

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 3. HEALTH
SUBTITLE A. HOSPITAL DISTRICTS
CHAPTER 1056. MARTIN COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1056.001. DEFINITIONS. In this chapter:

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

(2) "District" means the Martin County Hospital District.

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

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.002. AUTHORITY FOR OPERATION. The Martin County Hospital District operates in accordance with and has the powers and responsibilities provided by Section 9, Article IX, Texas Constitution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.003. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Martin County.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1056.051. BOARD APPOINTMENT; TERM. (a) The board consists of six managers appointed by the Martin County Commissioners Court.

(b) Managers serve staggered two-year terms, with three managers appointed each year.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.0515. QUALIFICATIONS FOR OFFICE. (a) To be qualified to serve as a manager, a person must be:

- (1) a resident of the district; and
- (2) a registered voter.

(b) A district employee may not serve as a manager.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.002(a), eff. September 1, 2011.

Sec. 1056.052. BOARD VACANCY. If a vacancy occurs in the office of manager, the remaining managers shall appoint a manager for the unexpired term.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.053. NONATTENDANCE. The failure of a manager to attend three consecutive regular board meetings causes a vacancy in the manager's office unless the absence is excused by formal action of the board.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.054. OFFICERS. (a) The board shall select from among the managers a chair and a vice chair.

(b) The board shall appoint a secretary, who need not be a manager.

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

(d) The board shall fill a vacancy in a board office for the remainder of the unexpired term.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.002(b), eff. September 1, 2011.

Sec. 1056.055. COMPENSATION; EXPENSES. A manager serves without compensation but may be reimbursed for actual and necessary

travel and other expenses incurred in the performance of the manager's duties as determined by the board.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.056. QUORUM. A majority of the board present shall constitute a quorum for the transaction of business.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.057. RECORDS OF PROCEEDINGS. The board shall require the secretary to keep suitable records of all proceedings of each board meeting in accordance with Subchapter B, Chapter 551, Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.002(c), eff. September 1, 2011.

Sec. 1056.058. DISTRICT ADMINISTRATOR. (a) The board shall appoint a general manager qualified by training and experience as the district administrator.

(b) The district administrator 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.

(e) The board may pay for the bond with district money.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.002(d), eff. September 1, 2011.

Sec. 1056.059. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.060. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.061. LEGAL COUNSEL. The board may employ legal counsel to represent the district in all legal matters when the board considers the employment advisable.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.062. EMPLOYEES. The board shall authorize the district administrator to employ any employees as considered advisable for the efficient operation of the hospital or hospital system.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.0625. EMPLOYMENT OF PHYSICIANS AND OTHER HEALTH CARE PROVIDERS. (a) The board may employ physicians or other health care providers as the board considers necessary for the efficient operation of the district.

(b) The board shall adopt and maintain policies to ensure that a physician employed under this section exercises independent medical judgment when providing care to patients at the hospital operated by the district. The policies adopted under this subsection must include policies relating to:

- (1) credentialing;
- (2) quality assurance;
- (3) utilization review;
- (4) peer review;
- (5) medical decision-making; and
- (6) due process.

(c) A physician employed by the district under this section is subject to the same standards and procedures regarding credentialing, peer review, quality of care, and privileges as a physician not employed by the district.

(d) The district shall give equal consideration regarding the issuance of credentials and privileges to physicians employed by the hospital and physicians not employed by the district.

(e) A physician employed by the district shall retain independent medical judgment in providing care to patients at the hospital operated by the district and may not be penalized for reasonably advocating for patient care.

(f) This section may not be construed as altering, voiding, or prohibiting any relationship between a hospital and a physician, including a contract or arrangement with an approved nonprofit health corporation that is certified under Section [162.001\(b\)](#), Occupations Code, and that holds a certificate of authority issued under Chapter [844](#), Insurance Code.

(g) A contract to employ a physician under this section may not include a covenant not to compete on termination of the contract.

(h) This section may not be construed to authorize the board

to supervise or control the practice of medicine, as prohibited by Subtitle B, Title 3, Occupations Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.003(a), eff. September 1, 2011.

Sec. 1056.063. RETIREMENT PROGRAM. The board may:

(1) contract with this state or the federal government as necessary to establish or continue a retirement program for the benefit of district employees; or

(2) establish other retirement programs for the benefit of district employees as it considers necessary and advisable.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1056.101. DISTRICT RESPONSIBILITY. (a) The district shall admit patients to the hospital who are:

(1) district inhabitants; and

(2) able to pay for medical and hospital care.

(b) The district has full responsibility for providing medical and hospital care for:

(1) eligible needy district inhabitants who are not able to pay all or a part of the cost of the care; and

(2) eligible needy and indigent district residents.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.102. RESTRICTION ON COUNTY OR MUNICIPALITY TAXATION. Martin County or a municipality in the county may not impose a tax for hospital purposes.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the hospital or

hospital system.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.104. RULES. The board may adopt rules for the operation of the hospital or hospital system, including bylaws governing board proceedings.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.105. PURCHASING AND ACCOUNTING PROCEDURES. (a) The board 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 district shall pay the salaries and expenses necessarily incurred by the board or by an officer or agent of the board in performing a duty prescribed or required by this section or Section [1056.152](#).

(c) An officer, employee, or agent of the board shall perform any function or service prescribed by the board under this section or Section [1056.152](#).

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.106. 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 for the issuance of a temporary restraining order or a temporary injunction; or

(2) provide a bond for costs or a supersedeas bond on an appeal or petition for review.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.107. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.108. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board may contract with:

(1) any 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.109. PAYMENT FOR TREATMENT; PROCEDURES. (a) When a patient from Martin County 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 to the district a specified amount each week for the patient's care. The amount ordered must be proportionate to the person's financial ability and may not exceed the usual and customary charges for services rendered.

(d) The district administrator may collect the amount from the estate of the patient, or the patient's relatives who are 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.110. AUTHORITY TO SUE AND BE SUED. The board may sue and be sued.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1056.151. 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.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.152. ANNUAL AUDIT. As soon as practicable after the close of each fiscal year, the board shall have an audit made of

the district's books and records for the fiscal year by an independent public accountant.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.153. 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; and

(2) the Martin County Commissioners Court.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.154. DEPOSITORY. (a) Every two years, the board shall select one or more depositories for the district in the manner provided for securing county funds.

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

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

SUBCHAPTER E. BONDS

Sec. 1056.201. GENERAL OBLIGATION BONDS. The board may issue and sell general obligation bonds for any purpose relating to:

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

(2) equipping buildings and improvements for hospital

purposes.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.004(a), eff. September 1, 2011.

Sec. 1056.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) An ad valorem tax shall be imposed at a rate sufficient to create an interest and sinking fund to pay the principal of and interest on bonds issued under Section [1056.201](#) 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 taxable property in the district. Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.004(b), eff. September 1, 2011.

Sec. 1056.203. 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 voting at an election held for that purpose.

(b) The board, in ordering the election, shall provide for clerks as in county elections and shall specify:

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

(c) The board shall give notice of the bond election in the manner provided by Section [1251.003](#), Government Code.

(d) Chapter [41](#), Election Code, does not apply to an election held under this section.

(e) The board shall declare the results of the election.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.004(c), eff. September 1, 2011.

Sec. 1056.2035. REVENUE BONDS. (a) The board may issue revenue bonds to:

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

(2) acquire sites to be used for hospital purposes.

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

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

(d) The bonds must be issued in the manner and in accordance with the procedures and requirements prescribed by Sections [264.042](#), [264.043](#), [264.046](#), [264.047](#), [264.048](#), and [264.049](#), Health and Safety Code, for issuance of revenue bonds by county hospital authorities.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.004(d), eff. September 1, 2011.

Sec. 1056.204. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.205. EXECUTION OF BONDS. (a) The board's presiding officer shall execute district bonds in the district's name.

(b) The board secretary shall countersign the bonds.
Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.206. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this subchapter, the board may provide for the security and payment of district bonds from a pledge of a combination of ad valorem taxes as authorized by Section [1056.202](#) and revenue and other sources authorized by Section [1056.2035](#).

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.005(a), eff. September 1, 2011.

Sec. 1056.207. USE OF BOND PROCEEDS. The district may use the proceeds of bonds issued under this subchapter to pay:

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

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

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

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

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

(4) costs related to the financing of the bond funds, including debt service reserve and contingency funds;

(5) costs related to the bond issuance;

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

(7) costs of construction of a project or facility to

be provided through the bonds, including the payment of related professional services and expenses.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.005(a), eff. September 1, 2011.

SUBCHAPTER F. TAXES

Sec. 1056.251. IMPOSITION OF AD VALOREM TAX. (a) The board shall impose a tax on all property in the district subject to district taxation.

(b) The board 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) provide for the operation and maintenance of the hospital or hospital system; and

(3) make improvements and additions to the hospital system and acquire necessary sites for improvements and additions by purchase, lease, or condemnation.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.252. TAX RATE. The board 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1056.253. TAX ASSESSOR-COLLECTOR. (a) Except as provided by Subsection (b), the Martin County tax assessor-collector shall collect the taxes imposed on all property subject to district taxation.

(b) The district may appoint its own tax assessor-collector.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

SUBCHAPTER G. DISSOLUTION

Sec. 1056.301. DISSOLUTION; ELECTION. (a) The district may be dissolved only on approval of a majority of the voters of the district voting in an election held for that purpose.

(b) The board may order an election on the question of dissolving the district and disposing of the district's assets and obligations.

(c) The board shall order an election if the board receives a petition requesting an election that is signed by at least 15 percent of the registered district voters.

(d) The order calling the election must state:

(1) the nature of the election, including the proposition to appear on the ballot;

(2) the date of the election;

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

(4) the location of the polling places.

(e) Section 41.001(a), Election Code, does not apply to an election ordered under this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.006(a), eff. September 1, 2011.

Sec. 1056.302. NOTICE OF ELECTION. (a) The board shall give notice of an election under this subchapter by publishing once a week for two consecutive weeks a substantial copy of the election order in a newspaper with general circulation in the district.

(b) The first publication of the notice must appear not later than the 35th day before the date of the election.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.006(a), eff. September 1, 2011.

Sec. 1056.303. BALLOT. The ballot for an election under this subchapter must be printed to permit voting for or against the proposition: "The dissolution of the Martin County Hospital District."

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.006(a), eff. September 1, 2011.

Sec. 1056.304. ELECTION RESULTS. (a) If a majority of the votes in an election under this subchapter favor dissolution, the board shall find that the district is dissolved.

(b) If a majority of the votes in the election do not favor dissolution, the board shall continue to administer the district and another election on the question of dissolution may not be held before the first anniversary of the date of the most recent election on the question of dissolution.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.006(a), eff. September 1, 2011.

Sec. 1056.305. TRANSFER OR ADMINISTRATION OF ASSETS.

(a) If a majority of the votes in the election held under this subchapter favor dissolution, the board shall:

(1) transfer the land, buildings, improvements, equipment, and other assets that belong to the district to Martin County or another governmental entity in Martin County; or

(2) administer the property, assets, and debts until all money has been disposed of and all district debts have been paid or settled.

(b) If the district makes the transfer under Subsection (a)(1), the county or entity assumes all debts and obligations of the district at the time of the transfer, and the district is dissolved.

(c) If Subsection (a)(1) does not apply and the board administers the property, assets, and debts of the district under Subsection (a)(2), the district is dissolved when all money has been disposed of and all district debts have been paid or settled.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.006(a), eff. September 1, 2011.

Sec. 1056.306. IMPOSITION OF TAX AND RETURN OF SURPLUS TAXES. (a) After the board finds that the district is dissolved, the board shall:

(1) determine the debt owed by the district; and

(2) impose on the property included in the district's

tax rolls a tax that is in proportion of the debt to the property value.

(b) On the payment of all outstanding debts and obligations of the district, the board shall order the secretary to return to each district taxpayer the taxpayer's pro rata share of all unused tax money.

(c) A taxpayer may request that the taxpayer's share of surplus tax money be credited to the taxpayer's county taxes. If a taxpayer requests the credit, the board shall direct the secretary to transmit the money to the county tax assessor-collector.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.006(a), eff. September 1, 2011.

Sec. 1056.307. REPORT; DISSOLUTION ORDER. (a) After the district has paid all its debts and has disposed of all its money and other assets as prescribed by this subchapter, the board shall file a written report with the Commissioners Court of Martin County summarizing the board's actions in dissolving the district.

(b) Not later than the 10th day after the date the Commissioners Court of Martin County receives the report and determines that the requirements of this subchapter have been fulfilled, the commissioners court shall enter an order dissolving the district and releasing the board from any further duty or obligation.

Added by Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.006(a), eff. September 1, 2011.