

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 3. HEALTH
SUBTITLE A. HOSPITAL DISTRICTS
CHAPTER 1106. TEXHOMA MEMORIAL HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1106.001. 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 Texhoma Memorial Hospital District.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.002. AUTHORITY FOR OPERATION. The Texhoma Memorial Hospital District operates in accordance with Section 9, Article IX, Texas Constitution.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.003. POLITICAL SUBDIVISION. The district is a political subdivision of this state.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of the Texhoma Independent School District in Sherman County, as those boundaries existed as of January 1, 1967.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1106.051. BOARD; TERM. (a) The board consists of five

elected directors.

(b) Unless four-year terms are established under Section [285.081](#), Health and Safety Code, directors serve staggered two-year terms with the terms of two or three directors expiring each year as appropriate.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.052. NOTICE OF ELECTION. At least 10 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.053. 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 less than 15 registered voters; and
- (2) filed by the deadline imposed by Section [144.005](#), Election Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.054. QUALIFICATIONS FOR OFFICE. A person may not be appointed or elected a director unless the person:

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

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.055. BOND NOT REQUIRED. A director is not required to post a public official's bond.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01,

eff. April 1, 2013.

Sec. 1106.056. 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 three 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.057. OFFICERS. The board shall elect from among its members a president and a secretary.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.058. COMPENSATION; EXPENSES. A director serves without compensation but is entitled to reimbursement for actual expenses incurred in the performance of official duties on approval of the expenses by the board.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.059. VOTING REQUIREMENT. A concurrence of three directors is sufficient in any matter relating to district business.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.060. EMPLOYEES. The board may employ a general manager, attorney, bookkeeper, architect, and any other employee considered necessary for the efficient operation of the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.061. MAINTENANCE OF RECORDS; PUBLIC INSPECTION. All district records, including books, accounts, notices, and minutes, and all other matters of the district and the operation of its facilities, shall be:

(1) maintained at the district office; and

(2) open to public inspection at the district office at all reasonable hours.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.062. SEAL. The board may adopt a seal for the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 1106.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing medical and hospital care for the district's needy inhabitants and needy and indigent residents.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION. Sherman County or any other political subdivision in the district may not impose a tax on property in the district for hospital purposes.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.103. MANAGEMENT AND CONTROL OF DISTRICT. The management and control of the district are vested in the board.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.104. HOSPITAL SYSTEM. The district shall provide

for:

(1) the establishment of a hospital system to provide medical and hospital care to district residents 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 system for hospital purposes.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.105. RULES. (a) The board may adopt rules governing the operation of the district and district facilities.

(b) The rules may, on approval by the board, be published in booklet form at district expense and made available to any taxpayer on request.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.106. PURCHASING AND ACCOUNTING PROCEDURES.

(a) The board may prescribe the method and manner of making purchases and expenditures by and for the district.

(b) The board shall prescribe:

(1) all accounting and control procedures; and

(2) the method of purchasing necessary supplies, materials, and equipment.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.107. 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 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 petition for review.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. 1147), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.108. GIFTS AND ENDOWMENTS. The board may accept for the district a gift or endowment 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. 1147), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.109. CONTRACTS WITH POLITICAL SUBDIVISIONS FOR HOSPITAL AND MEDICAL CARE. (a) The board may enter into an agreement or contract with another political subdivision of this state that has boundaries contiguous to the district, on terms the board considers reasonable and proper, to provide medical and hospital care for residents of the other political subdivision.

(b) A contract or agreement entered into under this section must require the other political subdivision to pay for all medical and hospital care received by or provided to any resident of the other political subdivision if the person fails to pay for the medical and hospital services received by the resident.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. 1147), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.110. PAYMENT FOR TREATMENT; PROCEDURES.

(a) When a patient who resides in the district is admitted to a district facility, the board 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 an agent designated by the district to handle the inquiry 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 of the costs that cannot be paid becomes a charge against the district.

(c) If the board 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 to the district's treasurer 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 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's designated agent, the board shall hold a hearing and, after calling witnesses, shall:

(1) resolve the dispute or doubt; and

(2) issue any appropriate order.

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

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.111. 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 1106.151. BUDGET. The board annually shall require a budget to be prepared for the next fiscal year that includes:

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

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.152. 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 Sherman County not later than the 10th day before the date of the hearing.

(c) Any district taxpayer is entitled to:

- (1) appear at the time and place designated in the notice; and
- (2) be heard regarding any item included in the proposed budget.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.153. FISCAL YEAR. The district's fiscal year begins on October 1 and ends on September 30.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.154. ANNUAL AUDIT. The board annually shall have an independent audit made of the district's books and records.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.155. DEPOSITORY OR TREASURER. (a) The board by resolution shall designate a bank or banks in Sherman County as the

district's depository or treasurer. A designated bank serves for two years and until a successor is designated.

(b) All district money shall be secured in the manner provided for securing county funds.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

SUBCHAPTER E. BONDS

Sec. 1106.201. GENERAL OBLIGATION BONDS. The board may issue and sell general obligation bonds in the name and on the faith of the district for any purpose relating to the purchase, construction, acquisition, repair, or renovation of buildings or improvements and equipping the buildings or improvements for hospital purposes.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.202. TAX TO PAY GENERAL OBLIGATION BONDS.

(a) 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 general obligation bonds issued under Section [1106.201](#) 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.203. 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 a bond 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 for which the bonds are to be issued;
- (5) the amount of the bonds to be authorized;
- (6) the maximum interest rate of the bonds; and
- (7) the maximum maturity date of the bonds.

(d) Notice of a bond election shall be given by publishing a substantial copy of the order 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.204. MATURITY OF GENERAL OBLIGATION BONDS. District general obligation bonds must mature not later than 40 years after the date of issuance.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.205. 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 countersign the bonds.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

SUBCHAPTER F. TAXES

Sec. 1106.251. IMPOSITION OF AD VALOREM TAX. (a) On final approval of the budget, the board shall impose a tax on all taxable 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 issued by the district for hospital purposes as provided by this chapter;

(2) provide for the maintenance and operation of the

district and hospital system;

(3) make improvements and additions to the hospital system; and

(4) acquire necessary sites for the hospital system by purchase, lease, or condemnation.

Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1106.252. TAX RATE. The board may 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.