20 Sec. 7807.003. DISSOLUTION AND ABOLITION OF DISTRICT. The

21 Cities of Carrollton and Farmers Branch, and any other municipality

22 in which the district is located, may dissolve and abolish the

23 district at the municipalities' discretion on written notice of the

24 dissolution and abolition to the board, in the same manner and on

25 the same terms and obligations as prescribed by Section 43.076,

26 Local Government Code. (Acts 64th Leg., R.S., Ch. 201, Sec. 11.)

27 Sec. 7807.004. LIBERAL CONSTRUCTION OF CHAPTER. This

1 chapter shall be liberally construed to effect the purposes,  
2 powers, rights, and functions stated in this chapter. (Acts 71st  
3 Leg., R.S., Ch. 588, Sec. 4 (part).)

4 [Sections 7807.005-7807.050 reserved for expansion]

5 SUBCHAPTER B. DISTRICT ADMINISTRATION

6 Sec. 7807.051. COMPOSITION OF BOARD; TERMS. (a) The board  
7 consists of seven directors.

8 (b) Directors serve staggered two-year terms and are  
9 appointed as follows:

10 (1) the Commissioners Court of Dallas County shall  
11 appoint one director to a term expiring each even-numbered year;

12 (2) the city council of the City of Carrollton shall  
13 appoint one director to a term expiring each even-numbered year and  
14 two directors to terms expiring each odd-numbered year; and

15 (3) the city council of the City of Farmers Branch  
16 shall appoint one director to a term expiring each even-numbered  
17 year and two directors to terms expiring each odd-numbered year.  
18 (Acts 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

19 Sec. 7807.052. QUALIFICATIONS FOR OFFICE. (a) A director  
20 must own land in the district subject to taxation at the time the  
21 person qualifies for office.

22 (b) Each director must be fully qualified to serve as  
23 director before taking office. (Acts 64th Leg., R.S., Ch. 201, Sec.  
24 3 (part).)

25 Sec. 7807.053. DIRECTOR'S BOND. (a) Each director shall  
26 qualify by giving bond in the amount of \$5,000 for the faithful  
27 performance of the director's duties.



1 (b) The bond must be:

2 (1) approved by the board; and

3 (2) recorded in the official bond records of the  
4 county clerk of Dallas County.

5 (c) Each director shall file the bond as soon as practicable  
6 after the director's appointment. (Acts 64th Leg., R.S., Ch. 201,  
7 Sec. 3 (part).)

8 Sec. 7807.054. BOARD VACANCY. (a) Except as provided by  
9 Subsection (b) or (c), a vacancy on the board shall be filled by  
10 appointment to the unexpired term by the governing body that  
11 appointed the director in whose position a vacancy exists.

12 (b) If under Subsection (a) the governing body does not fill  
13 a vacancy within 60 days after the date the position became vacant,  
14 the unexpired term of the position shall be filled by appointment by  
15 the remaining directors. The Commissioners Court of Dallas County,  
16 after consulting with the Cities of Carrollton and Farmers Branch,  
17 shall appoint directors to fill all vacancies on the board when the  
18 number of directors is fewer than four.

19 (c) If any director ceases to possess the qualifications  
20 prescribed by Section 7807.052, the remaining directors shall  
21 declare the person's office vacant and appoint a successor. (Acts  
22 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

23 Sec. 7807.055. OFFICERS AND ASSISTANTS. (a) The board  
24 shall annually elect a president, one or more vice presidents, a  
25 secretary, and a treasurer.

26 (b) The board may appoint one or more assistant secretaries  
27 and an assistant treasurer. An assistant secretary or assistant

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1 treasurer is not required to be a director. (Acts 64th Leg., R.S.,  
2 Ch. 201, Secs. 3 (part), 4 (part).)

3       Sec. 7807.056. SECRETARY'S DUTIES. The board secretary or  
4 an assistant secretary shall keep the minutes of the board meetings  
5 and all official records of the board and may certify to any action  
6 the board takes. (Acts 64th Leg., R.S., Ch. 201, Sec. 3 (part).)

7       Sec. 7807.057. COMPENSATION. Unless the board by  
8 resolution increases the fee to an amount authorized by Section  
9 49.060, Water Code, each director shall receive a per diem payment  
10 of \$50, not to exceed a maximum payment of \$200 per month. (Acts  
11 64th Leg., R.S., Ch. 201, Sec. 3 (part); New.)

12       Sec. 7807.058. BOARD PROCEDURES. The board shall designate  
13 the proper execution of all contracts, signing of checks, or  
14 handling of any other matters entered into by the board as shown in  
15 the district's official minutes. (Acts 64th Leg., R.S., Ch. 201,  
16 Sec. 3 (part).)

17       Sec. 7807.059. MEETING PLACE. (a) The board shall  
18 designate a meeting place or places.

19       (b) Any meeting place of the district is a public place for  
20 matters pertaining to the district's business.

21       (c) The board shall give notice of the meeting place and of  
22 any changes in the meeting place by publishing the location in a  
23 newspaper of general circulation in Dallas County. (Acts 64th  
24 Leg., R.S., Ch. 201, Sec. 4 (part).)

25       [Sections 7807.060-7807.100 reserved for expansion]

26                   SUBCHAPTER C. POWERS AND DUTIES

27       Sec. 7807.101. LEVEE IMPROVEMENT DISTRICT POWERS. (a) The

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1 district has all of the rights, powers, privileges, and functions  
2 provided by the general law of this state applicable to a levee  
3 improvement district created under the authority of Section 59,  
4 Article XVI, Texas Constitution, including those conferred by  
5 Chapters 49 and 57, Water Code.

6 (b) In the accomplishment of the district's purposes, the  
7 district may issue bonds, enter into contracts, or incur debt in the  
8 manner prescribed by this chapter. (Acts 64th Leg., R.S., Ch. 201,  
9 Sec. 1 (part); New.)

10 Sec. 7807.102. EXCLUSION OR ANNEXATION OF LAND. (a) The  
11 board may exclude land from the district or add land to the district  
12 in accordance with Subchapter J, Chapter 49, or Subchapter H,  
13 Chapter 54, Water Code.

14 (b) Land may not be added to the district until the board has  
15 obtained the written consent of the Cities of Carrollton and  
16 Farmers Branch to approve any petition for annexation. (Acts 64th  
17 Leg., R.S., Ch. 201, Sec. 6.)

18 Sec. 7807.103. EMINENT DOMAIN. (a) The district may  
19 exercise the power of eminent domain provided by Chapter 49, Water  
20 Code.

21 (b) The district may not exercise the power of eminent  
22 domain without first obtaining the approval of any municipality in  
23 which the subject property is located. (Acts 64th Leg., R.S., Ch.  
24 201, Sec. 10 (part).)

25 Sec. 7807.104. COST OF RELOCATING OR ALTERING PROPERTY.  
26 (a) In this section, "sole expense" means the actual cost of  
27 relocating, raising, lowering, rerouting, changing the grade of, or

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1 altering the construction of a facility described by Subsection (b)  
2 in providing comparable replacement without enhancement of the  
3 facility, after deducting from that cost the net salvage value of  
4 the old facility.

5 (b) If the district's exercise of its power of eminent  
6 domain, police power, or any other power conferred by this chapter  
7 makes necessary the relocation, raising, lowering, rerouting,  
8 changing the grade, or alteration of the construction of a  
9 railroad, an electric transmission, telegraph, or telephone line,  
10 property, or facility, or a pipeline, the necessary action shall be  
11 accomplished at the sole expense of the district. (Acts 64th Leg.,  
12 R.S., Ch. 201, Sec. 10 (part).)

13 Sec. 7807.105. CONTRACTS FOR FACILITIES AND IMPROVEMENTS;  
14 ELECTION NOT REQUIRED. (a) The district may enter into a contract  
15 with the United States, the City of Carrollton, the City of Farmers  
16 Branch, another public body, or an individual, corporation, or  
17 other entity for the operation and maintenance of or construction  
18 of any facility or improvement authorized by this chapter.

19 (b) The district is not required to hold an election to  
20 approve a contract described by Subsection (a). (Acts 64th Leg.,  
21 R.S., Ch. 201, Sec. 9(a) (part).)

22 Sec. 7807.106. CONSTRUCTION CONTRACTS: MUNICIPAL APPROVAL  
23 REQUIRED. Plans and specifications for a construction contract  
24 must be approved, before the contract is awarded, by any  
25 municipality in which the improvements or facilities are to be  
26 constructed. (Acts 64th Leg., R.S., Ch. 201, Sec. 9(a) (part).)

27 Sec. 7807.107. CONSTRUCTION CONTRACTS: AWARD. (a) The

1 board shall award all construction contracts.

2 (b) The board may award contracts to construct improvements  
3 included in the approved plan of reclamation for the district at the  
4 times and in the amounts that the board considers in the best  
5 interest of the district. (Acts 64th Leg., R.S., Ch. 201, Sec. 9(b)  
6 (part).)

7 Sec. 7807.108. CONSTRUCTION CONTRACTS: EXECUTION AND  
8 AVAILABILITY. (a) A contract under Section 7807.107 must be in  
9 writing and be signed by:

10 (1) the contractor; and

11 (2) the president and secretary of the board.

12 (b) A copy of each construction contract shall be kept in  
13 the district's records and be subject to public inspection. (Acts  
14 64th Leg., R.S., Ch. 201, Sec. 9(b) (part).)

15 Sec. 7807.109. CONSTRUCTION CONTRACTS: PAYMENT. (a) A  
16 contract under Section 7807.107 may be paid for in partial payments  
17 as the work progresses, based on estimates approved by the  
18 district's engineer.

19 (b) The payments may not exceed 90 percent of the amount due  
20 at the time of such payments as shown by approved estimates, except  
21 that on certification by the district's engineer that the project  
22 is substantially complete, the board may authorize payment of not  
23 to exceed 95 percent of the amount due at the time of such  
24 certification before the acceptance of the job and the certificate  
25 of completion of the job. (Acts 64th Leg., R.S., Ch. 201, Sec. 9(b)  
26 (part).)

27 Sec. 7807.110. FLOOD HAZARD AREAS. (a) The board shall

1 designate flood hazard areas in the district if the board finds that  
2 the public health and safety and the purposes of Section 59, Article  
3 XVI, Texas Constitution, will be promoted by the designation.

4 (b) The area to be included in a flood hazard area shall be  
5 described by field notes, map, or both.

6 (c) Before designating a flood hazard area, the board shall  
7 hold a public hearing. The board must publish notice of the hearing  
8 in a newspaper having general circulation in Dallas County at least  
9 15 days before the hearing. Any interested person is entitled to an  
10 opportunity to be heard.

11 (d) The board may, following notice and a hearing as  
12 required by Subsection (c), amend the designated flood hazard areas  
13 as necessary. (Acts 64th Leg., R.S., Ch. 201, Sec. 13.)

14 Sec. 7807.111. SETBACK LINES. (a) The board shall  
15 establish building setback lines along any waterway in the  
16 boundaries of the district if the board finds the setback lines are  
17 needed to protect the public health and safety and to accomplish the  
18 purposes of Section 59, Article XVI, Texas Constitution.

19 (b) After the establishment of building setback lines, no  
20 structure may be erected within the setback lines. In any  
21 subsequent eminent domain proceeding instituted by the district to  
22 acquire the area within the setback lines, it shall constitute  
23 prima facie showing that the person erecting the structure did so at  
24 the person's own risk with knowledge of:

25 (1) the fact that erecting the structure interfered  
26 with the district's setback provisions; and

27 (2) the district's right to remove the structure

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1 erected after the establishment of the setback lines without  
2 payment of the value of the structure.

3 (c) The area included within the building setback lines  
4 shall be described by field notes, map or plat, or both. A  
5 certified copy of the description shall be filed for record  
6 immediately with the county clerk of Dallas County.

7 (d) Before establishing building setback lines, the board  
8 shall hold a public hearing. The board must:

9 (1) publish notice of the hearing in a newspaper  
10 having general circulation in Dallas County at least 15 days before  
11 the hearing; and

12 (2) mail notice of the hearing to the latest available  
13 address for each landowner affected by the proposed setback lines.

14 (e) After establishing building setback lines, the board  
15 may, following notice and a hearing as required by Subsection (d),  
16 amend or grant exceptions to the setback lines. (Acts 64th Leg.,  
17 R.S., Ch. 201, Sec. 12.)

18 Sec. 7807.112. DISTRICT ELECTIONS. (a) The board shall  
19 order each election the district is required to hold.

20 (b) Notice of a district election must be published once a  
21 week for two consecutive weeks in a newspaper with general  
22 circulation in Dallas County, with the first publication occurring  
23 at least 14 days before the date of the election.

24 (c) A district election may be held separately or at the  
25 same time as an election for another purpose, including a  
26 maintenance tax election that may be held on the same day as a bond  
27 election. An election held at the same time as an election for

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1 another purpose may be ordered by the board in a single election  
2 order, and the results may be canvassed in a single order. (Acts  
3 64th Leg., R.S., Ch. 201, Sec. 5 (part).)

4 [Sections 7807.113-7807.150 reserved for expansion]

5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6 Sec. 7807.151. TAX METHOD. (a) The district shall use the  
7 ad valorem plan of taxation.

8 (b) Subchapter G, Chapter 54, Water Code, applies to all  
9 matters relating to the imposition of district taxes. (Acts 64th  
10 Leg., R.S., Ch. 201, Sec. 8 (part).)

11 Sec. 7807.152. TAX ASSESSOR AND COLLECTOR. (a) The board  
12 shall appoint a tax assessor and collector and may appoint deputies  
13 that the board considers necessary.

14 (b) The tax assessor and collector and each deputy shall  
15 qualify by executing a bond for \$10,000 conditioned on the faithful  
16 performance of the person's duties. The bond must be payable to the  
17 district and approved by the board.

18 (c) The board shall set the compensation of the tax assessor  
19 and collector and any deputies. (Acts 64th Leg., R.S., Ch. 201,  
20 Sec. 4 (part).)

21 Sec. 7807.153. DEPOSITORY. (a) The district's treasurer  
22 shall see that all district money is deposited in the depository  
23 bank or banks designated by the board as the official depository of  
24 the district.

25 (b) To the extent that money in the depository bank is not  
26 insured by the Federal Deposit Insurance Corporation, the money  
27 must be secured in the manner provided by law for the security of



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1 county funds. (Acts 64th Leg., R.S., Ch. 201, Sec. 4 (part).)

2       Sec. 7807.154. INVESTMENT OF DISTRICT MONEY. District

3 money may be invested by the board, the treasurer, or another

4 qualified representative of the district in direct or indirect

5 obligations of the United States, the state, or any political

6 subdivision of the state, or may be placed in certificates of

7 deposit of state or national banks or savings and loan associations

8 in this state, if that money is secured in the manner provided for

9 the security of county funds. (Acts 64th Leg., R.S., Ch. 201, Sec.

10 4 (part).)

[Sections 7807.155-7807.200 reserved for expansion]

SUBCHAPTER E. BONDS

13       Sec. 7807.201. AUTHORITY TO ISSUE BONDS. The board may

14 issue district tax bonds to acquire money to carry out any power or

15 accomplish any purpose conferred by this chapter. The bonds may be

16 authorized by a board order. (Acts 64th Leg., R.S., Ch. 201, Secs.

17 7(a) (part), (b) (part).)

18       Sec. 7807.202. FORM OF BONDS. District bonds shall be

19 signed and executed as provided by the board in the order

20 authorizing the issuance of the bonds. (Acts 64th Leg., R.S., Ch.

21 201, Sec. 7(a) (part).)

22       Sec. 7807.203. MATURITY. District bonds must mature not

23 later than 40 years after their date of issuance. (Acts 64th Leg.,

24 R.S., Ch. 201, Sec. 7(a) (part).)

25       Sec. 7807.204. ELECTION REQUIRED. (a) Bonds, other than

26 refunding bonds, may not be issued unless authorized by a majority

27 of the votes cast in an election held to determine whether the bonds

1 should be issued and whether a tax should be imposed to pay the  
2 principal of and interest on the bonds.

3 (b) The board may order and provide notice of an election  
4 under this section.

5 (c) In addition to other requirements, the ballot shall be  
6 printed to provide for voting for or against the proposition: "The  
7 issuance of bonds and the imposition of a tax in payment thereof."  
8 (Acts 64th Leg., R.S., Ch. 201, Sec. 7(b) (part).)

9 Sec. 7807.205. USE OF BOND PROCEEDS. (a) The board may set  
10 aside part of the bond proceeds to:

11 (1) pay interest on the bonds and administrative and  
12 operational expenses expected to accrue during the period of  
13 construction of the improvements or facilities; and

14 (2) create reserves for the payment of the principal  
15 of and interest on the bonds.

16 (b) For purposes of Subsection (a), the period of  
17 construction may not exceed two years. (Acts 64th Leg., R.S., Ch.  
18 201, Sec. 7(c) (part).)

19 Sec. 7807.206. TAXES FOR BONDS. The board of directors may  
20 impose continuing direct annual ad valorem taxes on all taxable  
21 property in the district sufficient to:

22 (1) provide for the payment of interest on bonds  
23 issued under this subchapter as the interest accrues; and

24 (2) create and provide a sinking fund for the payment  
25 of principal of the bonds as the principal matures. (Acts 64th  
26 Leg., R.S., Ch. 201, Sec. 7(a) (part).)

27 Sec. 7807.207. BOND ANTICIPATION NOTES AND PRELIMINARY

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1 BONDS. (a) The district may issue either bond anticipation notes  
2 or preliminary bonds, which need not be designated as such, to  
3 provide a fund to pay:

4 (1) the cost of making surveys and investigations,  
5 attorneys' fees, and engineers' work;

6 (2) the cost of issuing bonds; and

7 (3) all other costs and expenses incident to the  
8 organization of the district and the district's operation in  
9 investigating and determining plans for the district's plant and  
10 improvements.

11 (b) Preliminary bonds shall be voted and authorized in the  
12 manner and under the same provisions applicable to the district's  
13 construction bonds and shall be of equal dignity with those  
14 construction bonds.

15 (c) The district may issue bond anticipation notes as  
16 provided by Section 49.154(c), Water Code. These notes shall be  
17 sold on the best terms and for the best price possible. (Acts 64th  
18 Leg., R.S., Ch. 201, Secs. 7(d) (part), (e) (part).)

19 Sec. 7807.208. REFUNDING BONDS. (a) The board may issue  
20 refunding bonds to refund or refinance all or part of the district's  
21 outstanding bonds and matured but unpaid interest coupons.

22 (b) District refunding bonds must mature not later than 40  
23 years after their date of issuance. (Acts 64th Leg., R.S., Ch. 201,  
24 Sec. 7(g) (part).)

25 SECTION 1.03. Subtitle H, Title 6, Special District Local  
26 Laws Code, is amended by adding Chapters 8833, 8835, 8838, 8839,  
27 8841, 8843, 8845, 8851, 8854, and 8857 to read as follows:

1 CHAPTER 8833. GUADALUPE COUNTY GROUNDWATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8833.001. DEFINITIONS

4 Sec. 8833.002. NATURE OF DISTRICT

5 Sec. 8833.003. FINDINGS OF PUBLIC USE AND BENEFIT

6 Sec. 8833.004. DISTRICT TERRITORY

7 [Sections 8833.005-8833.050 reserved for expansion]

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8833.051. COMPOSITION OF BOARD; SINGLE-MEMBER

10 DISTRICTS; TERMS

11 Sec. 8833.052. ELECTION DATE

12 Sec. 8833.053. QUALIFICATIONS FOR ELECTION

13 [Sections 8833.054-8833.100 reserved for expansion]

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 8833.101. GROUNDWATER CONSERVATION DISTRICT

16 POWERS AND DUTIES

17 Sec. 8833.102. LIMITATIONS ON DISTRICT POWERS

18 CHAPTER 8833. GUADALUPE COUNTY GROUNDWATER CONSERVATION DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 8833.001. DEFINITIONS. In this chapter:

21 (1) "Board" means the district's board of directors.

22 (2) "Director" means a board member.

23 (3) "District" means the Guadalupe County Groundwater

24 Conservation District. (Acts 75th Leg., R.S., Ch. 1066, Sec. 2;

25 New.)

26 Sec. 8833.002. NATURE OF DISTRICT. The district is a

27 groundwater conservation district in Guadalupe County created

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1 under and essential to accomplish the purposes of Section 59,  
2 Article XVI, Texas Constitution. (Acts 75th Leg., R.S., Ch. 1066,  
3 Secs. 1(a) (part), (b).)

4 Sec. 8833.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
5 district is created to serve a public use and benefit.

6 (b) All land and other property included in the district  
7 will benefit from the works and projects accomplished by the  
8 district under the powers conferred by Section 59, Article XVI,  
9 Texas Constitution. (Acts 75th Leg., R.S., Ch. 1066, Sec. 4.)

10 Sec. 8833.004. DISTRICT TERRITORY. The district is  
11 composed of the territory described by Section 3, Chapter 1066,  
12 Acts of the 75th Legislature, Regular Session, 1997, as that  
13 territory may have been modified under:

- 14 (1) Subchapter J, Chapter 36, Water Code; or
- 15 (2) other law. (New.)

16 [Sections 8833.005-8833.050 reserved for expansion]

17 SUBCHAPTER B. BOARD OF DIRECTORS

18 Sec. 8833.051. COMPOSITION OF BOARD; SINGLE-MEMBER  
19 DISTRICTS; TERMS. (a) The district is governed by a board of seven  
20 directors elected from single-member districts determined by the  
21 Guadalupe County Commissioners Court.

22 (b) Section 36.059(b), Water Code, does not apply to the  
23 district.

24 (c) Directors serve staggered four-year terms. (Acts 75th  
25 Leg., R.S., Ch. 1066, Secs. 6(a), (d), (i).)

26 Sec. 8833.052. ELECTION DATE. On the uniform election date  
27 in November of each odd-numbered year, the district shall hold an

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1 election in the district to elect the appropriate number of  
2 directors. (Acts 75th Leg., R.S., Ch. 1066, Sec. 9.)

3       Sec. 8833.053. QUALIFICATIONS FOR ELECTION. To be  
4 qualified to be elected as a director, a person must be a registered  
5 voter in the single-member district that the person would  
6 represent. (Acts 75th Leg., R.S., Ch. 1066, Sec. 6(h).)

7       [Sections 8833.054-8833.100 reserved for expansion]

8                   SUBCHAPTER C. POWERS AND DUTIES

9       Sec. 8833.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
10 AND DUTIES. Except as provided by Section 8833.102, the district  
11 has the rights, powers, privileges, functions, and duties provided  
12 by the general law of this state, including Chapters 36 and 49,  
13 Water Code, applicable to groundwater conservation districts  
14 created under Section 59, Article XVI, Texas Constitution. (Acts  
15 75th Leg., R.S., Ch. 1066, Sec. 5(a) (part).)

16       Sec. 8833.102. LIMITATIONS ON DISTRICT POWERS. The  
17 district may not impose:

- 18               (1) a tax; or
- 19               (2) a fee on a well used exclusively for domestic or
- 20 livestock watering purposes. (Acts 75th Leg., R.S., Ch. 1066, Sec.
- 21 5(c).)

22       CHAPTER 8835. BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

23                   SUBCHAPTER A. GENERAL PROVISIONS

- 24 Sec. 8835.001. DEFINITIONS
- 25 Sec. 8835.002. NATURE OF DISTRICT
- 26 Sec. 8835.003. FINDINGS OF PUBLIC USE AND BENEFIT
- 27 Sec. 8835.004. DISTRICT TERRITORY

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1 [Sections 8835.005-8835.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8835.051. COMPOSITION OF BOARD; TERMS

4 Sec. 8835.052. APPOINTMENT OF DIRECTORS

5 Sec. 8835.053. BOARD VACANCY

6 Sec. 8835.054. COMPENSATION; EXPENSES

7 Sec. 8835.055. VOTE REQUIRED FOR BOARD ACTION

8 [Sections 8835.056-8835.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8835.101. GROUNDWATER CONSERVATION DISTRICT

11 POWERS AND DUTIES

12 Sec. 8835.102. GROUNDWATER WELLS UNDER JURISDICTION OF

13 RAILROAD COMMISSION

14 Sec. 8835.103. LIMITATION ON POWER OF EMINENT DOMAIN

15 [Sections 8835.104-8835.150 reserved for expansion]

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

17 Sec. 8835.151. FEES

18 Sec. 8835.152. AUTHORITY TO ISSUE BONDS AND NOTES

19 Sec. 8835.153. LIMITATION ON AUTHORITY TO IMPOSE TAXES

20 CHAPTER 8835. BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

21 SUBCHAPTER A. GENERAL PROVISIONS

22 Sec. 8835.001. DEFINITIONS. In this chapter:

23 (1) "Board" means the district's board of directors.

24 (2) "Director" means a board member.

25 (3) "District" means the Brazos Valley Groundwater

26 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;

27 Acts 77th Leg., R.S., Ch. 966, Sec. 3.1302; Acts 77th Leg., R.S.,

1 Ch. 1307, Sec. 2.02; New.)

2 Sec. 8835.002. NATURE OF DISTRICT. The district is a  
3 groundwater conservation district created under and essential to  
4 accomplish the purposes of Section 59, Article XVI, Texas  
5 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
6 (c).)

7 Sec. 8835.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
8 district is created to serve a public use and benefit.

9 (b) All land and other property included in the district  
10 will benefit from the works and projects accomplished by the  
11 district under the powers conferred by Section 59, Article XVI,  
12 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

13 Sec. 8835.004. DISTRICT TERRITORY. The district's  
14 boundaries are coextensive with the boundaries of Robertson and  
15 Brazos Counties unless the district's territory has been modified  
16 under:

17 (1) Subchapter J, Chapter 36, Water Code; or

18 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
19 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.1303; Acts 77th  
20 Leg., R.S., Ch. 1307, Sec. 2.03; New.)

21 [Sections 8835.005-8835.050 reserved for expansion]

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 8835.051. COMPOSITION OF BOARD; TERMS. (a) The  
24 district is governed by a board of eight directors.

25 (b) Directors serve staggered four-year terms.

26 (c) A director may serve consecutive terms. (Acts 77th Leg.,  
27 R.S., Ch. 966, Secs. 3.1309(a), (c), (f); Acts 77th Leg., R.S., Ch.



1 1307, Secs. 2.10(a), (c), (f).)

2           Sec. 8835.052. APPOINTMENT OF DIRECTORS.       (a)     The  
3 Robertson County Commissioners Court shall appoint four directors,  
4 of whom:

5           (1) one must represent municipal interests in the  
6 county;

7           (2) one must be a bona fide agricultural producer who  
8 derives a substantial portion of the producer's income from  
9 agriculture in the county;

10           (3) one must be a director or employee of a rural water  
11 supply corporation in the county; and

12           (4) one must represent active industrial interests in  
13 the county.

14           (b) The Brazos County Commissioners Court shall appoint two  
15 directors, of whom:

16           (1) one must be a bona fide agricultural producer who  
17 derives a substantial portion of the producer's income from  
18 agriculture in the county; and

19           (2) one must be a director or employee of a rural water  
20 supply corporation in the county.

21           (c) The governing body of the City of Bryan, with the  
22 approval of the Brazos County Commissioners Court, shall appoint  
23 one director.

24           (d) The governing body of the City of College Station, with  
25 the approval of the Brazos County Commissioners Court, shall  
26 appoint one director.

27           (e) Every two years after January 1 of the second year

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1 following the district's confirmation, the appropriate governing  
2 body shall appoint the appropriate number of directors. (Acts 77th  
3 Leg., R.S., Ch. 966, Secs. 3.1310(c), (d), (f) (part); Acts 77th  
4 Leg., R.S., Ch. 1307, Secs. 2.11(a), (b), (c), (d), (f) (part).)

5       Sec. 8835.053. BOARD VACANCY. If there is a vacancy on the  
6 board, the governing body of the entity that appointed the director  
7 who vacated the office shall appoint a director to serve the  
8 remainder of the term. (Acts 77th Leg., R.S., Ch. 966, Sec.  
9 3.1309(g); Acts 77th Leg., R.S., Ch. 1307, Sec. 2.10(g).)

10       Sec. 8835.054. COMPENSATION; EXPENSES. (a) A director is  
11 not entitled to receive compensation for serving as a director.

12       (b) A director may be reimbursed for actual, reasonable  
13 expenses incurred in discharging official duties. (Acts 77th Leg.,  
14 R.S., Ch. 966, Sec. 3.1309(h); Acts 77th Leg., R.S., Ch. 1307, Sec.  
15 2.10(h).)

16       Sec. 8835.055. VOTE REQUIRED FOR BOARD ACTION. A majority  
17 vote of a quorum of the board is required for board action. If there  
18 is a tie vote, the proposed action fails. (Acts 77th Leg., R.S.,  
19 Ch. 966, Sec. 3.1309(i); Acts 77th Leg., R.S., Ch. 1307, Sec.  
20 2.10(i).)

21       [Sections 8835.056-8835.100 reserved for expansion]

22                   SUBCHAPTER C. POWERS AND DUTIES

23       Sec. 8835.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
24 AND DUTIES. Except as provided by this chapter, the district has  
25 the rights, powers, privileges, functions, and duties provided by  
26 the general law of this state, including Chapter 36, Water Code,  
27 applicable to groundwater conservation districts created under

1 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
2 R.S., Ch. 966, Sec. 3.1304(a) (part); Acts 77th Leg., R.S., Ch.  
3 1307, Sec. 2.04(a) (part).)

4 Sec. 8835.102. GROUNDWATER WELLS UNDER JURISDICTION OF  
5 RAILROAD COMMISSION. (a) In this section, "railroad commission"  
6 means the Railroad Commission of Texas.

7 (b) A groundwater well drilled or operated in the district  
8 under a permit issued by the railroad commission is under the  
9 exclusive jurisdiction of the railroad commission and is exempt  
10 from regulation by the district.

11 (c) Groundwater produced in an amount authorized by a  
12 railroad commission permit may be used in or exported from the  
13 district without a permit from the district.

14 (d) To the extent groundwater production exceeds railroad  
15 commission authorization, the holder of the railroad commission  
16 permit:

17 (1) must apply to the district for the appropriate  
18 permit for the excess production; and

19 (2) is subject to the applicable regulatory fees.

20 (e) Groundwater produced from a well under the jurisdiction  
21 of the railroad commission is generally exempt from water district  
22 fees. However, the district may impose either a pumping fee or an  
23 export fee on groundwater produced from an otherwise exempt mine  
24 well that is used for municipal purposes or by a public utility. A  
25 fee imposed by the district under this subsection may not exceed the  
26 fee imposed on other groundwater producers in the district. (Acts  
27 77th Leg., R.S., Ch. 966, Sec. 3.1307; Acts 77th Leg., R.S., Ch.

1 1307, Sec. 2.07; New.)

2       Sec. 8835.103. LIMITATION ON POWER OF EMINENT DOMAIN. The  
3 district does not have the power of eminent domain granted by  
4 Section 36.105, Water Code. (Acts 77th Leg., R.S., Ch. 966, Sec.  
5 3.1304(b) (part); Acts 77th Leg., R.S., Ch. 1307, Sec. 2.04(b)  
6 (part).)

7       [Sections 8835.104-8835.150 reserved for expansion]

8               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9       Sec. 8835.151. FEES. (a) The board by rule may impose a  
10 reasonable fee on each well that is not exempt from regulation by  
11 the district and for which a permit is issued by the district. The  
12 fee may be based on:

13               (1) the size of column pipe used by the well; or

14               (2) the actual, authorized, or anticipated amount of  
15 water to be withdrawn from the well.

16       (b) The board shall base the amount of the initial fee on the  
17 amount of water to be withdrawn from the well. The initial fee:

18               (1) may not exceed:

19                       (A) \$0.25 for each acre-foot for water used to  
20 irrigate agricultural crops or operate existing steam electric  
21 stations; or

22                       (B) \$0.0425 for each thousand gallons for water  
23 used for any other purpose; and

24               (2) may be increased at a cumulative rate not to exceed  
25 three percent for each year.

26       (c) In addition to the fee authorized under Subsection (b),  
27 the district may impose a reasonable fee or surcharge for an export

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1 fee using one of the following methods:

2 (1) a fee negotiated between the district and the  
3 transporter; or

4 (2) a combined production and export fee not to exceed  
5 17 cents for each thousand gallons for water used.

6 (d) Fees authorized by this section may be:

7 (1) assessed annually; and

8 (2) used to pay the cost of operating the district.

9 (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1306; Acts 77th Leg., R.S.,  
10 Ch. 1307, Sec. 2.06.)

11 Sec. 8835.152. AUTHORITY TO ISSUE BONDS AND NOTES. The  
12 district may issue bonds and notes under Subchapter F, Chapter 36,  
13 Water Code, not to exceed \$500,000 of total indebtedness at any  
14 time. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.1305; Acts 77th Leg.,  
15 R.S., Ch. 1307, Sec. 2.05.)

16 Sec. 8835.153. LIMITATION ON AUTHORITY TO IMPOSE TAXES.  
17 The district does not have the authority relating to taxes that is  
18 granted by Sections 36.020 and 36.201-36.204, Water Code. (Acts  
19 77th Leg., R.S., Ch. 966, Sec. 3.1304(b) (part); Acts 77th Leg.,  
20 R.S., Ch. 1307, Sec. 2.04(b) (part).)

21 CHAPTER 8838. COW CREEK GROUNDWATER CONSERVATION DISTRICT

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 8838.001. DEFINITIONS

24 Sec. 8838.002. NATURE OF DISTRICT

25 Sec. 8838.003. FINDINGS OF PUBLIC USE AND BENEFIT

26 Sec. 8838.004. DISTRICT TERRITORY

27 Sec. 8838.005. CONFLICTS WITH OTHER LAW

1 [Sections 8838.006-8838.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8838.051. COMPOSITION OF BOARD; TERMS

4 Sec. 8838.052. ELECTION OF DIRECTORS

5 Sec. 8838.053. ELECTION DATE

6 Sec. 8838.054. ELIGIBILITY

7 Sec. 8838.055. BOARD VACANCY

8 [Sections 8838.056-8838.100 reserved for expansion]

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 8838.101. GROUNDWATER CONSERVATION DISTRICT

11 POWERS AND DUTIES

12 Sec. 8838.102. PROGRAMS TO PRESERVE AND PROTECT

13 GROUNDWATER RESOURCES

14 Sec. 8838.103. CONTRACTS WITH OTHER GOVERNMENTAL

15 BODIES

16 Sec. 8838.104. WELL PERMITS; AUTHORIZATION OF EXEMPT

17 WELLS

18 Sec. 8838.105. BEST MANAGEMENT PRACTICES FOR WATER

19 RESOURCE MANAGEMENT

20 Sec. 8838.106. LIMITATIONS ON DISTRICT POWERS

21 [Sections 8838.107-8838.150 reserved for expansion]

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 8838.151. FEES

24 Sec. 8838.152. AD VALOREM TAX EXEMPTION FOR PROPERTY

25 ON WHICH WATER CONSERVATION

26 INITIATIVE HAS BEEN IMPLEMENTED

27 Sec. 8838.153. LIMITATION ON TAXES

1 CHAPTER 8838. COW CREEK GROUNDWATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8838.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the district's board of directors.

5 (2) "Director" means a board member.

6 (3) "District" means the Cow Creek Groundwater  
7 Conservation District.

8 (4) "Well" means an excavation drilled or dug into the  
9 ground that may intercept or penetrate a water-bearing stratum or  
10 formation. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3; Acts 77th Leg.,  
11 R.S., Ch. 966, Secs. 3.0102(1), (3); Acts 77th Leg., R.S., Ch. 1349,  
12 Sec. 2(1); New.)

13 Sec. 8838.002. NATURE OF DISTRICT. The district is a  
14 groundwater conservation district created under and essential to  
15 accomplish the purposes of Section 59, Article XVI, Texas  
16 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
17 (c).)

18 Sec. 8838.003. FINDINGS OF PUBLIC USE AND BENEFIT.

19 (a) The district is created to serve a public use and benefit.

20 (b) All land and other property included in the district  
21 will benefit from the works and projects accomplished by the  
22 district under the powers conferred by Section 59, Article XVI,  
23 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

24 Sec. 8838.004. DISTRICT TERRITORY. The district's  
25 boundaries are coextensive with the boundaries of Kendall County  
26 unless the district's territory has been modified under:

27 (1) Subchapter J, Chapter 36, Water Code; or

1           (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
2 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.0103; Acts 77th  
3 Leg., R.S., Ch. 1349, Sec. 3; New.)

4           Sec. 8838.005. CONFLICTS WITH OTHER LAW. The following  
5 provisions prevail over a conflicting or inconsistent provision of  
6 this chapter:

7           (1) Sections 36.1071-36.108, Water Code;

8           (2) Sections 36.159-36.161, Water Code; and

9           (3) Subchapter I, Chapter 36, Water Code. (Acts 77th  
10 Leg., R.S., Ch. 1349, Sec. 4(b).)

11           [Sections 8838.006-8838.050 reserved for expansion]

12                           SUBCHAPTER B. BOARD OF DIRECTORS

13           Sec. 8838.051. COMPOSITION OF BOARD; TERMS. (a) The  
14 district is governed by a board of five directors.

15           (b) Directors serve staggered four-year terms. (Acts 77th  
16 Leg., R.S., Ch. 966, Secs. 3.0105(a), (d); Acts 77th Leg., R.S., Ch.  
17 1349, Secs. 5(a), (d).)

18           Sec. 8838.052. ELECTION OF DIRECTORS. (a) Directors are  
19 elected according to the commissioners precinct method provided by  
20 this section.

21           (b) One director is elected by the voters of the entire  
22 district. One director is elected from each county commissioners  
23 precinct by the voters of that precinct.

24           (c) A person shall indicate on the application for a place  
25 on the ballot:

26           (1) the precinct that the person seeks to represent;

27 or



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1           (2) that the person seeks to represent the district at  
2 large.

3           (d) When the boundaries of the county commissioners  
4 precincts are changed, each director in office on the effective  
5 date of the change or elected to a term of office beginning on or  
6 after the effective date of the change serves in the precinct to  
7 which the director was elected for the entire term to which the  
8 director was elected, even though the change in boundaries places  
9 the person's residence outside the precinct for which the person  
10 was elected. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0106(a), (b),  
11 (c), (d); Acts 77th Leg., R.S., Ch. 1349, Secs. 6(a), (b), (d).)

12           Sec. 8838.053. ELECTION DATE. On the uniform election date  
13 in May of each even-numbered year, the appropriate number of  
14 directors shall be elected. (Acts 77th Leg., R.S., Ch. 966, Sec.  
15 3.0110; Acts 77th Leg., R.S., Ch. 1349, Sec. 10.)

16           Sec. 8838.054. ELIGIBILITY. (a) To be eligible to be a  
17 candidate for or to serve as director at large, a person must be a  
18 registered voter in the district.

19           (b) To be eligible to be a candidate for or to serve as a  
20 director from a county commissioners precinct, a person must be a  
21 registered voter of that precinct, except as provided by Section  
22 8838.052(d). (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0106(e); Acts  
23 77th Leg., R.S., Ch. 1349, Sec. 6(c); New.)

24           Sec. 8838.055. BOARD VACANCY. (a) The board shall appoint  
25 a replacement to fill a vacancy in the office of director.

26           (b) The appointed replacement serves until the next  
27 directors' election.

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1 (c) At that election, a person is elected to fill the  
2 position. If the position is not scheduled to be filled at the  
3 election, the person elected to fill the position serves only for  
4 the remainder of the unexpired term. (Acts 77th Leg., R.S., Ch.  
5 966, Sec. 3.0105(g); Acts 77th Leg., R.S., Ch. 1349, Sec. 5(g).)

6 [Sections 8838.056-8838.100 reserved for expansion]

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8838.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
9 AND DUTIES. Except as otherwise provided by this chapter, the  
10 district has the rights, powers, privileges, functions, and duties  
11 provided by the general law of this state, including Chapter 36,  
12 Water Code, applicable to groundwater conservation districts  
13 created under Section 59, Article XVI, Texas Constitution. (Acts  
14 77th Leg., R.S., Ch. 966, Sec. 3.0104 (part); Acts 77th Leg., R.S.,  
15 Ch. 1349, Sec. 4(a) (part).)

16 Sec. 8838.102. PROGRAMS TO PRESERVE AND PROTECT GROUNDWATER  
17 RESOURCES. The district may develop and implement regulatory,  
18 conservation, and recharge programs that preserve and protect  
19 groundwater resources located in the district. (Acts 77th Leg.,  
20 R.S., Ch. 966, Sec. 3.0101(b).)

21 Sec. 8838.103. CONTRACTS WITH OTHER GOVERNMENTAL BODIES.  
22 The district may contract with one or more state agencies or other  
23 governmental bodies, including a county, a river authority, or  
24 another district, to carry out any function of the district. (Acts  
25 77th Leg., R.S., Ch. 966, Sec. 3.0111(a); Acts 77th Leg., R.S., Ch.  
26 1349, Sec. 11(a).)

27 Sec. 8838.104. WELL PERMITS; AUTHORIZATION OF EXEMPT WELLS.

1 (a) The district may require a drilling permit before a new well is  
2 drilled or an existing well is substantially altered.

3 (b) Notwithstanding an exemption for a well under Section  
4 36.117, Water Code, written authorization granted by the district  
5 must be received before a new well is drilled or an existing well is  
6 substantially altered. (Acts 77th Leg., R.S., Ch. 966, Sec.  
7 3.0111(b); Acts 77th Leg., R.S., Ch. 1349, Sec. 11(b).)

8 Sec. 8838.105. BEST MANAGEMENT PRACTICES FOR WATER RESOURCE  
9 MANAGEMENT. (a) The district may participate in the construction,  
10 implementation, and maintenance of best management practices for  
11 water resource management in the district and may engage in and  
12 promote the acceptance of best management practices through  
13 education efforts sponsored by the district.

14 (b) Construction, implementation, and maintenance of best  
15 management practices must address water quantity and quality  
16 practices such as brush management, prescribed grazing, recharge  
17 structures, water and silt detention and retention structures,  
18 plugging of abandoned wells, rainwater harvesting, and other  
19 treatment measures for the conservation of water resources. (Acts  
20 77th Leg., R.S., Ch. 966, Sec. 3.0111(c); Acts 77th Leg., R.S., Ch.  
21 1349, Sec. 11(c).)

22 Sec. 8838.106. LIMITATIONS ON DISTRICT POWERS. (a) In this  
23 section, "retail public utility" means a retail public utility as  
24 defined by Section 13.002, Water Code, that is providing service in  
25 the district on September 1, 2001.

26 (b) The district may not:

27 (1) require the owner of a well used solely for

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1 domestic or livestock purposes to install a meter or measuring  
2 device on the well;

3 (2) sell, transport, or export groundwater outside of  
4 the district; or

5 (3) enter into a contract or engage in an action to  
6 supply water to any person in the service area of any municipality  
7 or retail public utility located in the district, except with the  
8 consent of the municipality or retail public utility. (Acts 77th  
9 Leg., R.S., Ch. 966, Secs. 3.0102(2), 3.0112 (part); Acts 77th  
10 Leg., R.S., Ch. 1349, Sec. 12 (part).)

11 [Sections 8838.107-8838.150 reserved for expansion]

12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

13 Sec. 8838.151. FEES. (a) Reasonable fees, as determined by  
14 the district, may be imposed on an annual basis on each nonexempt  
15 well and on each well exempt from permitting under Section  
16 36.117(b)(1), Water Code. The district shall adopt any rules  
17 necessary for the assessment and collection of fees under this  
18 subsection.

19 (b) The district may use money collected from fees:

20 (1) in any manner necessary for the management and  
21 operation of the district;

22 (2) to pay all or part of the principal of and interest  
23 on district bonds or notes; and

24 (3) for any purpose consistent with the district's  
25 approved water management plan. (Acts 77th Leg., R.S., Ch. 966,  
26 Secs. 3.0111(d), (e); Acts 77th Leg., R.S., Ch. 1349, Secs. 11(d),  
27 (e).)

1           Sec. 8838.152. AD VALOREM TAX EXEMPTION FOR PROPERTY ON  
2 WHICH WATER CONSERVATION INITIATIVE HAS BEEN IMPLEMENTED. (a) The  
3 district may adopt rules providing for granting exemptions from ad  
4 valorem taxes on property on which a water conservation initiative  
5 has been implemented as provided by Section 11.32, Tax Code.

6           (b) The total amount of the exemption from ad valorem taxes  
7 may not exceed one-half of the tax imposed by the district. (Acts  
8 77th Leg., R.S., Ch. 966, Secs. 3.0111(f), (h); Acts 77th Leg.,  
9 R.S., Ch. 1349, Secs. 11(f), (i).)

10          Sec. 8838.153. LIMITATION ON TAXES. The district may not  
11 impose an ad valorem tax for administrative, operation, or  
12 maintenance expenses that exceeds the lesser of:

13           (1) the rate approved by the majority of the voters  
14 voting in the election authorizing the tax; or

15           (2) three cents per \$100 of assessed valuation. (Acts  
16 77th Leg., R.S., Ch. 966, Sec. 3.0112 (part); Acts 77th Leg., R.S.,  
17 Ch. 1349, Sec. 12 (part).)

18           CHAPTER 8839. GATEWAY GROUNDWATER CONSERVATION DISTRICT

19                           SUBCHAPTER A. GENERAL PROVISIONS

20   Sec. 8839.001. DEFINITIONS

21   Sec. 8839.002. DISTRICT TERRITORY

22           [Sections 8839.003-8839.050 reserved for expansion]

23                           SUBCHAPTER B. BOARD OF DIRECTORS

24   Sec. 8839.051. COMPOSITION OF BOARD; TERMS

25   Sec. 8839.052. APPOINTMENT OF DIRECTORS

26   Sec. 8839.053. BOARD VACANCY

27   Sec. 8839.054. COMPENSATION; EXPENSES

1 [Sections 8839.055-8839.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8839.101. GROUNDWATER CONSERVATION DISTRICT

4 POWERS AND DUTIES

5 [Sections 8839.102-8839.150 reserved for expansion]

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Sec. 8839.151. TAXING AUTHORITY

8 CHAPTER 8839. GATEWAY GROUNDWATER CONSERVATION DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8839.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the district's board of directors.

12 (2) "Director" means a board member.

13 (3) "District" means the Gateway Groundwater  
14 Conservation District. (Acts 77th Leg., R.S., Ch. 1352, Sec. 2;  
15 New.)

16 Sec. 8839.002. DISTRICT TERRITORY. The district's  
17 boundaries are coextensive with the boundaries of Foard and  
18 Hardeman Counties unless the district's territory has been modified  
19 under:

20 (1) Subchapter J, Chapter 36, Water Code; or

21 (2) other law. (Acts 77th Leg., R.S., Ch. 1352, Sec.  
22 3(a); New.)

23 [Sections 8839.003-8839.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 8839.051. COMPOSITION OF BOARD; TERMS. (a) The  
26 district is governed by a board in the manner provided by Section  
27 36.051, Water Code.

1 (b) Directors serve staggered four-year terms. (Acts 77th  
2 Leg., R.S., Ch. 1352, Secs. 5(a), (d).)

3 Sec. 8839.052. APPOINTMENT OF DIRECTORS. (a) The  
4 commissioners court of each county in the district shall appoint an  
5 equal number of directors.

6 (b) The appropriate commissioners court shall appoint a  
7 director to succeed a director on or before the date the director's  
8 term expires. (Acts 77th Leg., R.S., Ch. 1352, Secs. 5(g), 7(a).)

9 Sec. 8839.053. BOARD VACANCY. If there is a vacancy on the  
10 board, the appropriate commissioners court shall appoint a director  
11 to serve the remainder of the term. (Acts 77th Leg., R.S., Ch.  
12 1352, Sec. 5(f).)

13 Sec. 8839.054. COMPENSATION; EXPENSES. A director may not  
14 receive a salary or other compensation for service as a director but  
15 may be reimbursed for actual expenses of attending meetings. (Acts  
16 77th Leg., R.S., Ch. 1352, Sec. 5(h).)

17 [Sections 8839.055-8839.100 reserved for expansion]

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 8839.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
20 AND DUTIES. The district has the rights, powers, privileges,  
21 functions, and duties provided by the general law of this state,  
22 including Chapter 36, Water Code, applicable to groundwater  
23 conservation districts created under Section 59, Article XVI, Texas  
24 Constitution. (Acts 77th Leg., R.S., Ch. 1352, Sec. 4(a) (part).)

25 [Sections 8839.102-8839.150 reserved for expansion]

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 8839.151. TAXING AUTHORITY. The district may impose

1 an ad valorem tax in the district at a rate not to exceed one cent on  
2 each \$100 of assessed valuation. (Acts 77th Leg., R.S., Ch. 1352,  
3 Sec. 9.)

4 CHAPTER 8841. GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT

5 SUBCHAPTER A. GENERAL PROVISIONS

6 Sec. 8841.001. DEFINITIONS

7 Sec. 8841.002. NATURE OF DISTRICT

8 Sec. 8841.003. FINDINGS OF PUBLIC USE AND BENEFIT

9 Sec. 8841.004. DISTRICT TERRITORY

10 Sec. 8841.005. DISTRICT NAME CHANGE

11 Sec. 8841.006. CONFLICTS WITH OTHER LAW

12 [Sections 8841.007-8841.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 8841.051. COMPOSITION OF BOARD; TERMS

15 Sec. 8841.052. ELECTION DATE

16 Sec. 8841.053. ELIGIBILITY

17 Sec. 8841.054. BOARD VACANCY

18 Sec. 8841.055. OFFICERS

19 [Sections 8841.056-8841.100 reserved for expansion]

20 SUBCHAPTER C. POWERS AND DUTIES

21 Sec. 8841.101. GROUNDWATER CONSERVATION DISTRICT

22 POWERS AND DUTIES

23 Sec. 8841.102. REGIONAL COOPERATION

24 [Sections 8841.103-8841.150 reserved for expansion]

25 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

26 Sec. 8841.151. LIMITATION ON TAXES

27 CHAPTER 8841. GOLIAD COUNTY GROUNDWATER CONSERVATION DISTRICT



1                   SUBCHAPTER A. GENERAL PROVISIONS

2           Sec. 8841.001. DEFINITIONS. In this chapter:

3                   (1) "Board" means the district's board of directors.

4                   (2) "Director" means a board member.

5                   (3) "District" means the Goliad County Groundwater  
6 Conservation District. (Acts 77th Leg., R.S., Ch. 1359, Sec. 2;  
7 New.)

8           Sec. 8841.002. NATURE OF DISTRICT. The district is a  
9 groundwater conservation district in Goliad County created under  
10 and essential to accomplish the purposes of Section 59, Article  
11 XVI, Texas Constitution. (Acts 77th Leg., R.S., Ch. 1359, Secs.  
12 1(a) (part), (b).)

13           Sec. 8841.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
14 district is created to serve a public use and benefit.

15                   (b) All land and other property included in the district  
16 will benefit from the works and projects accomplished by the  
17 district under the powers conferred by Section 59, Article XVI,  
18 Texas Constitution. (Acts 77th Leg., R.S., Ch. 1359, Sec. 4.)

19           Sec. 8841.004. DISTRICT TERRITORY. The district's  
20 boundaries are coextensive with the boundaries of Goliad County,  
21 Texas, unless the district's territory has been modified under:

22                   (1) Subchapter J, Chapter 36, Water Code; or

23                   (2) other law. (Acts 77th Leg., R.S., Ch. 1359, Sec.  
24 3; New.)

25           Sec. 8841.005. DISTRICT NAME CHANGE. The board may change  
26 the district's name if the district annexes territory. (Acts 77th  
27 Leg., R.S., Ch. 1359, Sec. 14.)

1           Sec. 8841.006. CONFLICTS WITH OTHER LAW. The following  
2 provisions prevail over a conflicting or inconsistent provision of  
3 this chapter:

- 4           (1) Sections 36.1071-36.108, Water Code;  
5           (2) Sections 36.159-36.161, Water Code; and  
6           (3) Subchapter I, Chapter 36, Water Code. (Acts 77th  
7 Leg., R.S., Ch. 1359, Sec. 5(b).)

8           [Sections 8841.007-8841.050 reserved for expansion]

9                                   SUBCHAPTER B. BOARD OF DIRECTORS

10          Sec. 8841.051. COMPOSITION OF BOARD; TERMS. (a) The  
11 district is governed by a board of seven directors elected to  
12 numbered places from Goliad County at large by the voters of the  
13 district.

14          (b) Directors serve staggered four-year terms. (Acts 77th  
15 Leg., R.S., Ch. 1359, Secs. 10(a), (c), 11(a), 12 (part).)

16          Sec. 8841.052. ELECTION DATE. Beginning in the second year  
17 following the election that confirmed the creation of the district,  
18 an election shall be held on the uniform election date in November  
19 every two years to elect the appropriate number of directors. (Acts  
20 77th Leg., R.S., Ch. 1359, Sec. 12 (part).)

21          Sec. 8841.053. ELIGIBILITY. To be eligible to serve as a  
22 director, a person must be a resident of Goliad County. (Acts 77th  
23 Leg., R.S., Ch. 1359, Sec. 6(a).)

24          Sec. 8841.054. BOARD VACANCY. (a) If a vacancy occurs on  
25 the board, the remaining directors shall appoint a person to fill  
26 the vacancy.

27          (b) A director appointed to fill a vacancy serves for the

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1 unexpired portion of the term. (Acts 77th Leg., R.S., Ch. 1359,  
2 Secs. 11(b), (c).)

3       Sec. 8841.055. OFFICERS. The board shall select from among  
4 the directors a presiding officer, assistant presiding officer, and  
5 secretary. (Acts 77th Leg., R.S., Ch. 1359, Sec. 10(b).)

6       [Sections 8841.056-8841.100 reserved for expansion]

7                               SUBCHAPTER C. POWERS AND DUTIES

8       Sec. 8841.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
9 AND DUTIES. Except as provided by this chapter, the district has  
10 the rights, powers, privileges, functions, and duties provided by  
11 the general law of this state, including Chapter 36, Water Code,  
12 applicable to groundwater conservation districts created under  
13 Section 59, Article XVI, Texas Constitution. (Acts 77th Leg.,  
14 R.S., Ch. 1359, Sec. 5(a) (part).)

15       Sec. 8841.102. REGIONAL COOPERATION. (a) In recognition  
16 of the need for uniform regional monitoring and regulation of  
17 common, scientifically recognized groundwater sources, and in  
18 designated management areas, the district shall establish rules  
19 that:

- 20               (1) require the permitting of each water well that is:
  - 21                       (A) not exempted from permitting by Chapter 36,
  - 22 Water Code; and
  - 23                       (B) capable of producing more than 25,000 gallons
  - 24 each day;
- 25               (2) provide for the prevention of waste, as defined by
- 26 Section 36.001, Water Code;
- 27               (3) provide for timely capping or plugging of

1 abandoned wells; and

2           (4) require reports to be filed with the district on  
3 each new, nonexempt water well.

4           (b) A report required under Subsection (a)(4) must include:

5                 (1) the driller's log;

6                 (2) a description of the casing and pumping equipment  
7 installed;

8                 (3) the capacity of the well; and

9                 (4) the intended use of the water.

10           (c) To further regional continuity, the district shall:

11                 (1) seek to participate in at least one coordination  
12 meeting annually with each adjacent district that shares an aquifer  
13 with the district;

14                 (2) coordinate the collection of data with adjacent  
15 districts in a manner designed to achieve uniformity of data  
16 quality;

17                 (3) coordinate efforts to monitor water quality with  
18 adjacent districts, local governments, and state agencies;

19                 (4) investigate any groundwater pollution with the  
20 intention of locating its source and report the district's findings  
21 to adjacent districts and appropriate state agencies;

22                 (5) provide to adjacent districts annually an  
23 inventory of new water wells in the district and an estimate of  
24 groundwater production in the district; and

25                 (6) include adjacent districts on the mailing lists  
26 for district newsletters, seminars, public education events, news  
27 articles, and field days. (Acts 77th Leg., R.S., Ch. 1359, Sec.

1 15.)

2 [Sections 8841.103-8841.150 reserved for expansion]

3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4 Sec. 8841.151. LIMITATION ON TAXES. The district may not  
5 impose an ad valorem tax at a rate that exceeds five cents on each  
6 \$100 valuation of taxable property in the district. (Acts 77th  
7 Leg., R.S., Ch. 1359, Sec. 13.)

8 CHAPTER 8843. HAYS TRINITY GROUNDWATER CONSERVATION DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8843.001. DEFINITIONS

11 Sec. 8843.002. NATURE OF DISTRICT

12 Sec. 8843.003. FINDINGS OF PUBLIC USE AND BENEFIT

13 Sec. 8843.004. DISTRICT TERRITORY

14 [Sections 8843.005-8843.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Sec. 8843.051. COMPOSITION OF BOARD; TERMS

17 Sec. 8843.052. ELECTION OF DIRECTORS

18 Sec. 8843.053. ELECTION DATE

19 Sec. 8843.054. QUALIFICATIONS FOR OFFICE

20 Sec. 8843.055. BOARD VACANCY

21 Sec. 8843.056. REVISION OF SINGLE-MEMBER DISTRICTS

22 Sec. 8843.057. COMPENSATION; EXPENSES

23 [Sections 8843.058-8843.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 8843.101. GROUNDWATER CONSERVATION DISTRICT

26 POWERS AND DUTIES

27 Sec. 8843.102. ELECTION ON BOARD DECISION

- 1 Sec. 8843.103. WELL CONSTRUCTION PERMIT  
2 Sec. 8843.104. EXEMPT WELLS  
3 Sec. 8843.105. STANDARDS FOR RESIDENTIAL WELLS  
4 Sec. 8843.106. ELECTIONS OTHER THAN DIRECTORS'

5 ELECTIONS

6 [Sections 8843.107-8843.150 reserved for expansion]

7 SUBCHAPTER D. FINANCIAL PROVISIONS

- 8 Sec. 8843.151. WELL CONSTRUCTION PERMIT FEE  
9 Sec. 8843.152. SERVICE CONNECTION FEE  
10 Sec. 8843.153. TAXES AND OTHER FEES PROHIBITED  
11 Sec. 8843.154. BUDGET  
12 Sec. 8843.155. AUDIT

13 CHAPTER 8843. HAYS TRINITY GROUNDWATER CONSERVATION DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 8843.001. DEFINITIONS. In this chapter:

16 (1) "Board" means the district's board of directors.

17 (2) "Director" means a board member.

18 (3) "District" means the Hays Trinity Groundwater  
19 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;  
20 Acts 77th Leg., R.S., Ch. 966, Sec. 3.0302; New.)

21 Sec. 8843.002. NATURE OF DISTRICT. The district is a  
22 groundwater conservation district created under and essential to  
23 accomplish the purposes of Section 59, Article XVI, Texas  
24 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
25 (c).)

26 Sec. 8843.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
27 district is created to serve a public use and benefit.

1 (b) All land and other property included in the district  
2 will benefit from the works and projects accomplished by the  
3 district under the powers conferred by Section 59, Article XVI,  
4 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

5 Sec. 8843.004. DISTRICT TERRITORY. The district's  
6 boundaries are coextensive with the boundaries of Hays County,  
7 excluding any area that on September 1, 2001, was within another  
8 groundwater conservation district with authority to require a  
9 permit to drill or alter a well for the withdrawal of groundwater,  
10 unless the district's territory has been modified under:

- 11 (1) Subchapter J, Chapter 36, Water Code; or  
12 (2) other law. (Acts 77th Leg., R.S., Ch. 966, Sec.  
13 3.0303 (part); New.)

14 [Sections 8843.005-8843.050 reserved for expansion]

15 SUBCHAPTER B. BOARD OF DIRECTORS

16 Sec. 8843.051. COMPOSITION OF BOARD; TERMS. (a) The  
17 district is governed by a board of five directors.

18 (b) Directors serve staggered two-year terms. (Acts 77th  
19 Leg., R.S., Ch. 966, Secs. 3.0307(a), (d).)

20 Sec. 8843.052. ELECTION OF DIRECTORS. (a) The district is  
21 divided into five numbered single-member districts for electing  
22 directors.

23 (b) One director is elected from each single-member  
24 district. A director elected from a single-member district  
25 represents the residents of that single-member district. (Acts  
26 77th Leg., R.S., Ch. 966, Secs. 3.0308(a), (b).)

27 Sec. 8843.053. ELECTION DATE. On the uniform election date

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1 in May of each year, the appropriate number of directors shall be  
2 elected. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0310(b).)

3       Sec. 8843.054. QUALIFICATIONS FOR OFFICE. To be qualified  
4 to be a candidate for or to serve as director, a person must be a  
5 registered voter in the single-member district that the person  
6 represents or seeks to represent. (Acts 77th Leg., R.S., Ch. 966,  
7 Sec. 3.0308(c).)

8       Sec. 8843.055. BOARD VACANCY. If there is a vacancy on the  
9 board, the Hays County Commissioners Court shall appoint a director  
10 to serve the remainder of the term. (Acts 77th Leg., R.S., Ch. 966,  
11 Sec. 3.0307(g).)

12       Sec. 8843.056. REVISION OF SINGLE-MEMBER DISTRICTS. (a)  
13 The board may revise the single-member districts as necessary or  
14 appropriate.

15       (b) The board shall revise each single-member district  
16 after each federal decennial census to reflect population changes.

17       (c) At the first election after the single-member districts  
18 are revised, a new director shall be elected from each district.  
19 The directors shall draw lots to determine which two directors  
20 serve one-year terms and which three directors serve two-year  
21 terms. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0308(d).)

22       Sec. 8843.057. COMPENSATION; EXPENSES. A director may not  
23 receive a salary or other compensation for service as a director but  
24 may be reimbursed for actual expenses of attending meetings at the  
25 rate in effect for employees of Hays County. (Acts 77th Leg., R.S.,  
26 Ch. 966, Sec. 3.0307(h).)

27       [Sections 8843.058-8843.100 reserved for expansion]



SUBCHAPTER C. POWERS AND DUTIES

1  
2           Sec. 8843.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
3 AND DUTIES. The district has the rights, powers, privileges,  
4 functions, and duties provided by the general law of this state,  
5 including Chapter 36, Water Code, applicable to groundwater  
6 conservation districts created under Section 59, Article XVI, Texas  
7 Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0304(a)  
8 (part).)

9           Sec. 8843.102. ELECTION ON BOARD DECISION. The Hays County  
10 Commissioners Court by resolution may require an election to affirm  
11 or reverse a decision of the board not later than six months after  
12 the date of the decision. (Acts 77th Leg., R.S., Ch. 966, Sec.  
13 3.0304(d).)

14           Sec. 8843.103. WELL CONSTRUCTION PERMIT. Except as  
15 provided by Sections 8843.104(b) and (c), the district may require  
16 a permit for the construction of a new well completed after  
17 September 1, 2001. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0312(a)  
18 (part).)

19           Sec. 8843.104. EXEMPT WELLS. (a) The following wells are  
20 exempt from the requirements of Chapter 36, Water Code, and may not  
21 be regulated, permitted, or metered by the district:

22                   (1) a well used for domestic use by a single private  
23 residential household and producing less than 25,000 gallons per  
24 day; and

25                   (2) a well used for conventional farming and ranching  
26 activities, including such intensive operations as aquaculture,  
27 livestock feedlots, or poultry operations.

1 (b) The district may not require a permit to construct a  
2 well described by Subsection (a)(2).

3 (c) A well used for dewatering and monitoring in the  
4 production of coal or lignite is exempt from permit requirements,  
5 regulations, and fees imposed by the district.

6 (d) The district may not enter property to inspect an exempt  
7 well without the property owner's permission. (Acts 77th Leg.,  
8 R.S., Ch. 966, Secs. 3.0304(c), 3.0305.)

9 Sec. 8843.105. STANDARDS FOR RESIDENTIAL WELLS. The  
10 district may not adopt standards for the construction of a  
11 residential well that are more stringent than state standards for a  
12 residential well. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0304(e).)

13 Sec. 8843.106. ELECTIONS OTHER THAN DIRECTORS' ELECTIONS.  
14 An election held by the district, other than an election under  
15 Section 8843.053, must be scheduled to coincide with a general  
16 election in May or November. (Acts 77th Leg., R.S., Ch. 966, Sec.  
17 3.0311.)

18 [Sections 8843.107-8843.150 reserved for expansion]

19 SUBCHAPTER D. FINANCIAL PROVISIONS

20 Sec. 8843.151. WELL CONSTRUCTION PERMIT FEE. The district  
21 may charge and collect a construction permit fee not to exceed \$300  
22 for a well for which the district requires a permit under Section  
23 8843.103. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0312(a) (part).)

24 Sec. 8843.152. SERVICE CONNECTION FEE. (a) This section  
25 does not apply to a water utility that has surface water as its sole  
26 source of water.

27 (b) The district may levy and collect a water utility

1 service connection fee not to exceed \$300 for each new water service  
2 connection made after September 1, 2001. (Acts 77th Leg., R.S., Ch.  
3 966, Sec. 3.0312(b).)

4       Sec. 8843.153. TAXES AND OTHER FEES PROHIBITED.  
5 Notwithstanding Section 8843.101 or Subchapter G, Chapter 36, Water  
6 Code, the district may not:

- 7             (1) impose a tax; or  
8             (2) assess or collect any fees except as authorized by  
9 Section 8843.151 or 8843.152. (Acts 77th Leg., R.S., Ch. 966, Sec.  
10 3.0312(c).)

11       Sec. 8843.154. BUDGET. (a) The district shall annually:

12             (1) prepare a budget showing proposed expenditures and  
13 disbursements and estimated receipts and collections for the next  
14 fiscal year; and

15             (2) hold a public hearing on the proposed budget.

16       (b) The district must publish notice of the hearing at least  
17 once in a newspaper of general circulation in the county not later  
18 than the 10th day before the date of the hearing.

19       (c) A taxpayer of the district is entitled to appear at the  
20 hearing to be heard regarding any item in the proposed budget.  
21 (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0306(a).)

22       Sec. 8843.155. AUDIT. At the written request of the Hays  
23 County Commissioners Court, the county auditor shall audit the  
24 performance of the district. The commissioners court may request a  
25 general audit of the performance of the district or may request an  
26 audit of only one or more district matters. (Acts 77th Leg., R.S.,  
27 Ch. 966, Sec. 3.0306(b).)

- 1 CHAPTER 8845. IRION COUNTY WATER CONSERVATION DISTRICT
- 2 SUBCHAPTER A. GENERAL PROVISIONS
- 3 Sec. 8845.001. DEFINITIONS
- 4 Sec. 8845.002. NATURE AND PURPOSE OF DISTRICT
- 5 Sec. 8845.003. LEGISLATIVE FINDINGS
- 6 Sec. 8845.004. DISTRICT TERRITORY
- 7 Sec. 8845.005. DISTRICT NAME CHANGE
- 8 Sec. 8845.006. OWNERSHIP OF GROUNDWATER AND SURFACE
- 9 WATER RIGHTS
- 10 [Sections 8845.007-8845.050 reserved for expansion]
- 11 SUBCHAPTER B. DISTRICT ADMINISTRATION
- 12 Sec. 8845.051. COMPOSITION OF BOARD; TERMS
- 13 Sec. 8845.0511. TERMS FOR CERTAIN DIRECTORS
- 14 Sec. 8845.052. ELECTION OF DIRECTORS
- 15 Sec. 8845.053. ELECTION DATE
- 16 Sec. 8845.054. QUALIFICATIONS FOR ELECTION;
- 17 ELIGIBILITY TO SERVE
- 18 Sec. 8845.055. BOARD VACANCY
- 19 Sec. 8845.056. COMPOSITION OF BOARD FOLLOWING
- 20 ANNEXATION OR CONSOLIDATION
- 21 Sec. 8845.057. VOTE REQUIRED FOR OFFICIAL BOARD ACTION
- 22 Sec. 8845.058. OFFICERS
- 23 Sec. 8845.059. GENERAL MANAGER
- 24 Sec. 8845.060. TREASURER AND ATTORNEY
- 25 Sec. 8845.061. ENGINEER
- 26 Sec. 8845.062. EMPLOYEES AND CONTRACT PERSONNEL
- 27 Sec. 8845.063. DISTRICT OFFICE

- 1 Sec. 8845.064. MEETINGS
- 2 Sec. 8845.065. RECORDS
- 3 [Sections 8845.066-8845.100 reserved for expansion]
- 4 SUBCHAPTER C. POWERS AND DUTIES
- 5 Sec. 8845.101. GENERAL POWERS AND DUTIES
- 6 Sec. 8845.102. RULES
- 7 Sec. 8845.103. EMINENT DOMAIN
- 8 Sec. 8845.104. CONTROL, STORAGE, AND PRESERVATION OF
- 9 STORM WATER AND FLOODWATER
- 10 Sec. 8845.105. RECLAMATION
- 11 Sec. 8845.106. SOIL CONSERVATION AND IMPROVEMENT
- 12 Sec. 8845.107. ACQUISITION OF PROPERTY
- 13 Sec. 8845.108. SALE AND DISPOSAL OF PROPERTY
- 14 Sec. 8845.109. IMPROVEMENTS AND FACILITIES
- 15 Sec. 8845.110. INPUT WELLS
- 16 Sec. 8845.111. STUDIES AND SURVEYS
- 17 Sec. 8845.112. RESEARCH; INFORMATION
- 18 Sec. 8845.113. DISTRICT PLANS
- 19 Sec. 8845.114. SERVICE OF PROCESS
- 20 Sec. 8845.115. PAYMENT OF JUDGMENTS
- 21 Sec. 8845.116. CERTAIN PERMIT DENIALS PROHIBITED
- 22 Sec. 8845.117. PROHIBITION: SUPPLY OF WATER
- 23 [Sections 8845.118-8845.150 reserved for expansion]
- 24 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 25 Sec. 8845.151. MAINTENANCE AND OPERATIONS TAX;
- 26 ELECTION
- 27 Sec. 8845.152. NOTICE; HEARING; ADOPTION OF BUDGET

1 Sec. 8845.153. INVESTMENT OF DISTRICT MONEY

2 Sec. 8845.154. ANNUAL AUDIT

3 Sec. 8845.155. BORROWING MONEY

4 Sec. 8845.156. PROHIBITION ON BONDS

5 Sec. 8845.157. RESTRICTION ON EXPENDITURES

6 CHAPTER 8845. IRION COUNTY WATER CONSERVATION DISTRICT

7 SUBCHAPTER A. GENERAL PROVISIONS

8 Sec. 8845.001. DEFINITIONS. In this chapter:

9 (1) "Board" means the district's board of directors.

10 (2) "Director" means a board member.

11 (3) "District" means the Irion County Water  
12 Conservation District. (Acts 69th Leg., R.S., Ch. 65, Sec. 2; New.)

13 Sec. 8845.002. NATURE AND PURPOSE OF DISTRICT. The  
14 district is created under Section 59, Article XVI, Texas  
15 Constitution, to provide for the conservation, preservation,  
16 protection, recharge, and prevention of waste and pollution of the  
17 district's groundwater and surface water, consistent with:

18 (1) the objectives of Section 59, Article XVI, Texas  
19 Constitution, and Chapter 36, Water Code; and

20 (2) the powers and duties under Subchapters H and I,  
21 Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch. 65, Secs. 1  
22 (part), 29.)

23 Sec. 8845.003. LEGISLATIVE FINDINGS. The legislature finds  
24 that:

25 (1) the organization of the district is feasible and  
26 practicable;

27 (2) the land to be included in and the residents of the

1 district will benefit from the creation of the district;

2 (3) there is a public necessity for the district; and

3 (4) the creation of the district will further the  
4 public welfare. (Acts 69th Leg., R.S., Ch. 65, Sec. 3.)

5 Sec. 8845.004. DISTRICT TERRITORY. The district is  
6 composed of all the territory in Irion County unless the district's  
7 territory has been modified by:

8 (1) annexation under Subchapter J or consolidation  
9 under Subchapter K, Chapter 36, Water Code; or

10 (2) other law. (Acts 69th Leg., R.S., Ch. 65, Sec. 4;  
11 New.)

12 Sec. 8845.005. DISTRICT NAME CHANGE. The name of the  
13 district may be changed if:

14 (1) additional territory is annexed to the district;  
15 or

16 (2) the district consolidates with another district.  
17 (Acts 69th Leg., R.S., Ch. 65, Sec. 28.)

18 Sec. 8845.006. OWNERSHIP OF GROUNDWATER AND SURFACE WATER  
19 RIGHTS. The ownership and rights of the owner of land, the owner's  
20 lessees, and assigns in groundwater and any surface water rights  
21 are recognized, and this chapter does not deprive or divest the  
22 owner, the owner's lessees, or assigns of those ownership rights.  
23 (Acts 69th Leg., R.S., Ch. 65, Sec. 45.)

24 [Sections 8845.007-8845.050 reserved for expansion]

25 SUBCHAPTER B. DISTRICT ADMINISTRATION

26 Sec. 8845.051. COMPOSITION OF BOARD; TERMS. (a) The board  
27 is composed of five directors.

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1 (b) Directors serve staggered four-year terms.

2 (c) A director takes office at the first regular meeting of  
3 the board following the director's election to the board. (Acts  
4 69th Leg., R.S., Ch. 65, Secs. 8(a), 11, 12; New.)

5 Sec. 8845.0511. TERMS FOR CERTAIN DIRECTORS. (a)  
6 Notwithstanding Section 8845.051(b), a director whose term expires  
7 in May 2009 shall serve a term that expires on the uniform election  
8 date in May 2012.

9 (b) A director elected to replace a director whose term  
10 expires in May 2010 shall serve a four-year term as provided by  
11 Section 8845.051(b).

12 (c) Section 8845.051(b) applies to any regularly scheduled  
13 election of directors held in 2012 or a later year.

14 (d) This section expires June 1, 2014. (Acts 81st Leg.,  
15 R.S., Ch. 113, Sec. 13; New.)

16 Sec. 8845.052. ELECTION OF DIRECTORS. One director is  
17 elected from the district at large. One director is elected from  
18 each county commissioners precinct. (Acts 69th Leg., R.S., Ch. 65,  
19 Sec. 8(b).)

20 Sec. 8845.053. ELECTION DATE. Each even-numbered year, an  
21 election shall be held on the uniform election date in May to elect  
22 the appropriate number of directors. (Acts 69th Leg., R.S., Ch. 65,  
23 Sec. 10.)

24 Sec. 8845.054. QUALIFICATIONS FOR ELECTION; ELIGIBILITY TO  
25 SERVE. (a) To be qualified for election as a director, a person  
26 must be:

- 27 (1) a resident of the district; and



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1           (2) at least 18 years of age.

2           (b) In addition to the requirements of Subsection (a), a  
3 person who is a director from a county commissioners precinct must  
4 be a resident of that precinct unless the composition of the board  
5 changes under Section 8845.056. (Acts 69th Leg., R.S., Ch. 65, Sec.  
6 9.)

7           Sec. 8845.055. BOARD VACANCY. If a vacancy occurs on the  
8 board, the remaining directors shall appoint a director for the  
9 unexpired term. (Acts 69th Leg., R.S., Ch. 65, Sec. 13.)

10          Sec. 8845.056. COMPOSITION OF BOARD FOLLOWING ANNEXATION OR  
11 CONSOLIDATION. If the district annexes territory or consolidates  
12 with another district, the composition of the board shall be  
13 determined in a manner that is:

14           (1) equitable for the residents of the district as  
15 provided by Chapter 36, Water Code; and

16           (2) otherwise in compliance with Subchapter K, Chapter  
17 36, Water Code. (Acts 69th Leg., R.S., Ch. 65, Sec. 8(c).)

18          Sec. 8845.057. VOTE REQUIRED FOR OFFICIAL BOARD ACTION. An  
19 official action of the board is not valid without the affirmative  
20 vote of a majority of the directors. (Acts 69th Leg., R.S., Ch. 65,  
21 Sec. 17 (part).)

22          Sec. 8845.058. OFFICERS. (a) After each directors'  
23 election, the board shall:

24           (1) hold a regular meeting at the district office; and

25           (2) organize by electing from the directors a  
26 president, a vice president, and a secretary.

27          (b) A person selected to serve as president, vice president,

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1 or secretary serves in that capacity for a two-year term.

2 (c) The president, vice president, and secretary shall  
3 perform the duties and may exercise the powers specifically  
4 provided by this chapter or by order of the board. (Acts 69th Leg.,  
5 R.S., Ch. 65, Secs. 16(a), (b), (d).)

6 Sec. 8845.059. GENERAL MANAGER. (a) The general manager  
7 may execute a bond in the amount determined by the board, payable to  
8 the district, and conditioned on the faithful performance of the  
9 general manager's duties. The district shall pay for the bond.

10 (b) The general manager is entitled to receive the  
11 compensation provided by the district's budget. (Acts 69th Leg.,  
12 R.S., Ch. 65, Secs. 19(b), (c).)

13 Sec. 8845.060. TREASURER AND ATTORNEY. (a) The board may  
14 appoint a treasurer and an attorney for the district.

15 (b) The person appointed as treasurer shall execute a bond  
16 in the amount determined by the board, payable to the district,  
17 conditioned on the faithful performance of the treasurer's duties.  
18 The district shall pay for the bond.

19 (c) A person appointed under this section is entitled to the  
20 compensation provided by the district's budget. (Acts 69th Leg.,  
21 R.S., Ch. 65, Sec. 18.)

22 Sec. 8845.061. ENGINEER. The board may:

23 (1) appoint or contract with a competent professional  
24 engineer for the district; and

25 (2) determine the amount of compensation to be paid to  
26 the engineer. (Acts 69th Leg., R.S., Ch. 65, Sec. 20.)

27 Sec. 8845.062. EMPLOYEES AND CONTRACT PERSONNEL. (a) The

1 general manager or the board may:

2 (1) employ other persons necessary to properly handle  
3 the district's business and operation; and

4 (2) employ or contract with expert and specialized  
5 personnel who are necessary to carry out this chapter.

6 (b) The board shall determine the terms of employment and  
7 the compensation to be paid to employees under this section.

8 (c) The district shall pay for any bond that an employee of  
9 or a person under contract with the district is required to furnish  
10 under Section 36.057(d), Water Code.

11 (d) The general manager or the board may dismiss an employee  
12 of the district. (Acts 69th Leg., R.S., Ch. 65, Secs. 21(a), (b),  
13 (c), (d) (part).)

14 Sec. 8845.063. DISTRICT OFFICE. The board shall maintain  
15 an office in the district for conducting district business. (Acts  
16 69th Leg., R.S., Ch. 65, Sec. 22.)

17 Sec. 8845.064. MEETINGS. The board shall hold regular  
18 meetings at the district office on dates established by the board.  
19 (Acts 69th Leg., R.S., Ch. 65, Sec. 23.)

20 Sec. 8845.065. RECORDS. (a) The board shall keep a  
21 complete written account of board meetings and other proceedings  
22 and shall preserve the board's minutes, contracts, plans, notices,  
23 accounts, receipts, and other records in a secure manner at the  
24 district's office.

25 (b) Minutes, contracts, plans, notices, accounts, receipts,  
26 and other records are the property of the district and are subject  
27 to public inspection. (Acts 69th Leg., R.S., Ch. 65, Sec. 24.)

1 [Sections 8845.066-8845.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8845.101. GENERAL POWERS AND DUTIES. Except to the  
4 extent of any conflict with this chapter or as specifically limited  
5 by this chapter, the district may exercise the powers granted by,  
6 and shall exercise the duties provided by, Chapter 36 and  
7 Subchapters H and I, Chapter 49, Water Code, to carry out the  
8 purpose of the district and this chapter. (Acts 69th Leg., R.S.,  
9 Ch. 65, Sec. 31.)

10 Sec. 8845.102. RULES. (a) The board may adopt rules  
11 necessary to carry out the purpose and powers under this chapter and  
12 may enforce those rules by injunction, mandatory injunction, or  
13 other appropriate remedies in court.

14 (b) In addition to the rules adopted under Subsection (a),  
15 the board may:

16 (1) adopt and enforce rules as provided by Chapter 36,  
17 Water Code; and

18 (2) adopt rules necessary for the exercise of district  
19 powers and duties under Subchapters H and I, Chapter 49, Water Code.  
20 (Acts 69th Leg., R.S., Ch. 65, Sec. 30.)

21 Sec. 8845.103. EMINENT DOMAIN. (a) The district may  
22 exercise the power of eminent domain to acquire a fee simple or  
23 other interest in property in the district if the property interest  
24 is necessary to the exercise of the authority conferred by this  
25 chapter.

26 (b) The district must exercise the power of eminent domain  
27 in the manner provided by Chapter 21, Property Code, but the

1 district is not required to deposit in the trial court money or a  
2 bond as provided by Section 21.021(a), Property Code. (Acts 69th  
3 Leg., R.S., Ch. 65, Secs. 42(a), (b).)

4       Sec. 8845.104. CONTROL, STORAGE, AND PRESERVATION OF STORM  
5 WATER AND FLOODWATER. Subject to obtaining the permits required by  
6 law, the district may control, store, and preserve the storm water  
7 and floodwater in the district and the water of the rivers and  
8 streams in the district for:

9             (1) irrigation of arid land;

10            (2) prevention of floods and flood damage in the  
11 district; and

12            (3) domestic, agricultural, and industrial uses.

13 (Acts 69th Leg., R.S., Ch. 65, Sec. 36.)

14       Sec. 8845.105. RECLAMATION. The district may:

15             (1) reclaim land in the district; and

16             (2) construct works, facilities, and improvements  
17 necessary to accomplish that purpose. (Acts 69th Leg., R.S., Ch.  
18 65, Sec. 37.)

19       Sec. 8845.106. SOIL CONSERVATION AND IMPROVEMENT. The  
20 district may construct and maintain terraces or other structures on  
21 land in the district and may engage in or promote land treatment  
22 measures for soil conservation and improvement. (Acts 69th Leg.,  
23 R.S., Ch. 65, Sec. 38.)

24       Sec. 8845.107. ACQUISITION OF PROPERTY. The district may  
25 acquire land or other property necessary to carry out this chapter  
26 by gift, grant, devise, lease, purchase, or condemnation. (Acts  
27 69th Leg., R.S., Ch. 65, Sec. 41.)

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1           Sec. 8845.108. SALE AND DISPOSAL OF PROPERTY. Subject to  
2 this chapter and Chapter 36 and Subchapters H and I, Chapter 49,  
3 Water Code, the district may sell or otherwise dispose of land and  
4 other property of the district that is not necessary to carry out  
5 the purpose or powers of the district as determined by the board.  
6 (Acts 69th Leg., R.S., Ch. 65, Sec. 43.)

7           Sec. 8845.109. IMPROVEMENTS AND FACILITIES. (a) The  
8 district may construct or acquire and improve and maintain works,  
9 facilities, and improvements necessary to carry out the purpose,  
10 powers, and plans of the district.

11           (b) The district shall construct and acquire works,  
12 facilities, and improvements in the manner provided by Subchapters  
13 H and I, Chapter 49, Water Code. (Acts 69th Leg., R.S., Ch. 65, Sec.  
14 39.)

15           Sec. 8845.110. INPUT WELLS. The district may drill, equip,  
16 operate, and maintain input wells, pumps, and other facilities to  
17 carry out its purpose and powers under this chapter. (Acts 69th  
18 Leg., R.S., Ch. 65, Sec. 40.)

19           Sec. 8845.111. STUDIES AND SURVEYS. (a) The board may have  
20 a professional engineer conduct studies and surveys of the  
21 groundwater and surface water supplies in the district and the  
22 facilities available for use in the conservation, preservation,  
23 protection, recharge, and prevention of waste and pollution of  
24 those water resources.

25           (b) A professional engineer may determine the quantities of  
26 groundwater and surface water available in the district. (Acts  
27 69th Leg., R.S., Ch. 65, Sec. 33.)

1           Sec. 8845.112. RESEARCH; INFORMATION. The district may  
2 engage in research projects and develop information to be used by  
3 the district in preparing and implementing the district's plans and  
4 in carrying out the district's powers and duties under this  
5 chapter. (Acts 69th Leg., R.S., Ch. 65, Sec. 35.)

6           Sec. 8845.113. DISTRICT PLANS. (a) The district shall  
7 develop and implement comprehensive plans for the conservation,  
8 preservation, protection, recharge, and prevention of waste and  
9 pollution of groundwater and surface water in the district.

10           (b) The plans must include all works, facilities, and  
11 improvements necessary to implement the plans and the  
12 specifications for those works, facilities, and improvements.  
13 (Acts 69th Leg., R.S., Ch. 65, Sec. 34.)

14           Sec. 8845.114. SERVICE OF PROCESS. Service of process in a  
15 suit may be had by serving the general manager. (Acts 69th Leg.,  
16 R.S., Ch. 65, Sec. 27(a) (part).)

17           Sec. 8845.115. PAYMENT OF JUDGMENTS. A court of this state  
18 that renders a money judgment against the district may require the  
19 board to pay the judgment from money in the district depository that  
20 is not dedicated to the payment of any indebtedness of the district.  
21 (Acts 69th Leg., R.S., Ch. 65, Sec. 27(c).)

22           Sec. 8845.116. CERTAIN PERMIT DENIALS PROHIBITED. If the  
23 district regulates production of groundwater by permit as  
24 authorized by Chapter 36, Water Code, the board may not deny a  
25 permit to drill a well to the owner of land or the owner's heirs,  
26 assigns, and lessees on that land that complies with rules adopted  
27 by the district. (Acts 69th Leg., R.S., Ch. 65, Sec. 32.)

1           Sec. 8845.117. PROHIBITION: SUPPLY OF WATER. The district  
2 may not contract to or take an action to supply groundwater or  
3 surface water inside or outside the district. (Acts 69th Leg.,  
4 R.S., Ch. 65, Sec. 44(a).)

5           [Sections 8845.118-8845.150 reserved for expansion]

6           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7           Sec. 8845.151. MAINTENANCE AND OPERATIONS TAX; ELECTION.

8           (a) The district may annually impose an ad valorem tax on property  
9 in the district for use in maintaining district facilities and  
10 paying district operating expenses.

11           (b) The district may not impose a maintenance and operations  
12 tax until it is approved by a majority vote of the district voters  
13 voting at an election held for that purpose.

14           (c) The directors shall publish notice of a maintenance and  
15 operations tax election at least one time in a newspaper or  
16 newspapers that have general circulation in the district. The  
17 notice must be published before the 30th day preceding the date of  
18 the election.

19           (d) The directors shall declare the result of a maintenance  
20 and operations tax election. (Acts 69th Leg., R.S., Ch. 65, Secs.  
21 6(c), (e) (part), 58(a), (b), (c) (part).)

22           Sec. 8845.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a)  
23 The board shall hold a public hearing on the annual budget.

24           (b) Notice of the hearing must be published in a newspaper  
25 or newspapers having general circulation in the district at least  
26 10 days before the date of the hearing.

27           (c) Any district resident is entitled to be present at and



1 participate in the hearing.

2 (d) At the conclusion of the hearing, the board shall act on  
3 the budget and may make changes in the proposed budget that in the  
4 board's judgment the interests of the taxpayers demand. (Acts 69th  
5 Leg., R.S., Ch. 65, Sec. 50.)

6 Sec. 8845.153. INVESTMENT OF DISTRICT MONEY. (a) District  
7 money may be invested by the board or its authorized representative  
8 in direct or indirect obligations of the United States, the state,  
9 or any political subdivision of the state.

10 (b) District money may be placed in certificates of deposit  
11 of state or national banks or savings and loan associations in this  
12 state, if that money is secured in the manner provided for the  
13 security of county funds. (Acts 69th Leg., R.S., Ch. 65, Secs.  
14 55(a), (b).)

15 Sec. 8845.154. ANNUAL AUDIT. The board shall annually have  
16 an audit made of the financial condition of the district. (Acts  
17 69th Leg., R.S., Ch. 65, Sec. 47.)

18 Sec. 8845.155. BORROWING MONEY. The district may borrow  
19 money for any purpose authorized by this chapter or any combination  
20 of those purposes. (Acts 69th Leg., R.S., Ch. 65, Sec. 57.)

21 Sec. 8845.156. PROHIBITION ON BONDS. The district may not  
22 issue bonds or impose an ad valorem tax to secure the payment of  
23 bonds. (Acts 69th Leg., R.S., Ch. 65, Sec. 44(b).)

24 Sec. 8845.157. RESTRICTION ON EXPENDITURES. Money may be  
25 spent only for an expense included in the annual budget or an  
26 amendment to the annual budget. (Acts 69th Leg., R.S., Ch. 65, Sec.  
27 52.)

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1 CHAPTER 8851. MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8851.001. DEFINITIONS

4 Sec. 8851.002. NATURE OF DISTRICT

5 Sec. 8851.003. FINDINGS OF PUBLIC USE AND BENEFIT

6 Sec. 8851.004. DISTRICT TERRITORY

7 [Sections 8851.005-8851.050 reserved for expansion]

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8851.051. COMPOSITION OF BOARD; TERMS

10 Sec. 8851.052. ELECTION OF DIRECTORS

11 Sec. 8851.053. ELECTION DATE

12 Sec. 8851.054. QUALIFICATIONS FOR OFFICE

13 Sec. 8851.055. BOARD VACANCY

14 Sec. 8851.056. COMPENSATION; EXPENSES

15 [Sections 8851.057-8851.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8851.101. GROUNDWATER CONSERVATION DISTRICT

18 POWERS AND DUTIES

19 Sec. 8851.102. POWERS AND DUTIES NOT SUBJECT TO STATE

20 SUPERVISION

21 Sec. 8851.103. LIMITATION ON RULEMAKING POWER NOT

22 APPLICABLE

23 Sec. 8851.104. GROUNDWATER FOR USE OUTSIDE DISTRICT

24 CHAPTER 8851. MIDDLE PECOS GROUNDWATER CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8851.001. DEFINITIONS. In this chapter:

27 (1) "Board" means the district's board of directors.

1 (2) "Director" means a board member.

2 (3) "District" means the Middle Pecos Groundwater  
3 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;  
4 Acts 77th Leg., R.S., Ch. 1299, Sec. 2; New.)

5 Sec. 8851.002. NATURE OF DISTRICT. The district is a  
6 groundwater conservation district created under and essential to  
7 accomplish the purposes of Section 59, Article XVI, Texas  
8 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
9 (c).)

10 Sec. 8851.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
11 district is created to serve a public use and benefit.

12 (b) All land and other property included in the district  
13 will benefit from the works and projects accomplished by the  
14 district under the powers conferred by Section 59, Article XVI,  
15 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

16 Sec. 8851.004. DISTRICT TERRITORY. The district's  
17 boundaries are coextensive with the boundaries of Pecos County  
18 unless the district's territory has been modified under:

19 (1) Subchapter J, Chapter 36, Water Code; or

20 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
21 2(a) (part); Acts 77th Leg., R.S., Ch. 1299, Sec. 3; New.)

22 [Sections 8851.005-8851.050 reserved for expansion]

23 SUBCHAPTER B. BOARD OF DIRECTORS

24 Sec. 8851.051. COMPOSITION OF BOARD; TERMS. (a) The  
25 district is governed by a board of 11 directors.

26 (b) Directors serve staggered four-year terms. (Acts 77th  
27 Leg., R.S., Ch. 1299, Secs. 5(a), (d).)

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1           Sec. 8851.052. ELECTION OF DIRECTORS. (a) Directors are  
2 elected according to the method provided by this section.

3           (b) One director is elected by the voters of the entire  
4 district. Two directors are elected from each county commissioners  
5 precinct by the voters of that precinct. One director is elected  
6 from Iraan by the voters of that municipality. One director is  
7 elected from Fort Stockton by the voters of that municipality.

8           (c) A person shall indicate on the application for a place  
9 on the ballot:

10                   (1) the precinct or municipality that the person seeks  
11 to represent; or

12                   (2) that the person seeks to represent the district at  
13 large.

14           (d) At the first election after the county commissioners  
15 precincts are redrawn under Section 18, Article V, Texas  
16 Constitution, eight new directors are elected to represent the  
17 precincts. The directors shall draw lots to determine which four  
18 directors serve two-year terms and which four directors serve  
19 four-year terms. (Acts 77th Leg., R.S., Ch. 1299, Secs. 6(a), (b),  
20 (d), (e).)

21           Sec. 8851.053. ELECTION DATE. On the uniform election date  
22 in May of each even-numbered year, the appropriate number of  
23 directors shall be elected. (Acts 77th Leg., R.S., Ch. 1299, Sec. 8  
24 (part).)

25           Sec. 8851.054. QUALIFICATIONS FOR OFFICE. (a) To be  
26 qualified to be a candidate for or to serve as director at large, a  
27 person must be a registered voter in the district.

1           (b) To be qualified to be a candidate for or to serve as  
2 director from a county commissioners precinct, a person must be a  
3 registered voter of that precinct.

4           (c) To be qualified to be a candidate for or to serve as  
5 director from a municipality, a person must be a registered voter of  
6 that municipality. (Acts 77th Leg., R.S., Ch. 1299, Sec. 6(c).)

7           Sec. 8851.055. BOARD VACANCY. (a) If there is a vacancy on  
8 the board, the remaining directors shall appoint a director to  
9 serve the remainder of the term.

10           (b) If at any time there are fewer than three qualified  
11 directors, the Pecos County Commissioners Court shall appoint the  
12 necessary number of persons to fill all the vacancies on the board.  
13 (Acts 77th Leg., R.S., Ch. 1299, Sec. 5(g).)

14           Sec. 8851.056. COMPENSATION; EXPENSES. A director may not  
15 receive a salary or other compensation for service as a director but  
16 may be reimbursed for actual expenses of attending meetings at the  
17 rate in effect for employees of Pecos County. (Acts 77th Leg.,  
18 R.S., Ch. 1299, Sec. 5(h).)

19           [Sections 8851.057-8851.100 reserved for expansion]

20                           SUBCHAPTER C. POWERS AND DUTIES

21           Sec. 8851.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
22 AND DUTIES. The district has the rights, powers, privileges,  
23 functions, and duties provided by the general law of this state,  
24 including Chapter 36, Water Code, applicable to groundwater  
25 conservation districts created under Section 59, Article XVI, Texas  
26 Constitution. (Acts 77th Leg., R.S., Ch. 1299, Sec. 4(a) (part).)

27           Sec. 8851.102. POWERS AND DUTIES NOT SUBJECT TO STATE

1 SUPERVISION. The rights, powers, privileges, functions, and duties  
2 of the district are not subject to the continuing right of  
3 supervision of the state through the Texas Commission on  
4 Environmental Quality. (Acts 77th Leg., R.S., Ch. 1299, Sec.  
5 4(d).)

6 Sec. 8851.103. LIMITATION ON RULEMAKING POWER NOT  
7 APPLICABLE. Section 36.121, Water Code, does not apply to the  
8 district. (Acts 77th Leg., R.S., Ch. 1299, Sec. 4(c).)

9 Sec. 8851.104. GROUNDWATER FOR USE OUTSIDE DISTRICT. (a)  
10 The district may not impose a rule on the production of groundwater  
11 for use outside the district that is in addition to the rules the  
12 district imposes on the production of groundwater for use inside  
13 the district.

14 (b) In addition to other fees assessed by the district, the  
15 district may assess a fee on groundwater transferred out of the  
16 district in an amount not to exceed 10 percent of the amount of the  
17 fee assessed for the production of water for use in the district.  
18 (Acts 77th Leg., R.S., Ch. 1299, Secs. 4(e), (f).)

19 CHAPTER 8854. REFUGIO GROUNDWATER CONSERVATION DISTRICT

20 SUBCHAPTER A. GENERAL PROVISIONS

21 Sec. 8854.001. DEFINITIONS

22 Sec. 8854.002. NATURE OF DISTRICT

23 Sec. 8854.003. FINDINGS OF PUBLIC USE AND BENEFIT

24 Sec. 8854.004. DISTRICT TERRITORY

25 [Sections 8854.005-8854.050 reserved for expansion]

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 8854.051. COMPOSITION OF BOARD; TERMS

1 Sec. 8854.052. ELECTION OF DIRECTORS

2 Sec. 8854.053. ELECTION DATE

3 Sec. 8854.054. QUALIFICATIONS FOR OFFICE

4 Sec. 8854.055. APPOINTMENT ON FAILURE TO QUALIFY

5 [Sections 8854.056-8854.100 reserved for expansion]

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 8854.101. GROUNDWATER CONSERVATION DISTRICT

8 POWERS AND DUTIES

9 Sec. 8854.102. AUTHORITY TO SET FEES

10 CHAPTER 8854. REFUGIO GROUNDWATER CONSERVATION DISTRICT

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 8854.001. DEFINITIONS. In this chapter:

13 (1) "Board" means the district's board of directors.

14 (2) "Director" means a board member.

15 (3) "District" means the Refugio Groundwater  
16 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;  
17 Acts 77th Leg., R.S., Ch. 966, Sec. 3.0902; Acts 77th Leg., R.S.,  
18 Ch. 1314, Sec. 2; New.)

19 Sec. 8854.002. NATURE OF DISTRICT. The district is a  
20 groundwater conservation district created under and essential to  
21 accomplish the purposes of Section 59, Article XVI, Texas  
22 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
23 (c).)

24 Sec. 8854.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
25 district is created to serve a public use and benefit.

26 (b) All land and other property included in the district  
27 will benefit from the works and projects accomplished by the

1 district under the powers conferred by Section 59, Article XVI,  
2 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

3 Sec. 8854.004. DISTRICT TERRITORY. The district's  
4 boundaries are coextensive with the boundaries of Refugio County  
5 unless the district's territory has been modified under:

- 6 (1) Subchapter J, Chapter 36, Water Code; or  
7 (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
8 2(a) (part); Acts 77th Leg., R.S., Ch. 966, Sec. 3.0903; Acts 77th  
9 Leg., R.S., Ch. 1314, Sec. 3; New.)

10 [Sections 8854.005-8854.050 reserved for expansion]

11 SUBCHAPTER B. BOARD OF DIRECTORS

12 Sec. 8854.051. COMPOSITION OF BOARD; TERMS. (a) The  
13 district is governed by a board of five directors.

14 (b) Directors serve staggered four-year terms. (Acts 77th  
15 Leg., R.S., Ch. 966, Secs. 3.0905(a), (d); Acts 77th Leg., R.S., Ch.  
16 1314, Secs. 6(a), (d).)

17 Sec. 8854.052. ELECTION OF DIRECTORS. (a) Directors are  
18 elected according to the commissioners precinct method as provided  
19 by this section.

20 (b) One director is elected by the voters of the entire  
21 district. One director is elected from each county commissioners  
22 precinct by the voters of that precinct.

23 (c) A person shall indicate on the application for a place  
24 on the ballot:

- 25 (1) the precinct that the person seeks to represent;  
26 or  
27 (2) that the person seeks to represent the district at



1 large.

2 (d) When the boundaries of the county commissioners  
3 precincts are changed, each director in office on the effective  
4 date of the change or elected to a term of office beginning on or  
5 after the effective date of the change serves in the precinct to  
6 which the director was elected for the entire term to which the  
7 director was elected, even though the change in boundaries places  
8 the person's residence outside the precinct for which the person  
9 was elected. (Acts 77th Leg., R.S., Ch. 966, Secs. 3.0906(a), (b),  
10 (d), (e); Acts 77th Leg., R.S., Ch. 1314, Secs. 7(a), (b), (d).)

11 Sec. 8854.053. ELECTION DATE. On the uniform election date  
12 in November of each even-numbered year, the appropriate number of  
13 directors shall be elected. (Acts 77th Leg., R.S., Ch. 966, Sec.  
14 3.0908(b); Acts 77th Leg., R.S., Ch. 1314, Sec. 9(b).)

15 Sec. 8854.054. QUALIFICATIONS FOR OFFICE. (a) To be  
16 qualified to be a candidate for or to serve as director at large, a  
17 person must be a registered voter in the district.

18 (b) To be a candidate for or to serve as director from a  
19 county commissioners precinct, a person must be a registered voter  
20 of that precinct, except as provided by Section 8854.052(d). (Acts  
21 77th Leg., R.S., Ch. 966, Sec. 3.0906(c); Acts 77th Leg., R.S., Ch.  
22 1314, Sec. 7(c); New.)

23 Sec. 8854.055. APPOINTMENT ON FAILURE TO QUALIFY. If a  
24 director fails to qualify for office, the commissioners court shall  
25 appoint a person to fill the vacancy. (Acts 77th Leg., R.S., Ch.  
26 966, Sec. 3.0905(g) (part); Acts 77th Leg., R.S., Ch. 1314, Sec.  
27 6(g) (part).)

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1 [Sections 8854.056-8854.100 reserved for expansion]

2 SUBCHAPTER C. POWERS AND DUTIES

3 Sec. 8854.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. The district has the rights, powers, privileges,  
5 functions, and duties provided by the general law of this state,  
6 including Chapter 36, Water Code, applicable to groundwater  
7 conservation districts created under Section 59, Article XVI, Texas  
8 Constitution. (Acts 77th Leg., R.S., Ch. 966, Sec. 3.0904 (part);  
9 Acts 77th Leg., R.S., Ch. 1314, Sec. 4(a) (part).)

10 Sec. 8854.102. AUTHORITY TO SET FEES. (a) In this section,  
11 "agriculture" includes:

- 12 (1) cultivating the soil;
- 13 (2) producing crops for:
  - 14 (A) human food;
  - 15 (B) animal feed;
  - 16 (C) planting seed; or
  - 17 (D) the production of fibers;

18 (3) floriculture, viticulture, silviculture, and  
19 horticulture, including the cultivation of plants in containers or  
20 non-soil media;

21 (4) raising, feeding, or keeping livestock or other  
22 animals for the production of food or fiber, leather, pelts, or  
23 other tangible products having a commercial value;

24 (5) wildlife management;

25 (6) planting cover crops, including cover crops  
26 cultivated for transplantation; and

27 (7) leaving land idle for the purpose of participating

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1 in any governmental program or normal crop or livestock rotation  
2 procedure.

3 (b) The district may set and collect fees for all services  
4 provided outside the boundaries of the district. The fees may not  
5 unreasonably exceed the cost to the district of providing the  
6 services outside the district.

7 (c) The district may assess a production fee based on the  
8 amount of water a permit authorizes to be withdrawn from a well or  
9 the amount actually withdrawn. The district may assess a  
10 production fee instead of or in conjunction with any tax otherwise  
11 imposed by the district. The district may use production fee  
12 revenue for any lawful purpose. Production fees may not exceed:

13 (1) \$1 per acre-foot for water used for agriculture;  
14 or

15 (2) \$10 per acre-foot annually for water used for  
16 another purpose.

17 (d) The district may assess a production fee under  
18 Subsection (c) for water that is:

19 (1) produced under an exemption under Section 36.117,  
20 Water Code; and

21 (2) subsequently sold to another person.

22 (e) Notwithstanding Section 36.117, Water Code, the  
23 district may assess a production fee under Subsection (c) of this  
24 section for any water produced for injection into a geologic  
25 formation for the recovery of oil or natural gas. (Acts 77th Leg.,  
26 R.S., Ch. 1314, Secs. 5(a), (c), (d), (e), (f).)

1 CHAPTER 8857. TEXANA GROUNDWATER CONSERVATION DISTRICT

2 SUBCHAPTER A. GENERAL PROVISIONS

3 Sec. 8857.001. DEFINITIONS

4 Sec. 8857.002. NATURE OF DISTRICT

5 Sec. 8857.003. FINDINGS OF PUBLIC USE AND BENEFIT

6 Sec. 8857.004. DISTRICT TERRITORY

7 [Sections 8857.005-8857.050 reserved for expansion]

8 SUBCHAPTER B. BOARD OF DIRECTORS

9 Sec. 8857.051. COMPOSITION OF BOARD; TERMS

10 Sec. 8857.052. ELECTION OF DIRECTORS

11 Sec. 8857.053. ELECTION DATE

12 Sec. 8857.054. QUALIFICATIONS FOR OFFICE

13 Sec. 8857.055. BOARD VACANCY

14 Sec. 8857.056. COMPENSATION; EXPENSES

15 [Sections 8857.057-8857.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 8857.101. GROUNDWATER CONSERVATION DISTRICT

18 POWERS AND DUTIES

19 Sec. 8857.102. CONTRACTS WITH OTHER GOVERNMENTAL

20 ENTITIES

21 [Sections 8857.103-8857.150 reserved for expansion]

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 8857.151. LIMITATION ON TAXES

24 CHAPTER 8857. TEXANA GROUNDWATER CONSERVATION DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 8857.001. DEFINITIONS. In this chapter:

27 (1) "Board" means the district's board of directors.

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1           (2) "Director" means a board member.

2           (3) "District" means the Texana Groundwater  
3 Conservation District. (Acts 76th Leg., R.S., Ch. 1331, Sec. 3;  
4 Acts 77th Leg., R.S., Ch. 307, Sec. 2; Acts 77th Leg., R.S., Ch.  
5 966, Sec. 3.1102; New.)

6           Sec. 8857.002. NATURE OF DISTRICT. The district is a  
7 groundwater conservation district created under and essential to  
8 accomplish the purposes of Section 59, Article XVI, Texas  
9 Constitution. (Acts 76th Leg., R.S., Ch. 1331, Secs. 1(a) (part),  
10 (c).)

11          Sec. 8857.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
12 district is created to serve a public use and benefit.

13          (b) All land and other property included in the district  
14 will benefit from the works and projects accomplished by the  
15 district under the powers conferred by Section 59, Article XVI,  
16 Texas Constitution. (Acts 76th Leg., R.S., Ch. 1331, Sec. 4.)

17          Sec. 8857.004. DISTRICT TERRITORY. The district's  
18 boundaries are coextensive with the boundaries of Jackson County  
19 unless the district's territory has been modified under:

20           (1) Subchapter J, Chapter 36, Water Code; or

21           (2) other law. (Acts 76th Leg., R.S., Ch. 1331, Sec.  
22 2(a) (part); Acts 77th Leg., R.S., Ch. 307, Sec. 3; Acts 77th Leg.,  
23 R.S., Ch. 966, Sec. 3.1103; New.)

24           [Sections 8857.005-8857.050 reserved for expansion]

25                           SUBCHAPTER B. BOARD OF DIRECTORS

26          Sec. 8857.051. COMPOSITION OF BOARD; TERMS. (a) The  
27 district is governed by a board of seven directors.

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1 (b) Directors serve staggered four-year terms. (Acts 77th  
2 Leg., R.S., Ch. 307, Secs. 5(a), (d); Acts 77th Leg., R.S., Ch. 966,  
3 Secs. 3.1105(a), (d).)

4 Sec. 8857.052. ELECTION OF DIRECTORS. (a) Directors are  
5 elected according to the commissioners precinct method provided by  
6 this section.

7 (b) Three directors are elected by the voters of the entire  
8 district. One director is elected from each county commissioners  
9 precinct by the voters of that precinct.

10 (c) A person shall indicate on the application for a place  
11 on the ballot:

12 (1) the precinct that the person seeks to represent;  
13 or

14 (2) that the person seeks to represent the district at  
15 large.

16 (d) When the boundaries of the county commissioners  
17 precincts are changed, each director in office on the effective  
18 date of the change or elected to a term of office beginning on or  
19 after the effective date of the change serves in the precinct to  
20 which the director was elected for the entire term to which the  
21 director was elected, even though the change in boundaries places  
22 the person's residence outside the precinct for which the person  
23 was elected. (Acts 77th Leg., R.S., Ch. 307, Secs. 6(a), (b), (d);  
24 Acts 77th Leg., R.S., Ch. 966, Secs. 3.1106(a), (b), (d), (e).)

25 Sec. 8857.053. ELECTION DATE. On the uniform election date  
26 in May of each even-numbered year, the appropriate number of  
27 directors shall be elected. (Acts 77th Leg., R.S., Ch. 307, Sec.

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1 8(b); Acts 77th Leg., R.S., Ch. 966, Sec. 3.1108(b).)

2       Sec. 8857.054. QUALIFICATIONS FOR OFFICE. (a) To be  
3 qualified to be a candidate for or to serve as director at large, a  
4 person must be a registered voter in the district.

5       (b) To be a candidate for or to serve as director from a  
6 county commissioners precinct, a person must be a registered voter  
7 of that precinct, except as provided by Section 8857.052(d). (Acts  
8 77th Leg., R.S., Ch. 307, Sec. 6(c); Acts 77th Leg., R.S., Ch. 966,  
9 Sec. 3.1106(c); New.)

10       Sec. 8857.055. BOARD VACANCY. If there is a vacancy on the  
11 board, the remaining directors shall appoint a director to serve  
12 the remainder of the term. (Acts 77th Leg., R.S., Ch. 307, Sec.  
13 5(g); Acts 77th Leg., R.S., Ch. 966, Sec. 3.1105(g).)

14       Sec. 8857.056. COMPENSATION; EXPENSES. A director may not  
15 receive a salary or other compensation for service as a director but  
16 may be reimbursed for actual expenses of attending meetings at the  
17 rate in effect for employees of Jackson County. (Acts 77th Leg.,  
18 R.S., Ch. 307, Sec. 5(h); Acts 77th Leg., R.S., Ch. 966, Sec.  
19 3.1105(h).)

20       [Sections 8857.057-8857.100 reserved for expansion]

21                   SUBCHAPTER C. POWERS AND DUTIES

22       Sec. 8857.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
23 AND DUTIES. The district has the rights, powers, privileges,  
24 functions, and duties provided by the general law of this state,  
25 including Chapter 36, Water Code, applicable to groundwater  
26 conservation districts created under Section 59, Article XVI, Texas  
27 Constitution. (Acts 77th Leg., R.S., Ch. 307, Sec. 4(a) (part);

1 Acts 77th Leg., R.S., Ch. 966, Sec. 3.1104 (part).)

2 Sec. 8857.102. CONTRACTS WITH OTHER GOVERNMENTAL ENTITIES.

3 (a) The district may contract with other governmental entities.

4 (b) The district may contract with other governmental  
5 entities, including a river authority in the district, to perform  
6 district functions.

7 (c) A river authority that contracts with the district under  
8 Subsection (b) may perform district functions as provided by the  
9 contract. (Acts 77th Leg., R.S., Ch. 307, Sec. 10; Acts 77th Leg.,  
10 R.S., Ch. 966, Sec. 3.1110.)

11 [Sections 8857.103-8857.150 reserved for expansion]

12 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

13 Sec. 8857.151. LIMITATION ON TAXES. The district may not  
14 impose an ad valorem tax at a rate that exceeds two cents on each  
15 \$100 valuation of taxable property in the district. (Acts 77th  
16 Leg., R.S., Ch. 307, Sec. 9; Acts 77th Leg., R.S., Ch. 966, Sec.  
17 3.1109.)

18 SECTION 1.04. Title 6, Special District Local Laws Code, is  
19 amended by adding Subtitle M to read as follows:

20 SUBTITLE M. WATER POWER CONTROL DISTRICTS

21 CHAPTER 9701. RED BLUFF WATER POWER CONTROL DISTRICT: TRANSFER OF  
22 FUNDS

23 SUBCHAPTER A. GENERAL PROVISIONS

24 Sec. 9701.001. DEFINITIONS

25 Sec. 9701.002. NATURE OF DISTRICT

26 Sec. 9701.003. MEMBER DISTRICTS

27 [Sections 9701.004-9701.150 reserved for expansion]





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1 composed of the following member districts:

- 2 (1) Loving County Water Improvement District No. 1;
- 3 (2) Reeves County Water Improvement District No. 2;
- 4 (3) Ward County Irrigation District No. 3;
- 5 (4) Ward County Irrigation District No. 1;
- 6 (5) Ward County Water Improvement District No. 2;
- 7 (6) Pecos County Water Improvement District No. 2; and
- 8 (7) Pecos County Water Improvement District No. 3.

9 (Acts 72nd Leg., 1st C.S., Ch. 4, Sec. 10.01(3).)

10 [Sections 9701.004-9701.150 reserved for expansion]

11 SUBCHAPTER B. GENERAL FINANCIAL PROVISIONS

12 Sec. 9701.151. USE OF MONEY. (a) The money received by the  
 13 Red Bluff District under Chapter 4, Acts of the 72nd Legislature,  
 14 1st Called Session, 1991, and any interest earned on the money, may  
 15 be used by the Red Bluff District or a member district only for  
 16 agricultural or irrigation projects, including an associated water  
 17 quality improvement project that affects surface water irrigators  
 18 in Loving, Pecos, Reeves, or Ward County.

19 (b) A project authorized under Subsection (a) may include:

- 20 (1) the operation of the Red Bluff District or a member  
 21 district; and
- 22 (2) the maintenance of a water supply reservoir,  
 23 associated downstream diversion facility, or internal distribution  
 24 system of the Red Bluff District or a member district. (Acts 72nd  
 25 Leg., 1st C.S., Ch. 4, Sec. 10.03.)

26 Sec. 9701.152. ALLOCATION OF EARNED INTEREST. The Red  
 27 Bluff District shall annually distribute interest earned on the

1 principal amount as follows:

2 (1) one-third to the Red Bluff District; and

3 (2) two-thirds to the member districts, to be  
4 allocated among the member districts in the same percentages as  
5 each member district's pro rata share of water under the master  
6 contract between the Red Bluff District and the member districts  
7 dated March 8, 1934. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs.  
8 10.01(2), 10.04(a), (d).)

9 Sec. 9701.153. INVESTMENT AND EXPENDITURE OF PRINCIPAL.

10 (a) The Red Bluff District shall invest the principal amount in  
11 accordance with Chapter 2256, Government Code.

12 (b) The Red Bluff District shall comply with Chapter 2257,  
13 Government Code, to the extent applicable.

14 (c) The Red Bluff District may not spend any portion of the  
15 principal amount unless the expenditure is approved by an  
16 affirmative vote of:

17 (1) the board of directors of the Red Bluff District;  
18 and

19 (2) the boards of directors of at least five member  
20 districts. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs. 10.04(c), (e).)

21 Sec. 9701.154. ANNUAL ACCOUNTING. The Red Bluff District  
22 shall provide to each member district and the Texas Water  
23 Development Board an annual accounting of the Red Bluff District's  
24 administration of money under this chapter and of the amount of  
25 interest earned. (Acts 72nd Leg., 1st C.S., Ch. 4, Secs. 10.01(1),  
26 10.05.)

ARTICLE 2. CONFORMING AMENDMENTS

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SECTION 2.01. Subsection (a), Section 1, Chapter 1331, Acts of the 76th Legislature, Regular Session, 1999, is amended to read as follows:

(a) The following groundwater conservation districts are created:

- (1) [~~Cow Creek Groundwater Conservation District,~~
- [~~(2)~~] [~~Brazos Valley Groundwater Conservation District,~~
- [~~(3)~~] Crossroads Groundwater Conservation District;
- (2) [~~(4)~~] [~~Hays Trinity Groundwater Conservation~~
- ~~District,~~
- [~~(5)~~] McMullen Groundwater Conservation District;
- (3) [~~(6)~~] [~~Middle Pecos Groundwater Conservation~~
- ~~District,~~
- [~~(7)~~] Red Sands Groundwater Conservation District;
- and
- (4) [~~(8)~~] [~~Refugio Groundwater Conservation District,~~
- [~~(9)~~] Southeast Trinity Groundwater Conservation
- District[~~, and~~
- [~~(10)~~] [~~Texana Groundwater Conservation District~~].

SECTION 2.02. Subsection (a), Section 2, Chapter 1331, Acts of the 76th Legislature, Regular Session, 1999, is amended to read as follows:

(a) The boundaries of the following groundwater conservation districts are coextensive with county boundaries as follows:

- (1) [~~the boundaries of the Cow Creek Groundwater~~

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1 ~~Conservation District are coextensive with the boundaries of~~  
2 ~~Kendall County,~~

3 ~~[(2) the boundaries of the Brazos Valley Groundwater~~  
4 ~~Conservation District are coextensive with the boundaries of~~  
5 ~~Robertson and Brazos Counties,~~

6 [(3)] the boundaries of the Crossroads Groundwater  
7 Conservation District are coextensive with the boundaries of  
8 Victoria County; and

9 (2) [(4)] the boundaries of the McMullen Groundwater  
10 Conservation District are coextensive with the boundaries of  
11 McMullen County[+]

12 ~~[(5) the boundaries of the Middle Pecos Groundwater~~  
13 ~~Conservation District are coextensive with the boundaries of Pecos~~  
14 ~~County,~~

15 ~~[(6) the boundaries of the Refugio Groundwater~~  
16 ~~Conservation District are coextensive with the boundaries of~~  
17 ~~Refugio County, and~~

18 ~~[(7) the boundaries of the Texana Groundwater~~  
19 ~~Conservation District are coextensive with the boundaries of~~  
20 ~~Jackson County].~~

ARTICLE 3. REPEALERS

SECTION 3.01. The following statutes are repealed:

23 (1) Chapter 38, Acts of the 60th Legislature, Regular  
24 Session, 1967;

25 (2) Chapter 1017, Acts of the 70th Legislature,  
26 Regular Session, 1987;

27 (3) Chapter 183, Acts of the 60th Legislature, Regular

- 1 Session, 1967;
- 2 (4) Chapter 431, Acts of the 60th Legislature, Regular  
3 Session, 1967;
- 4 (5) Article 3, Chapter 132, Acts of the 74th  
5 Legislature, Regular Session, 1995;
- 6 (6) Chapter 548, Acts of the 71st Legislature, Regular  
7 Session, 1989;
- 8 (7) Chapter 54, Acts of the 58th Legislature, Regular  
9 Session, 1963;
- 10 (8) Chapter 470, Acts of the 61st Legislature, Regular  
11 Session, 1969;
- 12 (9) Chapter 200, Acts of the 62nd Legislature, Regular  
13 Session, 1971;
- 14 (10) Chapter 1047, Acts of the 68th Legislature,  
15 Regular Session, 1983;
- 16 (11) Chapter 135, Acts of the 58th Legislature,  
17 Regular Session, 1963;
- 18 (12) Chapter 16, Acts of the 59th Legislature, Regular  
19 Session, 1965;
- 20 (13) Chapter 1055, Acts of the 68th Legislature,  
21 Regular Session, 1983;
- 22 (14) Chapter 653, Acts of the 59th Legislature,  
23 Regular Session, 1965;
- 24 (15) Sections 2 and 3, Chapter 838, Acts of the 66th  
25 Legislature, Regular Session, 1979;
- 26 (16) Chapter 24, Acts of the 72nd Legislature, Regular  
27 Session, 1991;

1           (17) Chapter 422, Acts of the 60th Legislature,  
2 Regular Session, 1967;

3           (18) Sections 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13,  
4 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, and 25, Chapter 265, Acts  
5 of the 67th Legislature, Regular Session, 1981; and

6           (19) Chapter 848, Acts of the 62nd Legislature,  
7 Regular Session, 1971.

8           SECTION 3.02. The following statutes are repealed:

9           (1) Sections 1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14,  
10 15, and 16, Chapter 472, Acts of the 69th Legislature, Regular  
11 Session, 1985;

12           (2) Chapter 201, Acts of the 64th Legislature, Regular  
13 Session, 1975;

14           (3) Sections 3, 4, and 5, Chapter 588, Acts of the 71st  
15 Legislature, Regular Session, 1989;

16           (4) Sections 1, 2, 4, 5, 6, 7, 8, 9, and 10, Chapter  
17 1066, Acts of the 75th Legislature, Regular Session, 1997;

18           (5) Section 7, Chapter 1141, Acts of the 76th  
19 Legislature, Regular Session, 1999;

20           (6) Sections 3 and 4, Chapter 410, Acts of the 81st  
21 Legislature, Regular Session, 2009;

22           (7) Part 13, Article 3, Chapter 966, Acts of the 77th  
23 Legislature, Regular Session, 2001;

24           (8) Article 2, Chapter 1307, Acts of the 77th  
25 Legislature, Regular Session, 2001;

26           (9) Part 1, Article 3, Chapter 966, Acts of the 77th  
27 Legislature, Regular Session, 2001;

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- 1           (10) Chapter 1349, Acts of the 77th Legislature,
- 2 Regular Session, 2001;
- 3           (11) Sections 4 and 5, Chapter 1064, Acts of the 81st
- 4 Legislature, Regular Session, 2009;
- 5           (12) Chapter 1352, Acts of the 77th Legislature,
- 6 Regular Session, 2001;
- 7           (13) Sections 9 and 10, Chapter 192, Acts of the 80th
- 8 Legislature, Regular Session, 2007;
- 9           (14) Chapter 1359, Acts of the 77th Legislature,
- 10 Regular Session, 2001;
- 11           (15) Section 2, Chapter 12, Acts of the 81st
- 12 Legislature, Regular Session, 2009;
- 13           (16) Subsection (b), Section 2, Chapter 1331, Acts of
- 14 the 76th Legislature, Regular Session, 1999;
- 15           (17) Part 3, Article 3, Chapter 966, Acts of the 77th
- 16 Legislature, Regular Session, 2001;
- 17           (18) Chapter 65, Acts of the 69th Legislature, Regular
- 18 Session, 1985;
- 19           (19) Sections 13 and 14, Chapter 113, Acts of the 81st
- 20 Legislature, Regular Session, 2009;
- 21           (20) Chapter 1299, Acts of the 77th Legislature,
- 22 Regular Session, 2001;
- 23           (21) Part 9, Article 3, Chapter 966, Acts of the 77th
- 24 Legislature, Regular Session, 2001;
- 25           (22) Chapter 1314, Acts of the 77th Legislature,
- 26 Regular Session, 2001;
- 27           (23) Chapter 307, Acts of the 77th Legislature,



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S.B. No. 1147

1 Regular Session, 2001;

2 (24) Part 11, Article 3, Chapter 966, Acts of the 77th  
3 Legislature, Regular Session, 2001; and

4 (25) Article 10, Chapter 4, Acts of the 72nd  
5 Legislature, 1st Called Session, 1991.

6 ARTICLE 4. GENERAL MATTERS

7 SECTION 4.01. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.

8 This Act is enacted under Section 43, Article III, Texas  
9 Constitution. This Act is intended as a codification only, and no  
10 substantive change in the law is intended by this Act. This Act  
11 does not increase or decrease the territory of any special district  
12 of the state as those boundaries exist on the effective date of this  
13 Act.

14 SECTION 4.02. PRESERVATION OF VALIDATION MADE BY PREVIOUS

15 LAW. (a) The repeal of a law, including a validating law, by this  
16 Act does not remove, void, or otherwise affect in any manner a  
17 validation under the repealed law. The validation is preserved and  
18 continues to have the same effect that it would have if the law were  
19 not repealed.

20 (b) Subsection (a) of this section does not diminish the  
21 saving provisions prescribed by Section 311.031, Government Code.

22 SECTION 4.03. EFFECTIVE DATE. This Act takes effect April

23 1, 2013.

S.B. No. 1147

David Dewhurst  
President of the Senate

Joe Straus  
Speaker of the House

I hereby certify that S.B. No. 1147 passed the Senate on April 14, 2011, by the following vote: Yeas 31, Nays 0.

Datsy Spaw  
Secretary of the Senate

I hereby certify that S.B. No. 1147 passed the House on May 3, 2011, by the following vote: Yeas 144, Nays 0, one present not voting.

Robert Haney  
Chief Clerk of the House

Approved:

17 MAY '11  
Date

RICK PERRY  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
3:27pm O'CLOCK  
MAY 17 2011  
[Signature]  
Secretary of State