

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 3. HEALTH

SUBTITLE A. HOSPITAL DISTRICTS

CHAPTER 1111. WALKER COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1111.001. DEFINITIONS. In this chapter:

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

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

(3) "Manager" means a member of the board. (New.)

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

Sec. 1111.002. AUTHORITY FOR CREATION. The Walker County Hospital District of Walker County, Texas, is created under the authority of 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. 1111.003. 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. 1111.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Walker County, Texas.

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

Sec. 1111.005. CORRECTION OF INVALID PROCEDURES. If a court holds that any procedure under this chapter violates the constitution of this state or of the United States, the district by resolution may provide an alternative procedure that conforms with

the constitution.

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

Sec. 1111.006. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The support and maintenance of the district's hospital system may not become a charge against or obligation of this state.

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. 1111.051. BOARD ELECTION; TERM. (a) The board consists of five elected managers.

(b) Unless four-year terms are established under Section [285.081](#), Health and Safety Code, managers serve staggered two-year terms with the terms of two or three managers 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. 1111.052. NOTICE OF ELECTION. At least 10 days before the date of a managers' election, notice of the election must be published one time in a newspaper of general circulation in Walker County.

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

Sec. 1111.053. REQUEST TO APPEAR ON BALLOT. A person who wants to have the person's name printed on the ballot as a candidate for manager must file a written request with the board secretary. The request must be:

- (1) signed by at least 20 district 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. 1111.054. QUALIFICATIONS FOR OFFICE. A person may not serve as a manager unless the person is:

- (1) a resident of the district; and
- (2) at least 18 years of age.

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

Sec. 1111.055. BOND; RECORD OF BOND AND OATH. (a) Each manager shall execute a good and sufficient bond for \$5,000 that is:

- (1) approved by the board;
- (2) payable to the district; and
- (3) conditioned on the faithful performance of the

manager's duties.

(b) Each manager's bond and constitutional oath of office must be kept in the district's permanent records.

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

Sec. 1111.056. OFFICERS. (a) The board shall select from among the managers a presiding officer.

(b) A presiding officer pro tem shall preside in the absence of the presiding officer.

(c) The district administrator or any manager may be appointed secretary.

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

Sec. 1111.057. OFFICE; MEETINGS. (a) The board:

- (1) shall establish an office and meeting place in the district;
- (2) shall establish regular meetings to conduct district business; and
- (3) may hold special meetings at other times as district business requires.

(b) Except as provided by this section, Chapter [551](#),

Government Code, applies to board meetings.

(c) If there is an emergency or urgent public necessity, posting of notice of a board meeting is not required.

(d) Failure to post notice does not affect the validity of an action taken at a regular board meeting. Failure to post notice may affect the validity of an action taken at a special meeting unless the board declares, by an action taken at the special meeting, that an emergency exists.

(e) Any interested person may attend a board meeting.
Added by Acts 2011, 82nd Leg., R.S., Ch. 70 (S.B. 1147), Sec. 1.01, eff. April 1, 2013.

Sec. 1111.058. RECORDS OF PROCEEDINGS. (a) The board shall require the board secretary to keep suitable records of all proceedings of each board meeting.

(b) After each meeting:

(1) the manager presiding at the meeting shall read and sign the record; and

(2) the board secretary shall attest the record.

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

Sec. 1111.059. DISTRICT ADMINISTRATOR. (a) The board may appoint a qualified person as district administrator.

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

(c) Before assuming the duties of district administrator, the administrator must execute a bond payable to the district in an amount of not less than \$10,000 that:

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

(2) contains any other condition the board requires.

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

Sec. 1111.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to any limitations prescribed by the

board, the district administrator shall:

- (1) supervise the work and activities of the district;
- and
- (2) direct the affairs of the district.

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

Sec. 1111.061. APPOINTMENT OF STAFF AND EMPLOYEES.

(a) The board may:

- (1) appoint to the staff any doctors and employ any technicians, nurses, and other employees considered necessary for the efficient operation of the district; and
- (2) provide that the district administrator has the authority to employ district employees, including technicians and nurses.

(b) The district may employ fiscal agents, accountants, architects, and attorneys the board considers proper.

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

Sec. 1111.062. RETIREMENT PROGRAM. The board may contract with this state or the federal government as necessary to establish or continue a retirement program for the benefit of district employees.

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

Sec. 1111.063. SEAL. The board shall have a seal engraved with the district's name to authenticate the board's acts. The board secretary shall keep the seal.

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. 1111.101. DISTRICT RESPONSIBILITY. The district has full responsibility for providing hospital care for the district's

needy inhabitants.

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

Sec. 1111.102. RESTRICTION ON POLITICAL SUBDIVISION TAXATION AND DEBT. A political subdivision in Walker County, other than the district, may not impose a tax or issue bonds or other obligations for hospital purposes or to provide medical care in the district.

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

Sec. 1111.103. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the district's hospitals and hospital system.

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

Sec. 1111.104. HOSPITAL SYSTEM. (a) The district shall provide for:

(1) the establishment of a hospital or hospital system in the district to furnish 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.

(b) The board shall determine the type, number, and location of buildings required to maintain an adequate hospital system.

(c) The hospital system may include:

(1) domiciliary hospital care of the sick or injured;

(2) outpatient clinics;

(3) dispensaries;

(4) geriatric domiciliary care;

(5) convalescent home facilities;

(6) necessary nurses;

- (7) domiciliaries and training centers;
- (8) blood banks;
- (9) community health centers;
- (10) research centers or laboratories; and
- (11) any other facilities the board considers necessary for hospital care.

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

Sec. 1111.105. RULES. The district through the board may adopt rules for the 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. 1111.106. 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. 1111.107. 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 any 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. 1111.108. LEASES. (a) The district through the board may lease all or part of the buildings and facilities comprising the hospital system to any person on terms considered to be in the district's best interest. The term of a lease may not exceed 40 years.

(b) When leasing a building or other facility, the board may delegate as it considers appropriate the board's power to manage, control, and administer the leased buildings and facilities to furnish hospital care.

(c) If all or part of a district building or other facility is leased, the board shall provide that the lessee charges sufficient rates for services rendered or goods provided at the leased premise that together with other sources of the lessee's revenue produce an amount sufficient to enable the lessee to pay the expenses of operating and maintaining the leased premise as the lessee is required to pay under the lease. The rates also must enable the lessee to pay lease rentals to the district that will be sufficient, when taken with any other source of the district's estimated revenue that are pledged for the same purpose, to:

(1) pay the interest on any revenue or special obligation bonds that are payable wholly or partly from the lease rentals;

(2) create and maintain a sinking fund to pay the principal of and any premium on the bonds as they become due;

(3) create and maintain a bond reserve fund and any other fund required by the bond resolution or trust indenture authorizing the issuance of the bonds; and

(4) pay all other charges, fees, costs, and expenses that the lessee is required to pay under the resolution or indenture.

(d) The lease, management agreement, bond resolution, or trust indenture may prescribe systems, methods, routines, procedures, and policies for the operation of the buildings and other facilities owned by the district. If all or part of the district's buildings or other facilities are leased, the district may delegate to the lessee the duty to establish the systems, methods, routines, procedures, and policies for the operation of the leased premise.

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

Sec. 1111.109. OPERATING AND MANAGEMENT CONTRACTS. The district through the board may:

(1) enter into an operating or management contract with any person regarding any district hospital or any part of the district hospital system; and

(2) delegate to the person the power to:

(A) manage and operate the hospital or hospital system or a portion of the hospital or hospital system; and

(B) employ and discharge employees or appoint and remove doctors from the staff.

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

Sec. 1111.110. CONTRACTS FOR CARE. The board may contract with any lessee of the district's hospitals or any other person to provide hospital care to needy district inhabitants for the payments and terms and under the conditions the board considers to be in the district's best interests.

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

Sec. 1111.111. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR HOSPITALIZATION. (a) The board may contract with a county or municipality located outside the district's boundaries for the hospitalization 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 hospitalization of a sick or injured person.

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

Sec. 1111.112. DISPOSITION OF PROPERTY. The district may sell or otherwise dispose of any property, including equipment, on terms the board finds are in the district's best interest.

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

Sec. 1111.113. AUTHORITY TO SUE AND BE SUED. As a governmental agency, the district, through the board, may sue and be sued in the district's 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. GENERAL FINANCIAL PROVISIONS

Sec. 1111.151. DEPOSITORY. (a) The board by resolution shall designate a bank in Walker County as the district's depository. 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. 1111.201. 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 any purpose relating to the purchase, construction, acquisition, repair, or renovation of buildings or improvements and equipping 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. 1111.202. 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 general obligation bonds issued under Section 1111.201 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. 1111.203. 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) each proposition to be voted on; and
- (5) any other matter considered necessary or desirable by the board.

(d) Notice of a bond election shall be given by publishing a substantial copy of the order calling the election in a newspaper of general circulation in the district once each week for two consecutive weeks. 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. 1111.204. 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. 1111.205. EXECUTION OF GENERAL OBLIGATION BONDS.

(a) The board's presiding officer 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.

Sec. 1111.206. INVESTMENT OF GENERAL OBLIGATION BOND PROCEEDS. Until general obligation bond proceeds are needed to carry out the bond purpose, the proceeds may be:

(1) invested in direct obligations of the United States; or

(2) placed on time deposit.

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

Sec. 1111.207. REVENUE AND SPECIAL OBLIGATION BONDS.

(a) The district may, without an election, issue revenue or special obligation bonds as authorized by the laws of this state relating to the issuance of revenue or special obligation bonds, including Sections 264.042-264.049 and [284.031](#), Health and Safety Code.

(b) Bonds issued under this section may be payable from and secured by revenue, encumbrances, and mortgages as authorized by law. Any maintenance and operating expense of the hospital system that is charged against the revenue of the system may include only items set forth and defined in the proceedings authorizing the bond issuance.

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

SUBCHAPTER F. TAXES

Sec. 1111.251. IMPOSITION OF AD VALOREM TAX. (a) The board

shall impose a tax on all taxable property in the district subject to district taxation.

(b) The tax shall be imposed for and may be pledged to:

(1) meet the requirements of district bonds and indebtedness assumed by the district;

(2) provide for the district's maintenance and operating expenses, including the costs or contract payments for hospital care for needy district inhabitants;

(3) make improvements and additions to the district's hospitals or hospital system; and

(4) acquire necessary sites for the hospitals or hospital system by gift, 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. 1111.252. TAX RATE. The board 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 2011, 82nd Leg., R.S., Ch. 70 (S.B. [1147](#)), Sec. 1.01, eff. April 1, 2013.

Sec. 1111.253. ASSESSMENT AND COLLECTION BY COUNTY TAX ASSESSOR-COLLECTOR. Unless the board elects to have taxes assessed and collected by its own tax assessor-collector under Section [1111.254](#), the tax assessor-collector of Walker County shall assess and collect taxes imposed by and for the district.

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

Sec. 1111.254. ASSESSMENT AND COLLECTION BY DISTRICT TAX ASSESSOR-COLLECTOR. (a) The board by majority vote may elect to have district taxes assessed and collected by a tax assessor-collector appointed by the board. An election under this subsection must be made before December 1 and governs the manner in which taxes are assessed and collected, until changed by the board.

(b) The district tax assessor-collector must:

(1) reside in the district; and

(2) own real property subject to district taxation.

(c) The board shall prescribe the district tax assessor-collector's term of employment and compensation.

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