

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 3. HEALTH
SUBTITLE A. HOSPITAL DISTRICTS
CHAPTER 1076. STARR COUNTY HOSPITAL DISTRICT
OF STARR COUNTY, TEXAS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1076.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of trustees of the district.

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

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

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

Sec. 1076.002. AUTHORITY FOR CREATION. The Starr County Hospital District of Starr County, Texas, is created under the authority of Section 9, Article IX, Texas Constitution.

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

Sec. 1076.003. POLITICAL SUBDIVISION. The district is a political subdivision of this state.

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

Sec. 1076.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The accomplishment of the purposes stated in this chapter is for the benefit of the people of this state and for the improvement of their property and industries.

(b) The district is a governmental agency performing an essential public function under the constitution 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. 1076.005. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Starr County, Texas, including all "cut over" or "banco" land on the north side of the Rio Grande River.

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. 1076.051. BOARD ELECTION; TERM. (a) A board of five trustees shall exercise the powers of the district.

(b) One trustee is elected from each commissioners precinct and one trustee is elected from the district at large by a majority of district voters.

(c) Unless four-year terms are established under Section [285.081](#), Health and Safety Code:

(1) trustees serve two-year terms;

(2) trustees who represent odd-numbered precincts and the trustee elected at large are elected in odd-numbered years;

(3) trustees who represent even-numbered precincts are elected in even-numbered years; and

(4) a trustee's election shall be held each year on the May uniform election date prescribed by Section [41.001](#), Election Code, or another date authorized by law.

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

Sec. 1076.052. NOTICE OF ELECTION. Notice of a trustees' election shall be published in a newspaper of general circulation in the district in accordance with Section [4.003](#), Election Code.

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

Sec. 1076.053. QUALIFICATIONS FOR OFFICE. To qualify for election as a trustee, a person must:

(1) be at least 18 years of age;

(2) have been a resident of the district for at least two years;

(3) have been a resident of the commissioners precinct from which the person is to be elected for at least two years, unless the person is running at large; and

(4) be a qualified voter.

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

Sec. 1076.054. BOND. (a) Each trustee shall execute a good and sufficient commercial bond for \$1,000 that is:

(1) payable to the district; and

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

(b) The district may pay for a trustee's bond with district money.

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

Sec. 1076.055. BOARD VACANCY. If a vacancy occurs on the board, the majority of remaining trustees shall appoint a trustee 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. 1076.056. OFFICERS; DUTIES; ABSENCE OF PRESIDENT OR SECRETARY. (a) The board shall elect from among its members a president, vice president, and secretary, and other officers as in the judgment of the board are necessary.

(b) The president shall preside over district meetings and has the same right to vote as any other trustee.

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

(d) The secretary:

(1) shall keep and sign the minutes of the board meetings; and

(2) is the custodian of the district's minutes and records.

(e) If the secretary is absent from a board meeting, the board shall name a secretary pro tem for the meeting who may:

(1) exercise all the duties and powers of the secretary for the meeting; and

(2) sign the minutes of the meeting.

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

Sec. 1076.057. COMPENSATION; EXPENSES. A trustee serves without compensation but may be reimbursed for actual expenses incurred in the performance of official duties on approval of the expenses by the board.

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

Sec. 1076.058. DISTRICT ADMINISTRATOR; ASSISTANT ADMINISTRATOR. (a) The board may appoint a qualified person as district administrator.

(b) The board may appoint an assistant administrator.

(c) The district administrator and any 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 that:

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

(2) contains other conditions the board may require.

(e) On assuming the duties of assistant administrator, the assistant administrator shall execute a bond payable to the district in an amount set by the board that:

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

(2) contains other conditions the board may require.

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

eff. April 1, 2015.

Sec. 1076.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to the 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. 1076.060. APPOINTMENT AND REMOVAL OF MEDICAL STAFF AND EMPLOYEES. (a) The board may appoint any doctors to its medical staff and employ any 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.

(b) The board may make temporary appointments the board considers necessary.

(c) The board may, after due process, remove from the medical staff any doctor whose removal the board considers necessary for the efficient operation of the district.

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

Sec. 1076.061. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES. The board may use district money, enter into agreements, and take other necessary action to recruit or otherwise obtain physicians and other personnel for the district's medical staff or for employment with the district, including:

- (1) advertising and marketing;
- (2) paying recruitment expenses;
- (3) paying travel and relocation expenses;
- (4) providing a guarantee, subsidy, loan, or scholarship;
- (5) sharing personnel; and
- (6) authorizing a physician to use space in a district

facility or providing a rent subsidy to a physician.

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

Sec. 1076.062. HEALTH CARE EDUCATIONAL PROGRAMS. The board may use district money, enter into agreements, and take other necessary action to conduct, participate in, or assist health care educational programs for the public and for current or potential medical staff members or employees.

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

Sec. 1076.063. RETIREMENT BENEFITS. The board may provide retirement benefits for district employees by:

(1) establishing or administering a retirement program; or

(2) participating in:

(A) the Texas County and District Retirement System; or

(B) another statewide retirement system in which the district is eligible to participate.

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. 1076.101. DISTRICT RESPONSIBILITY. The district shall provide 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. 1076.102. MANAGEMENT, CONTROL, AND ADMINISTRATION. (a) The district has authority to operate hospital facilities.

(b) The board shall manage, control, and administer the district's hospital and hospital system and carry out the functions

of the district.

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

Sec. 1076.103. HOSPITAL SYSTEM. The district shall provide for:

(1) the establishment of a hospital or hospital system in the district to provide medical and hospital care and treatment and related services to district residents by:

(A) purchasing, constructing, acquiring, repairing, or renovating buildings, facilities, and improvements; and

(B) equipping the buildings, facilities, and improvements for hospital purposes; and

(2) the operation, maintenance, and 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. 1076.104. RULES. The board may adopt rules for the operation of the district.

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

Sec. 1076.105. 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. 1076.106. DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a) The board shall determine:

(1) the type, number, and location of buildings required to maintain an adequate hospital system; and

(2) the type of equipment necessary for hospital care.

(b) The board may:

- (1) acquire property, including facilities and equipment, for the district for use in the hospital system;
- (2) mortgage or pledge the property as security for the payment of the purchase price;
- (3) lease hospital facilities for the district; and
- (4) sell or otherwise dispose of property, including facilities or equipment, for the district.

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

Sec. 1076.107. 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 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1076.108. GIFTS, GRANTS, AND ENDOWMENTS. The board may accept for the district a gift, grant, 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. 1076.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board may contract with 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. 1076.110. CONTRACTS FOR SERVICES. (a) The board may contract with any person to obtain or supply the facilities and services the board considers necessary for the efficient operation of the district.

(b) The board may contract with a public or private hospital, a political subdivision of this state, or a state or federal agency for the district to provide a mobile emergency medical service or to provide for the investigatory or welfare needs of district inhabitants.

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

Sec. 1076.111. PROVISION OF CERTAIN HEALTH SERVICES. The district may operate or provide for:

(1) the operation of a mobile emergency medical or air ambulance service;

(2) home health services, long-term care, skilled nursing care, intermediate nursing care, or hospice care; and

(3) any other reasonable or appropriate medical care or medical service.

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

Sec. 1076.112. PAYMENT FOR TREATMENT; PROCEDURES. (a) When a patient who resides in the district is admitted to a district facility, the board or 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 board or 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 board or district administrator determines that the patient or those relatives are liable to 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 care. The amount ordered must be proportionate to their financial ability and may not exceed the usual and customary charges for services.

(d) The board or district administrator may collect the amount from the patient's estate, or from any relative 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 between any party and the board or district administrator, the county court shall hold a hearing and, after calling witnesses, shall:

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

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

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

Sec. 1076.113. NONPROFIT CORPORATION. (a) The district may create and sponsor a nonprofit corporation under the Business Organizations Code and may contribute money to or solicit money for the corporation.

(b) The corporation may use money contributed by the district only to provide health care or other services the district is authorized to provide under this chapter.

(c) The corporation may enter into a joint venture with any public or private entity or individual to provide health care or other services the district is authorized to provide under this

chapter.

(d) The corporation may invest the corporation's money in any manner in which the district may invest the district's money, including investing money as authorized by Chapter 2256, Government Code.

(e) The board shall establish controls to ensure that the corporation uses its money as required by this section.

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. 1076.151. BUDGET. The board shall prepare a budget that includes:

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

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

Sec. 1076.152. PROPOSED BUDGET: NOTICE AND HEARING. (a) The board shall hold a public hearing on the proposed budget.

(b) Notice of the hearing must be published at least once in a newspaper of general circulation in the district not later than the 10th day before the date of the hearing.

(c) Any district resident is entitled to:

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

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

Sec. 1076.153. FISCAL YEAR. (a) The board shall establish the district fiscal year.

(b) The fiscal year may not be changed:

(1) during a period that revenue bonds of the district are outstanding; or

(2) more than once in a 24-month period.

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

Sec. 1076.154. ANNUAL AUDIT. As soon as practicable after the close of each fiscal year, the board shall have an annual audit made of the district's books and records by an independent public accountant.

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

Sec. 1076.155. 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 all district money;

(2) a complete account of the disbursements of that money during the previous fiscal year; and

(3) the details of district operation during the previous fiscal year.

(b) The district administrator shall make the report to the board.

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

Sec. 1076.156. PROJECTS AND PURCHASES EXEMPT FROM ASSESSMENT OR TAXATION. The district is not required to pay a tax or assessment on:

(1) a district project or any part of the project; or

(2) a district purchase.

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

Sec. 1076.157. DEPOSITORY. (a) The board shall select one or more banks in this state to act as a depository of bond proceeds or of revenue derived from the operation of district facilities.

(b) The depository shall, as determined by the board:

- (1) furnish indemnity bonds;
- (2) pledge securities; or
- (3) meet any other requirement.

(c) Membership on the district's board of an officer or director of a bank does not disqualify the bank from being selected as depository.

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

Sec. 1076.158. AUTHORITY TO BORROW MONEY; SECURITY.

(a) The board may borrow money at a rate not to exceed the maximum annual percentage rate allowed by law for district obligations at the time the loan is made.

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

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

(2) a district tax to be imposed by the district during the 12-month period following the date of the pledge that is not pledged to pay the principal of or interest on district bonds; or

(3) a district bond that has been authorized but not sold.

(c) A loan for which taxes or bonds are pledged must mature not later than the first anniversary of the date the loan is made. A loan for which district revenue is pledged must mature not later than the fifth anniversary of the date the loan is made.

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

Sec. 1076.159. INVESTMENT OF DISTRICT MONEY. (a) The law applicable to municipalities with respect to security for and investment of money governs, as applicable, the investment of district money. The bond order, resolution, or trust indenture may further restrict the investment.

(b) To the extent authorized in the bond order, resolution, or trust indenture and until the money is needed, the district may invest the proceeds of district bonds in direct obligations of or

obligations unconditionally guaranteed by the United States.

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

SUBCHAPTER E. BONDS

Sec. 1076.201. 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 the purchase, construction, acquisition, repair, or renovation of buildings and improvements and equipping the buildings and improvements for district purposes or any combination of those purposes.

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

Sec. 1076.202. 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 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 all 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. 1076.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds or other bonds secured wholly or partly by an ad valorem tax, other than refunding bonds, only if the bonds are authorized by a majority of the voters voting at an election held for that purpose.

(b) The order and publication of notice for the bond election must be provided in accordance with Chapter [1251](#), Government Code.

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

Sec. 1076.204. EXECUTION OF GENERAL OBLIGATION BONDS. The board president shall execute district general obligation bonds in the district's name, and the board secretary shall countersign the bonds in the manner 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. 1076.205. REVENUE BONDS. (a) The board may issue revenue bonds to:

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

(2) acquire sites for district purposes.

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

(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 a county hospital authority.

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

Sec. 1076.206. REFUNDING BONDS. (a) The board may issue refunding bonds to refund any outstanding indebtedness issued or assumed by the district.

(b) A refunding bond may be sold, with the proceeds of the refunding bond applied to the payment of outstanding indebtedness.

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

Sec. 1076.207. MATURITY OF BONDS. District bonds must mature not later than 40 years after the date of issuance.

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

eff. April 1, 2015.

Sec. 1076.208. 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 1076.202 and revenue and other sources as authorized by Section 1076.205.

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

Sec. 1076.209. 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) construction costs of a project or facility to be provided through the bonds, including the payment of related professional services and expenses.

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

Sec. 1076.210. BONDS EXEMPT FROM TAXATION. The following are exempt from taxation by this state:

- (1) bonds issued by the district;
- (2) the transfer of the bonds; and
- (3) the income from the bonds, including profits made on 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. 1076.251. IMPOSITION OF AD VALOREM TAX. The board may impose a tax on all property in the district subject to district taxation.

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

Sec. 1076.252. TAX RATE. The board may impose the tax at a rate not to exceed the limit approved by the voters at the election authorizing the imposition of taxes, which may not exceed 75 cents on each \$100 valuation of all 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. 1076.253. TAX ASSESSOR-COLLECTOR. The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by the Tax Code.

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

SUBCHAPTER G. DISSOLUTION

Sec. 1076.301. DISSOLUTION; ELECTION. (a) The district may be dissolved only on approval of a majority of the district voters 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.

(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](#), Election Code, does not apply to an election ordered under this section.

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

Sec. 1076.302. 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 notice must appear not later than the 35th day before the date set for the election.

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

Sec. 1076.303. BALLOT. The ballot for an election under this subchapter must be printed to permit voting for or against the proposition: "The dissolution of the Starr County Hospital District."

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

Sec. 1076.304. ELECTION RESULTS. (a) If a majority of the votes in an election under this subchapter favor dissolution, the board shall order that the district be 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 to dissolve the district.

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

Sec. 1076.305. TRANSFER OR ADMINISTRATION OF ASSETS.

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

(1) transfer the land, buildings, improvements, equipment, and other assets that belong to the district to Starr County or another governmental entity in Starr 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 the district does not make the transfer under Subsection (a)(1) and the board administers the property, assets, and debts of the district under Subsection (a)(2), the district is dissolved when all the money has been disposed of and all district debts have been paid or settled.

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

Sec. 1076.306. IMPOSITION OF TAX AND RETURN OF SURPLUS TAXES. (a) After the board finds that the district is dissolved, the board shall:

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

(2) impose on the property included on the district's tax roll a tax that is in proportion of any debt to the property value.

(b) On the payment of all outstanding debts and obligations of the district, the board shall order the board 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 board secretary to transmit the money to the county tax assessor-collector.

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

Sec. 1076.307. REPORT; DISSOLUTION ORDER. (a) After the district has paid all district debts and has disposed of all district money and other assets as prescribed by this subchapter, the board shall file a written report with the Commissioners Court of Starr County summarizing the board's actions in dissolving the district.

(b) Not later than the 10th day after the date the commissioners court receives the report and determines that the requirements of this subchapter have been fulfilled, the commissioners court shall enter an order:

(1) dissolving the district; and

(2) releasing the board from any further duty or obligation.

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