

CHAPTER 1034

H.B. No. 2585

AN ACT

relating to the Reagan Hospital District of Reagan County, Texas.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 5(f), Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

(f) A regular election of directors shall be held on the *third* ~~[first]~~ Saturday in *May* ~~[April]~~ of each year, and notice of the election shall be published in a newspaper of general circulation in the county one time at least 10 days prior to the date of election. Any person desiring his name to be printed on the ballot as a candidate for director shall file an *application* ~~[a petition]~~ with the secretary of the board ~~[signed by not less than 25 electors,]~~ asking that his name be printed on the ballot. The *application* ~~[petition]~~ must be filed *not later than 5 p.m. of the 45th day before the date on which the election is held* ~~[at least 25 days before the election]~~.

SECTION 2. Section 8(d), Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

(d) Bonds of the district shall ~~[bear interest not to exceed six and one-half percent a year, shall]~~ mature within 40 years of their date, shall be executed in the name of the hospital district and in its behalf by the president of the board and countersigned by the secretary in the manner provided by Chapter 204, Acts of the 57th Legislature, Regular Session, 1961~~[as amended]~~ (Article 717j-1, Vernon's Texas Civil Statutes), and shall be subject to the same requirements in the matter of approval by the attorney general and registration by the comptroller of public accounts as are by law provided for approval and registration of bonds issued by counties. On the approval of the bonds by the attorney general and registration by the comptroller, they are incontestable for any cause.

SECTION 3. Section 11, Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

Sec. 11. The board of directors has the power to prescribe the method and manner of making purchases and expenditures by and for the hospital district, and shall also be authorized to prescribe all accounting and control procedures. All contracts for construction or purchases involving the expenditure of more than \$5,000 ~~[\$2,000]~~ may be made only after advertising in the manner provided by Chapter 163, General Laws, Acts of the 42nd Legislature, Regular Session, 1931~~[as amended]~~ (Article 2368a, Vernon's Texas Civil Statutes). The provisions of Article 5160, Revised ~~[Civil]~~ Statutes ~~[of Texas, 1925, as amended]~~, apply to construction contracts let by the district. The district may acquire equipment for use in its hospital system and mortgage or pledge the property so acquired as security for the payment of the purchase price, but any such contract shall provide for the entire obligation of the district to be retired within five years from the date of the contract. Except as permitted in the preceding sentence and as permitted by Sections 8 and 9, the district may incur no obligation payable from any revenues of the district, taxes or otherwise, except those on hand or to be on hand within the current and following fiscal year of the district.

SECTION 4. Section 12(b), Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

(b) Before the district deposits in a bank funds of the district in an amount which exceeds the maximum amount secured by the Federal Deposit Insurance Corporation, the bank shall be required to execute *treasury bonds* ~~[a bond or other security]~~ in an amount

sufficient to secure from loss the district funds which exceed the amount secured by the Federal Deposit Insurance Corporation.

SECTION 5. Section 15(b), Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

(b) If the board requires the relocation, raising, lowering, rerouting, or change in grade or alteration in the construction of any railroad, electric transmission *and distribution*, telegraph or telephone lines, conduits, poles, or facilities, or pipelines in the exercise of the power of eminent domain, all of the relocation, raising, lowering, rerouting or changes in grade or alteration of construction due to the exercise of the power of eminent domain shall be the sole expense of the *district* [board]. The term "sole expense" means the actual cost of relocation, raising, lowering, rerouting, or change in grade or alteration of construction to provide comparable replacement without enhancement of facilities, after deducting the net salvage value derived from the old facility.

SECTION 6. Section 16(c), Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

(c) Under this subsection, taxes shall be assessed and collected by a tax assessor-collector appointed by the directors, who shall also fix the terms of his employment, compensation, and requirement for bond to assure the faithful performance of his duties, but in no event may the bond be for less than \$5,000. ~~[The directors shall also annually appoint five persons to serve as a board of equalization and shall fix their compensation. Each member of the board and the tax assessor-collector shall be residents of the district and own real property subject to hospital district taxation, and each shall have the same duties, including the obligation to execute the oath of office, as required of county officials exercising those powers and duties. Except as provided in this Act to the contrary, Title 122, Revised Civil Statutes of Texas, 1925, as amended, applies to the district.]~~

SECTION 7. Section 18, Chapter 29, Acts of the 65th Legislature, Regular Session, 1977, is amended to read as follows:

Sec. 18. When a patient residing within the district has been admitted to the district's *hospital* facilities, the administrator may cause inquiry to be made as to his financial circumstances and those of the relatives of the patient legally liable for his support. If he finds that the patient or his relatives are able to pay for his care and treatment in whole or in part, *as determined by the district's current indigent health care policy*, an order shall be made directing the patient or his relatives to pay to the hospital district for the care and support of the patient a specified sum each week in proportion to their financial ability. The administrator shall have power and authority to collect the sums from the estate of the patient or his relatives legally liable for his support in the manner provided by law for collection of expenses in the last illness of a deceased person. If the administrator finds that the patient or his relatives are not able to pay either in whole or in part for his care and treatment in the hospital, it shall become a charge on the hospital district as to the amount of the inability to pay. Should there be any dispute as to the ability to pay or doubt in the mind of the administrator or manager, the board of directors shall hear and determine the issue after calling witnesses. Appeals from the final order of the board lie to the district court. The substantial evidence rule applies.

SECTION 8. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on May 22, 1987, by a non-record vote. Passed by the Senate on May 29, 1987, by the following vote: Yeas 30, Nays 0.

Approved June 19, 1987.

Effective Aug. 31, 1987, 90 days after date of adjournment.