

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

CHAPTER 1057. MATAGORDA COUNTY HOSPITAL DISTRICT OF MATAGORDA
COUNTY, TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1057.001. DEFINITIONS. In this chapter:

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

(2) "District" means the Matagorda County Hospital District of Matagorda County, Texas.

(3) "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. 1057.002. AUTHORITY FOR CREATION. The district of Matagorda 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. 1057.003. POLITICAL SUBDIVISION. The district is a political subdivision of this state.

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

Sec. 1057.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Matagorda County, Texas.

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

Sec. 1057.005. 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.

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

Sec. 1057.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The support and maintenance of the district's hospital system 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.

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1057.051. BOARD APPOINTMENT; TERM. (a) The board consists of not fewer than five and not more than seven managers appointed by the Matagorda County 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.

Sec. 1057.052. 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. 1057.053. 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. 1057.054. 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. 1057.055. DISTRICT ADMINISTRATOR. (a) The board shall appoint a general manager 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. 1057.056. 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. 1057.057. EMPLOYEES. (a) The board may employ doctors, technicians, nurses, and other employees considered advisable for the efficient operation of the hospital or hospital system.

(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. 1057.058. RETIREMENT PROGRAM. With the approval of the Matagorda County 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.

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

Sec. 1057.059. 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. 1057.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing medical and hospital 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. 1057.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision in Matagorda 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.

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

Sec. 1057.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's

hospital or hospital system.

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

Sec. 1057.104. HOSPITAL SYSTEM. The district shall provide for the establishment of a hospital or hospital system in the district to furnish medical and hospital care to district residents by:

(1) purchasing, constructing, acquiring, repairing, or renovating buildings and improvements for hospital purposes;

(2) equipping the buildings and improvements for those purposes; and

(3) administering the buildings and improvements for those purposes.

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

Sec. 1057.105. RULES. The board may adopt rules for the operation of the hospital or hospital system.

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

Sec. 1057.106. LEASES. (a) The board may lease district property, including facilities or equipment, to individuals, companies, corporations, or other legal entities on terms the board determines further the district's purposes.

(b) The term of a lease under this section may not exceed 99 years.

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. 549 (S.B. [1712](#)), Sec. 1, eff. June 19, 2009.

Sec. 1057.107. 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. 1057.108. 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. 1057.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board, with the approval of the Matagorda County 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. 1057.110. AUTHORITY TO SUE AND BE SUED. As a governmental agency, the district may sue and be sued in its own name in any court of this state.

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. 1057.151. AUDITOR. (a) The Matagorda County auditor is the auditor for the district.

(b) The auditor shall make any report and perform any accounting service reasonably incident or necessary to the proper conduct of the district's business.

(c) The auditor shall receive the compensation determined by the board after considering the amount and value of the services performed for the district.

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

Sec. 1057.152. DEPOSITORY. (a) The board by resolution shall designate a bank in the county as the district's depository. A designated bank serves for two years and until a successor is designated.

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

(c) The net revenue from the tax imposed under Section 1057.201 may be withdrawn as directed by the board.

(d) All district money shall be 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.

Sec. 1057.153. AUTHORITY TO BORROW MONEY; SECURITY. (a) The board may borrow money at a rate the board determines is reasonable.

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

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

(2) tax revenue to be collected by the district in the next 12-month period that is not pledged to pay the principal of or interest on district bonds;

(3) district bonds that have been authorized but not sold; and

(4) any other unencumbered district assets.

(c) The board may use the proceeds of a loan made under this section only for the district's operational and capital requirements.

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

SUBCHAPTER E. BONDS

Sec. 1057.201. 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; and

(2) equipping buildings or improvements for hospital purposes.

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

Sec. 1057.202. 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 general obligation bonds issued under Section [1057.201](#) 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 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. 1057.203. 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 in an election held for that purpose.

(b) The board may order the election on its own motion.

(c) The order calling the election must specify:

- (1) the date of the election;
- (2) the location of the polling places;
- (3) the presiding election officers;
- (4) the purpose of the bond issuance;
- (5) the amount of the bonds to be authorized;
- (6) the maximum interest rate of the bonds; and
- (7) the maximum maturity of the bonds.

(d) Notice of a bond election shall be given by publishing a substantial copy of the order calling the election in a newspaper of general circulation in the district once each week for two consecutive weeks before the date of the election. The first publication must occur at least 14 days 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. 1057.204. MATURITY OF GENERAL OBLIGATION BONDS. District general obligation 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. 1057.205. EXECUTION OF GENERAL OBLIGATION BONDS. (a) The board's presiding officer shall execute the general obligation 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.

Sec. 1057.206. INVESTMENT OF GENERAL OBLIGATION BOND

PROCEEDS. Until the proceeds from the sale of general obligation bonds are needed to carry out the bond purpose, the proceeds may be:

(1) invested in direct obligations of the United States; or

(2) placed on time deposit.

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

Sec. 1057.207. 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 hospital system.

(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 provided by Sections [264.042](#), [264.043](#), and 264.046-264.049, Health and Safety Code, for issuance of revenue bonds by a county hospital authority.

(e) An election is not required to authorize the issuance of revenue 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. 1057.251. 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) meet the requirements of district bonds and indebtedness assumed by the district;

(2) provide for the district's maintenance and operation expenses;

(3) make improvements and additions to the district's

hospitals or hospital system; and

(4) acquire necessary sites by gift, 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. 1057.252. TAX RATE. The board shall 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. 1057.253. TAX ASSESSOR-COLLECTOR. The tax assessor-collector of Matagorda County shall collect taxes imposed by the district.

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