

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

CHAPTER 1053. LUBBOCK COUNTY HOSPITAL DISTRICT OF LUBBOCK COUNTY,  
TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1053.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of hospital managers of the district.

(2) "Commissioners court" means the Commissioners Court of Lubbock County.

(3) "District" means the Lubbock County Hospital District of Lubbock County, Texas.

(4) "Manager" means a member of the board.

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

Sec. 1053.002. AUTHORITY FOR OPERATION. The district operates 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. 1053.003. DISTRICT TERRITORY. (a) The boundaries of the district are coextensive with the boundaries of Lubbock County, Texas, as the boundaries of Lubbock County appear of record according to the field notes and plats on file in the county clerk's office.

(b) The boundaries of the district described by Subsection (a) form a closure. An error in copying the description does not affect the validity of the district.

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

Sec. 1053.004. DISTRICT SUPPORT, MAINTENANCE, AND DEBT NOT

STATE OBLIGATION. The support and maintenance of the district's hospital system, including medical or other health facilities, 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. 1053.005. 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. 1053.051. BOARD APPOINTMENT; TERM. (a) The board consists of not fewer than six and not more than eight managers appointed as follows:

(1) one ex officio manager appointed by the Texas Tech University Board of Regents; and

(2) the remaining managers appointed by the commissioners court.

(b) Managers serve two-year terms. The terms may overlap. Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. [3166](#)), Sec. 1.02, eff. April 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 48 (S.B. [398](#)), Sec. 1, eff. May 12, 2011.

Sec. 1053.052. EX OFFICIO MANAGER. (a) The ex officio manager has all powers of another manager, except the ex officio manager may not vote.

(b) The ex officio manager shall:

(1) attend executive sessions of the board; and

(2) have access to all documents reviewed or considered by the board or its staff.

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

eff. April 1, 2009.

Sec. 1053.053. OFFICERS. (a) The board shall select from among the managers a presiding officer, who shall preside over the board.

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

(c) The district administrator or any manager may be appointed secretary.

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

Sec. 1053.054. COMPENSATION. A manager serves without pay. Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1053.055. RECORDS OF PROCEEDINGS. (a) The secretary shall keep suitable records of all proceedings of each board meeting.

(b) After each meeting:

(1) the manager presiding at the meeting shall read and sign the record; and

(2) the secretary shall attest the record.

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

Sec. 1053.056. DISTRICT ADMINISTRATOR. (a) The board shall appoint a general manager qualified by training and experience as the district administrator.

(b) The district administrator serves for a term not to exceed two years and is entitled to receive the compensation determined by the board.

(c) The board may remove the district administrator at any time.

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

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

(2) contains other conditions the board may require.

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

Sec. 1053.057. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to the limitations prescribed by the board, the district administrator shall:

(1) perform the duties required by the board;

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

(3) direct the affairs of the district.

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

Sec. 1053.058. ASSISTANT ADMINISTRATOR. (a) The board may designate an assistant administrator to discharge a duty or function of the district administrator in the event of the administrator's incapacity, absence, or inability to discharge the duty or function.

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

(c) The assistant administrator is subject to the limitations prescribed by board order.

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

Sec. 1053.059. LEGAL COUNSEL. (a) The appropriate county, district, or criminal district attorney charged with representing Lubbock County in civil matters shall represent the district in all legal matters.

(b) The district shall contribute sufficient money to the Lubbock County general fund for the account designated for the appropriate attorney described in Subsection (a) to pay all additional salaries and expenses incurred by the attorney in performing the duties required by the district.

(c) The board may employ additional legal counsel the board considers advisable.

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

Sec. 1053.060. EMPLOYEES; APPOINTMENT OF STAFF. (a) The board may appoint to the staff any doctors and employ any technicians, nurses, and other employees considered advisable for the efficient operation of the hospital or hospital system, including medical or other health facilities.

(b) A contract or term of employment under Subsection (a) may not exceed two years.

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

Sec. 1053.0601. EMPLOYMENT OF PHYSICIANS TO PROVIDE CERTAIN HOSPITAL-BASED SERVICES. (a) For purposes of this section, "hospital-based services" means the following services when provided at a hospital:

- (1) emergency medicine;
- (2) general medicine practiced by a hospitalist; and
- (3) radiology services.

(b) The board may employ physicians as the board considers necessary to provide hospital-based services at a hospital owned or operated by the district as provided by this section. The board may retain all or part of the professional income generated by a physician employed by the district for those hospital-based services if the board satisfies the requirements of this section.

(c) The term of an employment contract entered into under this section may not exceed five years.

(d) This section may not be construed as authorizing the board to:

- (1) supervise or control the practice of medicine, as prohibited by Subtitle B, Title 3, Occupations Code; or
- (2) employ physicians for any purpose other than the provision of hospital-based services at a hospital owned or operated by the district.

(e) The authority granted to the board under Subsection (b) to employ physicians shall apply as necessary for the district to fulfill the district's statutory mandate to provide medical and hospital care to the district's residents, including the district's needy and indigent residents, as provided by Sections [1053.101](#) and [1053.104](#).

(f) The medical executive committee of the district shall adopt, maintain, and enforce policies to ensure that a physician employed by the district exercises the physician's independent medical judgment in providing care to patients.

(g) The policies adopted by the medical executive committee under this section must include:

(1) policies relating to:

(A) governance of the medical executive committee;

(B) credentialing;

(C) quality assurance;

(D) utilization review;

(E) peer review;

(F) medical decision-making; and

(G) due process; and

(2) rules requiring the disclosure of financial conflicts of interest by a member of the medical executive committee.

(h) The medical executive committee and the board shall jointly develop and implement a conflict management process to resolve any conflict between a policy adopted by the medical executive committee under this section and a policy of the district.

(i) A member of the medical executive committee who is a physician shall provide biennially to the chair of the medical executive committee a signed, verified statement indicating that the committee member:

(1) is licensed by the Texas Medical Board;

(2) will exercise independent medical judgment in all medical executive committee matters, including matters relating to:

- (A) credentialing;
- (B) quality assurance;
- (C) utilization review;
- (D) peer review;
- (E) medical decision-making; and
- (F) due process;

(3) will exercise the committee member's best efforts to ensure compliance with the policies that are adopted or established by the medical executive committee; and

(4) will report immediately to the Texas Medical Board any action or event that the committee member reasonably and in good faith believes constitutes a compromise of the independent medical judgment of a physician in caring for a patient.

(j) For all matters relating to the practice of medicine, each physician employed by the district shall ultimately report to the chair of the medical executive committee for the district.

Added by Acts 2019, 86th Leg., R.S., Ch. 892 (H.B. [3463](#)), Sec. 1, eff. June 10, 2019.

Sec. 1053.061. RETIREMENT PROGRAM. (a) With the approval of the commissioners court, the board may contract with this state or the federal government as necessary to establish or continue a retirement program for the benefit of district employees.

(b) The board may establish other retirement programs for the benefit of district employees as it considers necessary and advisable.

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

Sec. 1053.062. SEAL. The board shall have a seal engraved with the district's name to authenticate the acts of the board. The secretary of the board shall keep the seal.

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. 1053.101. DISTRICT RESPONSIBILITY. (a) The district has full responsibility for providing medical and hospital care for the district's needy and indigent residents.

(b) The district shall provide all necessary medical and hospital care for the district's needy inhabitants.

(c) The district has full responsibility for providing medical and hospital care for the district's residents and needy inhabitants.

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

Sec. 1053.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision, 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.

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

Sec. 1053.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the hospital or hospital system, including medical or other health facilities of the district.

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

Sec. 1053.104. HOSPITAL SYSTEM. (a) The district has the responsibility to establish a hospital or hospital system, including medical or other health facilities within its boundaries to provide hospital and medical care to the district's residents.

(b) Subject to approval of the commissioners court, the district may provide primary care, emergency services, preventive medicine services, and other health-related services outside the district, provided the activities fulfill the purposes of the district under Subsection (a) and Section 1053.101(b).

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



Sec. 1053.105. RULES. The board may adopt rules for the operation of the hospital or hospital system, including medical or other health facilities.  
Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1053.106. PURCHASING AND ACCOUNTING PROCEDURES. (a) The commissioners court may prescribe:

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

(2) all accounting and control procedures.

(b) The commissioners court by resolution or order may delegate to the board a power described by Subsection (a).

(c) The district shall pay the salaries and expenses necessarily incurred by Lubbock County or by an officer or agent of the county in performing a duty prescribed or required by this section.

(d) An officer, employee, or agent of Lubbock County shall perform any function or service prescribed by the commissioners court under this section.

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

Sec. 1053.107. DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a) Subject to Subchapter D and to approval by the commissioners court, the board may:

(1) construct, condemn, purchase, acquire, lease, add to, maintain, operate, develop, regulate, sell, exchange, and convey any land, property, property rights, equipment, hospital facilities and systems for the maintenance of hospitals, buildings, structures, and any other facility or service the district requires or has available to sell, lease, or exchange;

(2) cooperate and contract with any of the following to effect a power described by Subdivision (1):

(A) the United States government;

(B) this state;

(C) a municipality;

(D) a hospital district;

(E) a department of a governing body described by Subparagraphs (A)-(D); or

(F) a privately owned or operated hospital, corporate or otherwise, in the district; and

(3) provide office space, equipment, supplies, and services for the use of the Lubbock County medical examiner's office for medical, hospital, or other purposes unrelated to a criminal investigation.

(b) A contract under Subsection (a)(2) must, in the opinion of the board and the commissioners court, be expedient and advantageous to the district under existing circumstances, and for fair and reasonable compensation and on terms and for a length of time that furthers and assists the district in performing its duty to provide medical and hospital care to needy inhabitants of Lubbock County.

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

Sec. 1053.108. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in any type of property, real, personal, or mixed, located in district territory, if the interest is necessary or convenient for the district to exercise a right, power, privilege, or function 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 brought by the district, the district is not required to:

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

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

(3) 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. 1053.109. GIFTS AND ENDOWMENTS. The board may accept for the district a gift or endowment to be held in trust and administered by the board for the purposes and under the directions, limitations, or other provisions prescribed in writing by the donor that are not inconsistent with the proper management and objectives of the district.

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

Sec. 1053.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board, with the approval of the commissioners court, may contract with:

(1) a county for the care and treatment of a sick or injured person of that county; and

(2) this state or a federal agency for the care and treatment of a sick or injured person for whom the state or agency is responsible.

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

Sec. 1053.111. PAYMENT FOR TREATMENT; PROCEDURES. (a) When a patient is admitted to a district facility, the district administrator shall have an inquiry made into the circumstances of:

(1) the patient; and

(2) the patient's relatives who are legally liable for the patient's support.

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

(c) If the district administrator determines that the patient or those relatives are liable for all or part of the costs of the patient's care and treatment, the patient or those relatives shall be ordered to pay the district's treasurer a specified amount

each week for the patient's support. The amount ordered must be proportionate to the person's financial ability and may not exceed the actual per capita cost of maintenance.

(d) The district administrator may collect the amount from the patient's estate, or from any relative who is legally 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.

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

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

(f) Either party to the dispute may appeal the order to the district court.

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

Sec. 1053.112. AUTHORITY TO SUE AND BE SUED. The board may sue and be sued.

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

Sec. 1053.113. EMPLOYMENT OF DISTRICT PEACE OFFICERS.

(a) The board may employ and commission peace officers for the district.

(b) The jurisdiction of a peace officer commissioned under this section includes the property owned or controlled by the district.

(c) In a district peace officer's jurisdiction, the peace officer has the authority granted by Chapter [14](#), Code of Criminal Procedure.

Added by Acts 2019, 86th Leg., R.S., Ch. 34 (S.B. [319](#)), Sec. 1, eff. May 14, 2019.

#### SUBCHAPTER D. SALE OR LEASE OF CERTAIN FACILITY

Sec. 1053.151. DEFINITION. In this subchapter, "hospital

official" means the following officers or employees, or their equivalent, of the teaching hospital described by Section [1053.152](#)(a):

- (1) the executive director;
- (2) the president;
- (3) the chief executive officer;
- (4) the chief operating officer;
- (5) the chief financial officer;
- (6) any vice president; and
- (7) any other officer.

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

Sec. 1053.152. RESOLUTION; SALE OR LEASE OF FACILITY. (a) Subject to Subsection (c) and the approval of the commissioners court, the board by resolution may order the sale or lease of a facility that is:

(1) owned and operated by the district as a teaching hospital; and

(2) located on the campus of Texas Tech University.

(b) The resolution must include a finding by the board that the sale or lease:

(1) is in the best interests of district residents; and

(2) will not financially benefit a hospital official, other than from the continuation of a compensation package existing before the date of the sale or lease.

(c) The board may sell or lease the facility only if:

(1) no hospital official has made a disclosure under Sections [1053.156](#) and [1053.157](#) at any time before the date of the sale or lease; and

(2) a majority of the votes cast at an election held under this subchapter approves the sale or lease.

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

Sec. 1053.153. ELECTION. (a) As soon as possible after the

board adopts a resolution under Section 1053.152, the commissioners court shall order an election on the question of selling or leasing the facility.

(b) The election shall be held on the first authorized uniform election date prescribed by Subchapter A, Chapter 41, Election Code, that complies with Section 3.005, Election Code. Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1053.154. BALLOT. The ballot for an election under this subchapter shall be printed to permit voting for or against the proposition: "Approving the \_\_\_\_\_ (sale or lease, as appropriate) of \_\_\_\_\_ (name of facility)." Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1053.155. DISCLOSURE OF SALE OR LEASE TERMS. The presiding officer of the board shall disclose the terms of the proposed sale or lease of a facility described by Section 1053.152 not later than the 30th day before the date of an election held under this subchapter. The disclosure must include both oral and written agreements relating to the sale or lease. Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

Sec. 1053.156. DISCLOSURE OF FINANCIAL INTEREST. (a) In this section, "substantial interest" has the meaning assigned by Section 171.002, Local Government Code.

(b) A manager or hospital official shall disclose any financial interest the person has in the sale or lease of a facility described by Section 1053.152 not later than the 30th day before the date of an election held under this subchapter.

(c) For purposes of this section, a person has a financial interest in the sale or lease if the person:

(1) has a substantial interest in a business entity involved in the sale or lease;

(2) is related within the second degree by

consanguinity or affinity, as determined under Chapter 573, Government Code, to a person who has a substantial interest in a business entity involved in the sale or lease; or

(3) is a hospital official who will benefit financially from the sale or lease, other than from the continuation of a compensation package existing before the date of the sale or lease.

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

Sec. 1053.157. DISCLOSURE; PUBLIC RECORD. (a) A person shall make a disclosure required under Section 1053.155 or 1053.156 by filing the disclosure with the commissioners court and the board.

(b) The filed disclosure is a public record.

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

Sec. 1053.158. ELECTION CANCELLATION. The commissioners court shall cancel an election ordered under this subchapter if a hospital official makes a disclosure under Sections 1053.156 and 1053.157 at any time before the date of the election.

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

Sec. 1053.159. SUBSEQUENT ELECTIONS. If a majority of the votes cast at an election under this subchapter do not approve the sale or lease of a facility under this subchapter, another election to approve the sale or lease, as appropriate, may not be held before the first anniversary of the most recent election on the proposition.

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

Sec. 1053.160. SALE OR LEASE NOT INVALID. A disclosure under this subchapter that is made after the date on which the sale or lease of the facility occurs does not invalidate the sale or

lease.

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

Sec. 1053.161. CRIMINAL PENALTY. (a) A person required to make a disclosure under Section 1053.156 commits an offense if the person knowingly fails to make the disclosure within the period prescribed by that section.

(b) An offense under this section is a Class A misdemeanor.  
Added by Acts 2007, 80th Leg., R.S., Ch. 920 (H.B. 3166), Sec. 1.02, eff. April 1, 2009.

#### SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 1053.201. BUDGET. (a) The district administrator, under the direction of the board, shall prepare an annual budget.

(b) The budget must be approved by the board and presented to the commissioners court for final approval. In like manner, all budget revisions shall be subject to approval by the commissioners court.

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

Sec. 1053.202. FINANCIAL REPORT. (a) As soon as practicable after the close of each fiscal year, the district administrator shall prepare a report that includes:

(1) a complete sworn statement of:

(A) all money and choses in action received by the administrator; and

(B) how the money and choses in action were disbursed or otherwise disposed; and

(2) the details of district operation during the preceding fiscal year.

(b) The district administrator shall make the report to:

(1) the board;

(2) the commissioners court;

(3) the Department of State Health Services; and



(4) the comptroller.

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

Sec. 1053.203. DEPOSITORY. (a) The board shall select a depository for the district in the manner provided by law for selection of a county depository. The depository serves for two years and until a successor is selected and qualified. In the alternative, the board may use the depository selected by the county.

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

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

Sec. 1053.204. WARRANTS. A warrant against district money does not require the signature of the county clerk of Lubbock County.

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

#### SUBCHAPTER F. BONDS

Sec. 1053.251. GENERAL OBLIGATION BONDS. The commissioners court may issue and sell general obligation bonds in the name and on the faith and credit of the district to:

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

(2) equip buildings or improvements for hospital purposes; and

(3) purchase, construct, acquire, equip, or enlarge the hospital or hospital system, including medical or other health facilities for any purpose related to that activity.

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

Sec. 1053.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) An

ad valorem tax shall be imposed on all property in the district subject to district taxation at a rate sufficient to create an interest and sinking fund to pay the principal of and interest on general obligation bonds issued under Section [1053.251](#) 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.

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

Sec. 1053.253. 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 voting at an election held in accordance with the provisions of Chapter [1251](#), Government Code, relating to county bonds.

(b) The commissioners court:

(1) may call the election on its own motion; or

(2) shall call the election at the request of the board.

(c) The person charged with conducting and arranging countywide elections is responsible for conducting the bond election.

(d) The district must provide for the payment of the bond election costs before the commissioners court is required to order an election.

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

Sec. 1053.254. EXECUTION OF GENERAL OBLIGATION BONDS. (a) The county judge of Lubbock County shall execute the general obligation bonds in the district's name.

(b) The county clerk of Lubbock County shall countersign the bonds.

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

Sec. 1053.255. REFUNDING BONDS. (a) Refunding bonds may be issued without an election and in the manner provided by this subchapter to refund outstanding bonds issued or assumed by the district.

(b) A refunding bond may be:

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

(2) exchanged wholly or partly for not less than a similar amount of outstanding bonds and the matured but unpaid interest on the bonds.

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

#### SUBCHAPTER G. TAXES

Sec. 1053.301. IMPOSITION OF AD VALOREM TAX. (a) The commissioners court shall impose a tax for the benefit of the district on all property in the district subject to district taxation.

(b) The commissioners court shall impose the tax to:

(1) pay the interest on and create a sinking fund for bonds assumed or issued by the district for hospital purposes as provided by this chapter;

(2) pay for indebtedness assumed by the district;

(3) provide for the operation and maintenance of the hospital or hospital system, including medical or other health facilities; and

(4) when requested by the board and approved by the commissioners court, make improvements and additions to the hospital system, including medical and other health facilities, and acquire necessary sites by purchase, lease, or condemnation.

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

Sec. 1053.302. TAX RATE. The commissioners court shall impose the tax at a rate not to exceed 75 cents on each \$100

valuation of 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. 1053.303. COUNTY TAX ASSESSOR-COLLECTOR. The tax assessor-collector of Lubbock County shall collect the taxes imposed on all property subject to district taxation.

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