

SPECIAL DISTRICT LOCAL LAWS CODE  
TITLE 3. HEALTH  
SUBTITLE A. HOSPITAL DISTRICTS  
CHAPTER 1117. YOAKUM HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1117.001. 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 Yoakum Hospital District.

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

Sec. 1117.002. AUTHORITY FOR OPERATION. The Yoakum Hospital District operates in accordance with Section 9, Article IX, Texas Constitution, and has the powers and responsibilities provided by that section and this chapter.

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

Sec. 1117.003. ESSENTIAL PUBLIC FUNCTION. The district performs an essential public function 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. 1117.004. DISTRICT TERRITORY. Unless modified under Subchapter D, the district is composed of the territory described by Section 1, Chapter 317, Acts of the 59th Legislature, Regular Session, 1965.

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

Sec. 1117.005. 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.006. 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.007. 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

#### SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1117.051. BOARD ELECTION; TERM. (a) The district is governed by a board of seven elected directors.

(b) Directors serve staggered three-year terms, with the terms of two or three directors expiring each year, as appropriate. Added by Acts 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.052. NOTICE OF ELECTION. (a) 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.

(b) The notice and order must specify the last day for filing.

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

Sec. 1117.053. QUALIFICATIONS FOR OFFICE. 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 at least 18 years of age at the time of election or appointment.

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

Sec. 1117.054. BOND; RECORD OF BOND AND OATH. (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 of office shall be deposited with the district's depository bank for safekeeping.

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

Sec. 1117.055. BOARD VACANCY. If a vacancy occurs in the office of director, the remaining directors shall appoint a director 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. 1117.056. OFFICERS. The board shall annually elect from among its members a president, a vice president, and a secretary.

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

Sec. 1117.057. COMPENSATION; EXPENSES. A director serves without compensation but may be reimbursed for actual expenses incurred in the performance of official duties on approval of the

expenses by the entire board.

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

Sec. 1117.058. VOTING REQUIREMENT. A concurrence of four directors is sufficient in any matter relating to district business.

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

Sec. 1117.059. 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) The tenure of the district administrator's contract may not exceed two years.

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

Sec. 1117.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

(a) Subject to the direct control and responsibility of the board and 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.

(b) The board must confirm the appointment of a person employed by the district administrator.

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

Sec. 1117.061. EMPLOYEES. (a) The board may employ employees, including doctors, technicians, nurses, bookkeepers, financial advisors, architects, lawyers, and clerks, as considered necessary or convenient for the efficient operation of the district or a district hospital or hospital system, or to discharge the district's duties, obligations, and responsibility in the provision of medical and hospital care.

(b) An employee serves at the will of the board and receives the compensation 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. 1117.062. MEDICAL DIRECTOR. (a) The board shall appoint a medical director.

(b) To be qualified for appointment as the medical director, a person must:

- (1) be a doctor of medicine; and
- (2) actively practice medicine in the district.

(c) The medical director is in charge of all matters of a medical nature in the district, subject to any rules adopted by the board.

(d) The medical director is entitled to:

- (1) attend all meetings of the board; and
- (2) take part in all board discussions.

(e) The medical director may not vote at a meeting of the board.

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

Sec. 1117.063. RETIREMENT PROGRAM; INSURANCE OR MEDICAL PROTECTION PROGRAM. The board may enter into any contract as required to establish or continue a retirement program or insurance or medical protection program for the benefit of the district's employees.

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. 1117.101. DISTRICT RESPONSIBILITY. The district has full responsibility for:

(1) providing medical and hospital care for the district's needy inhabitants; and

(2) operating all hospital facilities for providing medical and hospital care for needy or indigent persons in the district.

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

Sec. 1117.102. RESTRICTION ON COUNTY OR MUNICIPAL TAXATION. A county, any part of which is in the district, or a municipality in the district may not issue bonds or other obligations or impose a tax on property in the district for hospital purposes for medical treatment of needy or indigent persons of the district.

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

Sec. 1117.103. MANAGEMENT AND CONTROL. (a) The management and control of the district is vested in the board.

(b) The district, through the board, has every power, right, and privilege incident to the ownership of land, buildings, and personal property and the complete operation, management, and maintenance of a hospital or hospital system, including the power to:

(1) negotiate and contract with any person to purchase or lease land or a hospital;

(2) construct and equip a hospital or hospital system;

(3) acquire and own land and a hospital and lease the land and hospital, with all hospital equipment and facilities, to any person to conduct the complete operation, management, and maintenance of a hospital or hospital system in consideration of a fair and reasonable annual payment to defray all or part of the district's annual capital outlay or debt service requirements; and

(4) negotiate and contract with other political subdivisions of this state or private individuals, associations, or corporations for a purpose described by this subsection.

(c) A contract or lease described by Subsection (b) must assure the provision of 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. 1117.104. HOSPITAL SYSTEM. The district shall provide for:

(1) the establishment of a hospital system by:

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

(B) equipping the buildings; and

(2) the administration of the 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. 1117.105. RULES. The district, through 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. 1117.106. 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. 1117.107. 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 to 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, except that 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.108. 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 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.109. CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND TREATMENT. The board may contract with:

(1) any county or municipality located outside the district for the care and treatment of a sick or injured person of that county or municipality; and

(2) this state or a federal agency for the treatment of a sick, disabled, or injured person for whom the 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. 1117.110. PAYMENT FOR TREATMENT; PROCEDURES.



(a) When a patient who resides in the district has been 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 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.111. AUTHORITY TO SUE AND BE SUED. The district, through 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. CHANGE IN BOUNDARIES

Sec. 1117.151. ANNEXATION; TERRITORY SUBJECT TO ANNEXATION. The board may adopt an order to annex territory that is adjacent to the district if an election is called by the board in accordance with this subchapter.

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

Sec. 1117.152. ELECTION. An election described by Section 1117.151 must be confined to the territory proposed to be annexed to the district.

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

Sec. 1117.153. ELECTION RESULT; EFFECT. On approval of the annexation by a majority of the voters in the territory proposed to be annexed, the territory:

- (1) becomes a part of the district;
- (2) is liable for the territory's pro rata share of the district's indebtedness; and
- (3) shall impose taxes on property in the district for the payment of the district's debt and obligations.

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

## SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 1117.201. BUDGET. The board shall prepare an annual budget, with the assistance of the district administrator, that corresponds to the district's fiscal year.

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

Sec. 1117.202. NOTICE; HEARING. (a) Before an annual budget described by Section 1117.201 is adopted, the board shall call a public hearing on the budget.

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

(c) After the budget is adopted, the following must be published one time in a newspaper of general circulation in the district:

(1) a brief form of the adopted budget by general heading;

(2) the annual budget for the preceding fiscal year in a form similar to the form described by Subdivision (1); and

(3) the actual expenditures for the preceding fiscal year, including fiscal year account balances.

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

Sec. 1117.203. FISCAL YEAR. The board may establish a fiscal year for the district.

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

Sec. 1117.204. ANNUAL AUDIT. Promptly 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. 1117.205. FINANCIAL REPORT. 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 all disbursements of that money.

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

Sec. 1117.206. INSPECTION OF DISTRICT RECORDS AND

REPORTS. The district's financial books and records, annual audit reports, district administrator's statement, and annual budget shall be open to reasonable inspection at the district's principal office.

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

Sec. 1117.207. DEPOSITORY OR TREASURER. (a) The board shall designate one or more banks in the district to serve as depository or treasurer 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 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 that bank from being designated as depository.

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

#### SUBCHAPTER F. BONDS

Sec. 1117.251. 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 and improvements, and equipping buildings and improvements for hospitals 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.252. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At the time general obligation bonds are issued under Section [1117.251](#), 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 imposed for the district may not in any year exceed 75 cents on each \$100 valuation of 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. 1117.253. 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 election order must specify:

- (1) the date of the election;
- (2) the amount of the bonds to be authorized;
- (3) the maximum maturity of the bonds;
- (4) the maximum interest rate of the bonds;
- (5) the location of the polling places; and
- (6) the presiding election officers.

(d) Notice of a bond election shall be given by publishing a substantial copy of the election 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 20 days before the date of the election.

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

Sec. 1117.254. EXECUTION OF GENERAL OBLIGATION BONDS. The board president shall execute the general obligation bonds in the

district's name, and the board secretary shall attest the bonds as 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. 1117.255. REFUNDING BONDS. (a) The district 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. 1026), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.256. 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) any 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 G. TAXES

Sec. 1117.301. 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 board shall impose the tax to:

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

(2) provide for the operation and maintenance of the

district and hospital system; and

(3) make improvements and additions to the hospitals or hospital system and acquire necessary land and sites for the hospitals or hospital system by purchase, lease, or condemnation.

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

Sec. 1117.302. 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 2013, 83rd Leg., R.S., Ch. 112 (S.B. [1026](#)), Sec. 1.01, eff. April 1, 2015.

Sec. 1117.303. TAX ASSESSOR-COLLECTOR. The tax assessor-collector of:

(1) DeWitt County shall assess and collect taxes imposed by the district on all taxable property in DeWitt County;

(2) Lavaca County shall assess and collect taxes imposed by the district on all taxable property in Lavaca County; and

(3) Gonzales County shall assess and collect taxes imposed by the district on all taxable property in Gonzales County.

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