

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

CHAPTER 1097. SOUTH WHEELER COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1097.001. 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 South Wheeler County Hospital District.

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

Sec. 1097.002. AUTHORITY FOR CREATION. The South Wheeler County 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function in carrying out the purposes of this chapter.

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

Sec. 1097.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of County Commissioners Precincts 3 and 4 of Wheeler County, Texas, as those boundaries existed on January 1, 1963.

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

Sec. 1097.005. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.006. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

#### SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1097.051. BOARD ELECTION; TERM. (a) The board consists of seven directors elected as follows:

(1) two directors elected from County Commissioners Precinct 3 by the voters of that precinct;

(2) two directors elected from County Commissioners Precinct 4 by the voters of that precinct; and

(3) three directors elected from the district at large by the voters of the entire district.

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

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

Sec. 1097.052. NOTICE OF ELECTION. At least 10 days before the date of an election of directors, notice of the election shall be published one time in a newspaper of general circulation in Wheeler County.

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

Sec. 1097.053. 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 not fewer than 10 registered voters; and
- (2) filed at least 25 days before the date of the election.

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

Sec. 1097.054. QUALIFICATIONS FOR OFFICE. (a) A person may not be elected or appointed as a director unless the person:

- (1) is a resident of the district;
  - (2) owns property in the district subject to taxation;
- and
- (3) is more than 18 years of age at the time of election or appointment.

(b) A person may not be elected to represent a particular county commissioners precinct unless the person is a resident of that precinct.

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

Sec. 1097.055. BOND; RECORD OF BOND AND OATH OR AFFIRMATION OF OFFICE. (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 or affirmation of office shall be deposited with the district's depository bank for safekeeping.

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

Sec. 1097.056. BOARD VACANCY. (a) If a vacancy occurs in the office of director, the remaining directors shall appoint a director for the unexpired term.

(b) If the number of directors is reduced to fewer than four for any reason, the remaining directors shall immediately call a

special election to fill the vacancies. If the remaining directors do not call the election, a district court, on application of a district voter or taxpayer, may order the directors to hold the election.

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

Sec. 1097.057. OFFICERS. The board shall elect from among its members a president, a vice president, and a secretary.

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

Sec. 1097.058. VOTING REQUIREMENT. A concurrence of four directors is sufficient in any matter relating to district business.

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

Sec. 1097.059. 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 any assistant administrator serve at the will of the board and are entitled to 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 other conditions the board may require.

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

Sec. 1097.060. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.061. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.062. RETIREMENT PROGRAM. The board may contract with this state or the federal government to establish or continue a retirement program for the benefit of the district's employees.

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. 1097.101. DISTRICT RESPONSIBILITY. The district has full responsibility for:

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

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

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

Sec. 1097.102. 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 for medical treatment of indigent persons.

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

Sec. 1097.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system.  
Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.104. HOSPITAL SYSTEM. The district shall provide for the establishment of a hospital system by:

- (1) purchasing, constructing, acquiring, repairing, or renovating buildings and equipment;
- (2) equipping the buildings; and
- (3) administering the buildings and equipment for hospital purposes.

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

Sec. 1097.105. RULES. The board may adopt rules for the operation of the district and as required to administer this chapter.

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

Sec. 1097.106. PURCHASING AND ACCOUNTING PROCEDURES. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.107. 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 located in district territory if the interest is necessary or convenient for the district to exercise 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.108. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. (a) The board may contract with a county or municipality located outside the district for the care and treatment of a sick or injured person of that county or municipality.

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

Sec. 1097.110. 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 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 can pay for all or part of the costs of

the patient's care and treatment, the patient or those relatives shall be ordered to pay the district a specified amount each week for the patient's support. The amount ordered must be proportionate to the person's financial ability and may not exceed the actual per capita cost of maintenance.

(d) The district administrator may collect the amount from the patient's estate, or from any relative who is legally liable for the patient's support, in the manner provided by law for the collection of expenses of the last illness of a deceased person.

(e) If there is a dispute as to the ability to pay, or doubt in the mind of the district administrator, the 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.111. AUTHORITY TO SUE AND BE SUED. The district, through 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. 1097.151. BUDGET. (a) The district administrator shall prepare an annual budget for approval by the board. The budget must be for the fiscal year prescribed by Section [1097.152](#).

(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 at least 10 days before the date of the hearing.

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

Sec. 1097.152. FISCAL YEAR. The district operates on a fiscal year that begins on October 1 and ends on September 30.

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



1.01, eff. April 1, 2011.

Sec. 1097.153. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.154. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.155. DEPOSITORY. (a) The board shall select one or more banks in the district to serve as a depository for district money.

(b) 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 or other obligations 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 selected as a depository bank.

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

## SUBCHAPTER E. BONDS

Sec. 1097.201. 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 or improvements, and equipping buildings or 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At the time general obligation bonds are issued under Section 1097.201, 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 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.203. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.204. EXECUTION OF GENERAL OBLIGATION BONDS. (a) The board president shall execute the general obligation bonds in the district's name.

(b) The board secretary shall attest the bonds.

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

Sec. 1097.205. REFUNDING BONDS. (a) The board may, without an election, issue refunding bonds to refund any bond or other refundable indebtedness 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 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.206. 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) profits made in the sale of the bonds.

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

#### SUBCHAPTER F. TAXES

Sec. 1097.251. IMPOSITION OF AD VALOREM TAX. (a) The district may impose a tax on all property in the district subject to

district taxation.

(b) The tax may be used to meet the requirements of:

- (1) district bonds;
- (2) indebtedness assumed by the district; and
- (3) district maintenance and operating expenses.

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

Sec. 1097.252. 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 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.01, eff. April 1, 2011.

Sec. 1097.253. TAX ASSESSOR-COLLECTOR. The tax assessor-collector of Wheeler County shall assess and collect taxes imposed by the district.

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