

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 3. HEALTH
SUBTITLE A. HOSPITAL DISTRICTS
CHAPTER 1075. STAMFORD HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1075.001. 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 Stamford Hospital District.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.002. AUTHORITY FOR CREATION. The Stamford Hospital District is created under the authority of Section 9, Article IX, Texas Constitution, and has the rights, powers, and duties prescribed by this chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function in carrying out the purposes of this chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.004. DISTRICT TERRITORY. The district is composed of the territory described by Section 1a, Chapter 108, Acts of the 59th Legislature, Regular Session, 1965, as amended by Section 1, Chapter 563, Acts of the 63rd Legislature, Regular Session, 1973.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE

OBLIGATION. The support and maintenance of the district may not become a charge against or obligation of this state.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.006. 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1075.051. BOARD ELECTION; TERM. (a) The board consists of seven elected directors.

(b) Directors serve staggered two-year terms unless four-year terms are established under Section [285.081](#), Health and Safety Code.

(c) The election order must state the time, place, and purpose of the election.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.052. NOTICE OF ELECTION. At least five days before the date of a directors' election, notice of the election must be published one time in a newspaper of general circulation in the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.053. BALLOT PETITION. A person who wants to have the person's name printed on the ballot as a candidate for director must file with the board secretary a petition requesting that action. The petition must be:

- (1) signed by at least 10 registered voters; and
- (2) filed by the deadline imposed by Section [144.005](#),

Election Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.054. QUALIFICATIONS FOR OFFICE. To be eligible to hold office as a director, a person must be a resident property-owning taxpaying voter of the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.055. BOND; RECORD OF BOND AND OATH. (a) Each director shall execute a good and sufficient bond for \$1,000 that is:

(1) payable to the district; and

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

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

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.056. BOARD VACANCY. If a vacancy occurs in the office of director, the remaining directors by majority vote shall appoint a director for the unexpired term.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.057. OFFICERS. (a) The board shall elect from among its members a president, vice president, secretary, and other officers as in the judgment of the board are necessary.

(b) The president is the chief executive officer of the district and has the same right to vote as any other director.

(c) If the president is absent or fails and declines to act, the vice president shall perform the president's duties and exercise the president's powers under this chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01,

eff. April 1, 2015.

Sec. 1075.058. COMPENSATION; EXPENSES. A director is not entitled to compensation but is entitled to receive actual expenses incurred in attending to district business on approval of the expenses by the remainder of the board.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.059. DISTRICT ADMINISTRATOR; ASSISTANT ADMINISTRATOR. (a) The board shall appoint a qualified person as district administrator.

(b) The board may appoint an assistant administrator.

(c) The district administrator and assistant administrator serve at the will of the board and shall receive the compensation determined by the board.

(d) On assuming the duties of district administrator, the administrator shall execute a bond payable to the district in an amount set by the board of not less than \$10,000 that:

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

(2) contains any other condition the board requires.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to any limitations prescribed by the board, the district administrator shall:

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

(2) direct the affairs of the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.061. EMPLOYEES. The board may employ any doctors, technicians, nurses, and other employees as considered necessary for the efficient operation of the district or may

provide that the district administrator has the authority to employ those persons.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.062. RETIREMENT PROGRAM. The board may enter into any contract or agreement with this state or the federal government as required to establish or continue a retirement program for the benefit of the district's employees.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1075.101. DISTRICT RESPONSIBILITY. The district has full responsibility for:

(1) operating all hospital facilities for providing medical and hospital care of indigent persons in the district; and

(2) providing medical and hospital care for the district's needy inhabitants.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision located within the district may not impose a tax or issue bonds or other obligations for hospital purposes or for medical treatment of indigent persons in the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.104. HOSPITAL SYSTEM. The district shall provide for:

(1) the establishment of a hospital or hospital system 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 or hospital system for hospital purposes.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.105. RULES. The board may adopt rules for the operation of the district and as required to administer this chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.106. PURCHASING AND ACCOUNTING. 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.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.107. RATES AND CHARGES. The board shall prescribe the rates and charges for:

(1) services;

(2) supplies; and

(3) the use of hospital facilities.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.108. 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 located in district territory if the interest is necessary or convenient to a power, right, or privilege conferred by this chapter.

(b) The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.109. 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.110. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board may contract with:

(1) any county or municipality located outside the district for the care and treatment of a sick or injured person of that county or municipality; and

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

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.111. PAYMENT FOR TREATMENT; PROCEDURES.

(a) When a patient who resides in the district 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 legally liable for the patient's support.

(b) If the district administrator determines that the patient or those relatives cannot pay for all or part of the

patient's care and treatment in the hospital, the amount that cannot be paid becomes a charge against the district.

(c) If the district administrator determines that the patient or those relatives can pay for all or part of the patient's care and treatment, the patient or those relatives shall be ordered to pay the district a specified amount each week for the patient's support. The amount ordered must be proportionate to their 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 those relatives 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 board shall hold a hearing and, after calling witnesses, shall:

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

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.112. AUTHORITY TO SUE AND BE SUED. The district, through the board, may sue and be sued.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1075.151. BUDGET. (a) The district administrator shall prepare for approval by the board an annual budget that corresponds to the district's fiscal year.

(b) Not later than August 31 of each year, the board shall publish notice of a public hearing on the proposed budget. The notice must be published in a newspaper of general circulation in the district one time at least 10 days before the date of the hearing.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01,

eff. April 1, 2015.

Sec. 1075.152. FISCAL YEAR. The district shall operate on a fiscal year that begins on October 1 and ends on September 30.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.153. AUDIT. (a) The district shall have an audit made of the district's financial condition.

(b) The audit shall be open to inspection at all times at the district's principal office.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.154. FINANCIAL REPORT. As soon as practicable after the close of each fiscal year, the district administrator shall prepare for the board:

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

(2) a complete account of the disbursements of that money.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.155. DEPOSITORY. (a) The board shall select one or more banks in the district to serve as a depository for district money.

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

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

(d) Membership on the district's board of an officer or

director of a bank does not disqualify the bank from being designated as depository.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.156. AUTHORITY TO BORROW MONEY; SECURITY.

(a) The board may borrow money from a federally insured lending institution or make other financial arrangements for district operating expenses or other authorized obligations.

(b) The board may borrow money in an amount and subject to a rate of interest and other terms the board finds appropriate.

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

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

(2) property acquired with borrowed money that is not pledged to pay the district's bonded indebtedness.

(d) A loan for which district revenue is pledged must mature not later than the fifth anniversary of the date the loan is made.

(e) The district must provide for the payment of all district debts and obligations before dissolution.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

SUBCHAPTER E. BONDS

Sec. 1075.201. GENERAL OBLIGATION BONDS. (a) The board may issue and sell general obligation bonds in the name and on the faith and credit of the district for any purpose related to the purchase, construction, acquisition, repair, or renovation of buildings and improvements, and equipping buildings and improvements for a hospital and the hospital system, as determined by the board.

(b) The board shall issue the bonds in compliance with the applicable provisions of Subtitles A and C, Title 9, Government Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.202. 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 and 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 the district imposes may not in any year exceed 75 cents on each \$100 valuation of taxable property in the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.203. 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 shall call the election. The election must be held in accordance with Chapter 1251, Government Code.

(c) The bond election order must specify:

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

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.204. EXECUTION OF GENERAL OBLIGATION BONDS. The board president shall execute the general obligation bonds in the district's name, and the board secretary shall attest the bonds as provided by Chapter 618, Government Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.205. REFUNDING BONDS. (a) District refunding bonds may, without an election, be issued to refund any bonds or

other refundable indebtedness issued 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 other refundable indebtedness; or

(2) exchanged wholly or partly for not less than a similar principal amount of the outstanding bonds or other refundable indebtedness.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.206. BONDS EXEMPT FROM TAXATION. The following are exempt from taxation by this state or a political subdivision of this state:

(1) bonds issued by the district;

(2) the transfer and issuance of the bonds; and

(3) any profits made in the sale of the bonds.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

SUBCHAPTER F. TAXES

Sec. 1075.251. IMPOSITION OF AD VALOREM TAX. (a) The board may impose a tax on all taxable property in the district subject to district taxation.

(b) The tax may be used to meet the requirements of district bonds and for the district's maintenance and operating expenses.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1075.252. TAX RATE. The district may impose the tax at a rate not to exceed 75 cents on each \$100 valuation of taxable property in the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.