

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

CHAPTER 1042. HOOD COUNTY HOSPITAL DISTRICT OF HOOD COUNTY, TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1042.001. 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 Hood County Hospital District of Hood County, Texas.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.002. AUTHORITY FOR CREATION. The district of Hood County, Texas, is created under the authority of Section 9, Article IX, Texas Constitution.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.003. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Hood County.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.004. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The support and maintenance of the district's hospital system and any indebtedness incurred by the district under this chapter may not become a charge against or obligation of this state. Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.005. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or improvement of a district facility.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1042.051. BOARD; TERMS. (a) The board consists of:

(1) the members of the Commissioners Court of Hood County, including the county judge; and

(2) four persons appointed by the county judge.

(b) One director appointed by the county judge must be:

(1) a doctor of medicine; or

(2) a doctor of osteopathy.

(c) An appointed director serves a two-year term.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.052. BOND; RECORD OF BOND AND OATH OR AFFIRMATION OF OFFICE. (a) Each appointed director shall qualify for office by executing a good and sufficient commercial bond for \$1,000 that is:

(1) payable to the district; and

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

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

(c) Each director's bond and constitutional oath or affirmation of office shall be deposited with the district's depository for safekeeping.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. [1969](#)), Sec. 21.016, eff. September 1, 2009.

Sec. 1042.053. BOARD VACANCY. If a vacancy occurs in the office of director, the county judge shall appoint a director.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.054. OFFICERS. The board shall elect from among its members a president, a secretary, and a treasurer at the first meeting after directors are appointed under Section [1042.051](#).
Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.055. COMPENSATION; EXPENSES. A director serves without compensation but is entitled to reimbursement for necessary expenses incurred in the performance of official duties.
Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.056. DISTRICT ADMINISTRATOR. (a) The board may employ a district administrator to manage the operations of the hospital system.

(b) The district administrator may:

(1) employ necessary personnel to perform the services provided by the hospital system; and

(2) appoint to the staff any physicians considered advisable for the efficient operation of the hospital system.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.057. EMPLOYEES. The board may employ an attorney, general manager, bookkeeper, architect, and other employees necessary for the efficient operation of the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.058. MAINTENANCE OF RECORDS; PUBLIC INSPECTION. The board shall:

(1) maintain all district records, including books, accounts, notices, minutes, and all other matters of the district and its operation, at the district office; and

(2) make those records available for public inspection at reasonable times.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02,

eff. April 1, 2009.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1042.101. DISTRICT RESPONSIBILITY. The district shall provide all necessary hospital and medical care for the district's needy inhabitants.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision of this state, other than the district, may not impose a tax or issue bonds or other obligations to provide hospital service or medical care in the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.103. MANAGEMENT AND CONTROL OF DISTRICT. The management and control of the district is vested in the board, and the board has full power to manage and control the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.104. HOSPITAL SYSTEM. The district has the responsibility to establish a hospital or hospital system within its boundaries to provide hospital and medical care to the district's residents.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.105. RULES. (a) The board shall adopt rules for the efficient operation of the district, including district facilities.

(b) The board shall:

- (1) publish the rules in book form; and
- (2) provide copies to interested persons on request at

district expense.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.106. PURCHASING AND ACCOUNTING PROCEDURES. The board may prescribe the method of making purchases and expenditures and the manner of accounting and control used by the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.107. SURPLUS PROPERTY. The board may sell or otherwise dispose of district property if the board finds the property exceeds the district's present and future needs.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.108. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in real, personal, or mixed property located in district territory if the interest is necessary or convenient for the district to exercise a power or duty conferred on the district by this chapter.

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

(c) In a condemnation proceeding, the district is not required to:

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

(2) provide a bond for costs or a supersedeas bond on an appeal or writ of error.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.109. GIFTS AND ENDOWMENTS. The board may accept for the district a gift or endowment to be held in trust and

administered by the board under the directions, limitations, or other provisions prescribed in writing by the donor that are not inconsistent with the proper management of the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.110. CONTRACTS WITH POLITICAL SUBDIVISIONS FOR HOSPITAL AND MEDICAL CARE. The board may contract with another political subdivision to provide hospital and medical care for needy persons who reside outside the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.111. PAYMENT FOR TREATMENT; PROCEDURE. (a) A person who resides in the district is entitled to receive necessary medical and hospital care regardless of whether the person has the ability to pay for the care and may apply to receive this care without cost.

(b) The board or the district administrator shall employ a person to investigate the ability of the patient and any relative who is liable for the patient's support to pay for the medical and hospital care received by the patient.

(c) If the investigator determines that the patient or relative legally liable for the patient's support cannot pay all or part of the costs of the patient's care, the expense of the care becomes a charge against the district.

(d) If the patient or a relative legally liable for the patient's support can pay for all or part of the costs of the patient's care, the board shall order the patient or relative to pay to the treasurer each week an amount specified in the order. The amount must be proportionate to the person's ability to pay.

(e) The district may collect the amount from the patient's estate, or from any relative who is liable for the patient's support, in the manner provided by law for the collection of expenses of the last illness of a deceased person.

(f) If there is a dispute as to the ability to pay, or doubt in the mind of the investigator, the board shall hold a hearing and,

after calling witnesses, shall:

- (1) determine the question; and
- (2) make the proper order based on the board's findings.

(g) A party to the hearing who is not satisfied with the result of the order may appeal to the district court. The appeal is de novo.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1042.151. BUDGET. The board shall prepare a budget that includes:

- (1) proposed expenditures and disbursements;
- (2) estimated receipts and collections for the next fiscal year; and
- (3) the amount of taxes required to be imposed to meet the proposed budget.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.152. PROPOSED BUDGET: NOTICE AND HEARING. (a) The board shall hold a public hearing on the proposed budget.

(b) Notice of the hearing must be published at least once in a newspaper of general circulation in the district not later than the 11th day before the date of the hearing.

(c) Any person who owns taxable property in the district and has rendered that property for taxation is entitled to:

- (1) appear at the hearing; and
- (2) be heard regarding any item in the proposed budget.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.153. FISCAL YEAR. The district's fiscal year is from October 1 to September 30.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.154. ANNUAL AUDIT. (a) The board annually shall require an independent audit of the district's books and records.

(b) Not later than December 1 of each year, the board shall file a copy of the audit with:

- (1) the comptroller; and
- (2) the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.155. DEPOSITORY. (a) The board by resolution shall designate a bank in Hood County as the district's depository. A designated bank serves for two years and until a successor is designated.

(b) All district money shall be deposited in the depository and secured in the manner provided for securing county funds.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

SUBCHAPTER E. BONDS

Sec. 1042.201. BONDS. The district may issue bonds to:

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

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.202. TAX TO PAY BONDS. The board may issue bonds under Section [1042.201](#) only if the board imposes 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.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.203. BOND ELECTION. (a) The board may issue bonds under Section [1042.201](#) only if the bonds are authorized by a majority of district voters voting in an election held for that purpose. The total face value of the bonds may not exceed the amount specified in the election order.

(b) The board may order a bond election at any time.

(c) The order calling an election must include:

- (1) the time of the election;
- (2) the location of the polling places;
- (3) the form of the ballots;
- (4) the presiding judge for each polling place;
- (5) the purpose of the bond issuance;
- (6) the amount of the bonds to be authorized;
- (7) the maximum interest rate of the bonds; and
- (8) the maximum maturity of the bonds.

(d) A substantial copy of the election order shall be published in a newspaper of general circulation in the district once a week for two consecutive weeks before the date of the election. The first notice must be published not later than the 15th day before the date of the election.

(e) A copy of the election results must be filed with the county clerk and become a public record.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.204. MATURITY OF BONDS. District bonds must mature not later than 40 years after the date of issuance.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.205. EXECUTION OF BONDS. (a) The board president shall execute the district's bonds in the district's name.

(b) The board secretary shall countersign the bonds.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

SUBCHAPTER F. TAXES

Sec. 1042.251. IMPOSITION OF AD VALOREM TAX. (a) The board shall impose a tax on all property in the district subject to district taxation.

(b) The tax may be used only to:

(1) pay the interest on and create a sinking fund for bonds issued under this chapter;

(2) provide for the operation and maintenance of the district and hospital system;

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

(4) acquire sites for additions to the hospital system.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.252. TAX RATE. The board may impose the tax at a rate not to exceed 75 cents on each \$100 valuation of all taxable property in the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Sec. 1042.253. TAX ASSESSOR-COLLECTOR. The tax assessor-collector for Hood County shall collect taxes for the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.