

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 3. HEALTH
SUBTITLE A. HOSPITAL DISTRICTS
CHAPTER 1109. TYLER COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1109.001. DEFINITIONS. In this chapter:

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

(2) "Commissioners court" means the Commissioners Court of Tyler County.

(3) "District" means the Tyler County Hospital District.

(4) "Manager" 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. 1109.002. AUTHORITY FOR OPERATION. The Tyler County Hospital District operates in accordance with Section 9, Article IX, Texas Constitution, and has the powers and responsibilities provided by that section.

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

Sec. 1109.003. ESSENTIAL PUBLIC FUNCTION. The district is a public entity performing an essential public function.

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

Sec. 1109.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Tyler County.

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. 1109.051. BOARD APPOINTMENT; TERM. (a) The board consists of:

(1) six managers appointed by the commissioners court; and

(2) the county judge of Tyler County as an ex officio manager.

(b) Appointed managers serve two-year terms. The terms may overlap.

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

Sec. 1109.052. QUALIFICATIONS FOR OFFICE. (a) To serve as a manager, a person must be a resident and qualified voter of the district.

(b) A district employee may not serve as a manager.

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

Sec. 1109.053. BOARD VACANCY. The commissioners court shall fill a vacancy on the board by appointment.

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

Sec. 1109.054. NONATTENDANCE. The failure of a manager to attend three consecutive regular board meetings causes a vacancy in the manager's office unless the absence is excused by formal action of the board.

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

Sec. 1109.055. OFFICERS. (a) The board shall elect from among its members a president, who shall preside, and a vice president, who shall preside in the president's absence.

(b) The board shall appoint a secretary, who need not be a manager.

(c) Each officer serves a one-year term.

(d) The board shall fill a vacancy in a board office 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. 1109.056. COMPENSATION; EXPENSES. A manager serves without compensation but may be reimbursed for actual and necessary travel and other expenses incurred in the performance of the manager's duties as determined by the board. The reimbursed expenses must be reported in the district's records.

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

Sec. 1109.057. DISTRICT ADMINISTRATOR. (a) The board may appoint a person qualified by training and experience as district administrator.

(b) The district administrator serves at the will of the board and receives compensation as may be determined by the board.

(c) The board may require the district administrator, before assuming the administrator's duties, to execute a bond payable to the district in an amount set by the board of not less than \$5,000 that:

(1) is conditioned on the faithful performance of the 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. 1109.058. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to any 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.059. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

(a) The board may appoint an assistant district administrator and an attorney.

(b) The assistant district administrator and the attorney serve at the will of the board and receive compensation as may be determined by the board.

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

Sec. 1109.060. APPOINTMENT AND REMOVAL OF STAFF AND EMPLOYEES. (a) The board may appoint to and remove from the staff any doctors and employ any other employees considered advisable for the efficient operation of the district's hospital or hospital system.

(b) The board may delegate to the district administrator the authority to hire employees.

(c) The board may spend district money to recruit physicians, nurses, and other trained medical personnel. The board may pay the tuition or other expenses of a full-time medical student or other student in a health occupation who:

(1) is enrolled in and is in good standing at an accredited medical school, college, or university; and

(2) contractually agrees to become a district employee or independent contractor in return for that assistance.

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

Sec. 1109.061. 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.

Sec. 1109.062. SEAL. The board shall have a seal engraved with the district's name to authenticate the acts of the board. The board secretary shall keep the seal.

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. 1109.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing medical and hospital care for the district's needy and indigent residents.

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

Sec. 1109.102. RESTRICTION ON COUNTY OR MUNICIPALITY TAXATION. Tyler County or a municipality in the county may not impose a tax for hospital purposes.

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

Sec. 1109.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer:

- (1) the district's hospital or hospital system; and
- (2) the district's business, funds, and resources.

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

Sec. 1109.104. HOSPITAL OR HOSPITAL SYSTEM. (a) The district shall provide for the establishment, administration, maintenance, operation, and financing of a hospital or hospital system in the district.

(b) The district may provide any services or facilities necessary for hospital or medical care, including:

- (1) rural health clinics;
- (2) outpatient clinics;

- (3) nursing homes;
- (4) home health care agencies;
- (5) extended care facilities;
- (6) assisted living or personal care facilities; and
- (7) retirement, housing, and medical office buildings.

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

Sec. 1109.105. RULES. The board may adopt rules for the operation of the hospital or hospital system.

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

Sec. 1109.106. PURCHASING AND ACCOUNTING. (a) 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.

(b) The district shall pay the salaries and expenses necessarily incurred by the board or by an officer or agent of the board in performing a duty prescribed or required by this section or Section [1109.155](#).

(c) An officer, employee, or agent of the board shall perform any function or service prescribed by the board under this section or Section [1109.155](#).

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

Sec. 1109.107. 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 by purchase or lease property, including facilities and equipment, for the district to use in the hospital

system; and

(2) mortgage or pledge the property as security for the payment of the purchase price.

(c) The board may lease district hospital facilities to or from individuals, companies, corporations, or other legal entities.

(d) The board may sell or otherwise dispose of property, including facilities and equipment.

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

Sec. 1109.108. 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, 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 required 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. 1109.109. 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 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. 1109.110. CONSTRUCTION CONTRACTS. The board may enter into construction contracts for the district.

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

Sec. 1109.111. OPERATING AND MANAGEMENT CONTRACTS. The board may enter into an operating or management contract relating to a hospital facility.

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

Sec. 1109.112. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board, with the approval of the commissioners court, may contract with:

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

Sec. 1109.113. 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 financial circumstances of:

(1) the patient; and

(2) the patient's relatives legally responsible for the patient's support.

(b) The district without charge shall provide to a patient who resides in the district the care and treatment for which the patient or those relatives cannot pay.

(c) 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 of the

costs that cannot be paid becomes a charge against the district.

(d) If the district administrator determines that the patient or those relatives can pay for all or part of the care and treatment provided by the district, the district administrator shall report that determination to the board, and the board shall issue an order directing the patient or those relatives 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.

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

(f) If there is a dispute as to the ability to pay, or doubt in the mind of the district administrator concerning the ability to pay, the county court shall hold a hearing and, after calling witnesses, shall:

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

(g) 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. 1109.114. REIMBURSEMENT FOR SERVICES. (a) The board shall require a county, municipality, or public hospital located outside the district to reimburse the district for the district's care or treatment of a sick or injured person for whom that county, municipality, or public hospital has an obligation to provide care, as provided by Chapter [61](#), Health and Safety Code.

(b) The board shall seek reimbursement under Article [104.002](#), Code of Criminal Procedure, for the district's care or treatment of a person who is confined in a Tyler County jail facility and is not a district resident.

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

Sec. 1109.115. AUTHORITY TO SUE AND BE SUED. 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. 1109.151. BUDGET. (a) The district administrator, under the direction of the board, shall prepare a proposed annual budget.

(b) The budget must be approved by the board.
Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a) The board shall publish notice of a public hearing on the proposed annual budget. The notice must be published in a newspaper of general circulation in the district one time before the 10th day before the date of the hearing.

(b) The board shall adopt a budget by acting on the budget proposed by the district administrator.

(c) The budget is effective only after adoption by the board.
Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.153. AMENDMENTS TO BUDGET. The budget may be amended on the board's approval.
Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.154. FISCAL YEAR. (a) The district operates according to a fiscal year established by the board.

- (b) The fiscal year may not be changed:
- (1) when revenue bonds 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. 1109.155. ANNUAL AUDIT. As soon as practicable after the close of each fiscal year, the board shall have an audit made of the district's financial condition for the fiscal year 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. 1109.156. 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:

(A) all money and choses in action received by the administrator; and

(B) how the money and choses in action were disbursed or otherwise disposed; and

(2) the details of district operation during the preceding fiscal year.

(b) The district administrator shall make the report to:

(1) the board; and

(2) the commissioners court.

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

Sec. 1109.157. DEPOSITORY. Every two years, the board shall select a depository for the district to secure all district money in the manner provided for securing county funds.

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

Sec. 1109.158. INVESTMENTS. The board may purchase, sell, and invest district funds in investments authorized by Chapter [2256](#), Government Code.

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

Sec. 1109.159. 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 if the board declares that:

(1) money is not available to meet authorized obligations of the district; and

(2) an emergency exists.

(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 in the next 12-month period 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.

(d) The board may not spend money obtained from a loan under this section for any purpose other than:

(1) the purpose for which the board declared an emergency; and

(2) if district taxes or bonds are pledged to pay the loan, the purposes for which the taxes were imposed or the bonds were authorized.

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

SUBCHAPTER E. BONDS

Sec. 1109.201. GENERAL OBLIGATION BONDS. The commissioners court may issue and sell general obligation bonds of the district for any purpose relating to:

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

- (2) equipping buildings and improvements;
- (3) acquiring or operating a mobile emergency medical service; and
- (4) hospital purposes.

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

Sec. 1109.202. 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 bonds issued under Section [1109.201](#) 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.203. 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 in accordance with the provisions of Chapter [1251](#), Government Code, relating to county bonds.

(b) The commissioners court:

- (1) may call the election on its own motion; or
- (2) shall call the election at the request of the board.

(c) The cost of the bond election is a charge on the district, and the district must provide for the payment of the bond election costs before the commissioners court is required to order an election.

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

Sec. 1109.204. EXECUTION OF GENERAL OBLIGATION BONDS. (a) The county judge of Tyler County shall execute the general obligation bonds in the district's name.

(b) The county clerk of Tyler County shall countersign the bonds.

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

Sec. 1109.205. REVENUE BONDS. (a) The district may issue revenue bonds to:

(1) purchase, construct, acquire, repair, or renovate buildings and improvements;

(2) equip buildings and improvements for the hospital or hospital system;

(3) acquire sites to be used for hospital purposes; or

(4) acquire and operate a mobile emergency medical service to assist the district in carrying out its 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 the district property.

(d) The district shall issue revenue bonds in the manner provided by Sections [264.042](#), [264.043](#), [264.046](#), [264.047](#), [264.048](#), and [264.049](#), Health and Safety Code.

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

Sec. 1109.206. REFUNDING BONDS. (a) The district may, without an election, issue refunding bonds to refund any bonds 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

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

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

Sec. 1109.207. 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. 1109.208. EXECUTION OF BONDS. The board president shall execute district 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. 1109.209. 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) any transaction relating to the bonds; and
- (3) 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. 1109.251. IMPOSITION OF AD VALOREM TAX. (a) The commissioners court shall impose a tax for the benefit of the district on all property in the district subject to district taxation.

(b) The commissioners court shall impose the tax to:

(1) pay the interest on and create a sinking fund for general obligation bonds assumed or issued by the district for hospital purposes as provided by this chapter;

(2) provide for the operation and maintenance of the hospital or hospital system; and

(3) when requested by the board and approved by the commissioners court, make improvements and additions to the hospital system, and acquire necessary sites for the hospital system by purchase, lease, or condemnation.

(c) The district may not impose a tax to pay the principal of

or interest on revenue bonds.

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

Sec. 1109.252. TAX RATE. The commissioners court 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.253. 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. 1109.301. 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 and obligations.

(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\(a\)](#), 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. 1109.302. 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 copy of the election order in a newspaper with general circulation in the district.

(b) The first publication of notice must appear before 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. 1109.303. BALLOT. The ballot for an election under this subchapter must be printed to permit voting for or against the proposition: "The dissolution of the Tyler County Hospital District."
Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.304. ELECTION RESULTS. (a) If a majority of the district voters favor dissolution, the board shall find that the district is dissolved.

(b) If the board finds that the election results do not favor the proposition to dissolve the district, another dissolution election 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. 1109.305. TRANSFER OR ADMINISTRATION OF ASSETS.
(a) If a majority of the district voters favor dissolution, the board shall:

(1) transfer the land, buildings, improvements, equipment, and other assets that belong to the district to Tyler County or another governmental entity in Tyler 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 board 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. Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1109.306. SALE OR TRANSFER OF ASSETS AND LIABILITIES.

(a) Notwithstanding any other provision of this subchapter, the district may not be dissolved unless the board provides for the sale or transfer of the district's assets and liabilities to another person.

(b) The dissolution of the district and the sale or transfer of the district's assets or liabilities may not:

(1) contravene a trust indenture or bond resolution relating to the district's outstanding bonds; or

(2) diminish or impair the rights of a holder of an outstanding bond, warrant, or other obligation of the district.

(c) The sale or transfer of the district's assets and liabilities must satisfy the debt and bond obligations of the district in a manner that protects the interests of district residents, including the residents' collective property rights in the district's assets.

(d) The district may transfer or dispose of the district's assets only for due compensation, unless the transfer is made to another governmental agency embracing the district and using the transferred assets for the benefit of residents formerly in the district.

(e) A grant from federal funds is an obligation to be repaid in satisfaction.

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

Sec. 1109.307. IMPOSITION OF TAX AND RETURN OF SURPLUS TAXES. (a) After the board finds that the district is dissolved, the board shall:

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

(2) impose on the property included in the district's

tax roll a tax that is in proportion of the 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 Tyler 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. 1109.308. 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 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) disbanding and 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.