

SUBJECT: Midland County Hospital District revisions

COMMITTEE: Local Government Ways and Means — favorable, without amendment

VOTE: 4 ayes — Hill, Creighton, Puente, Quintanilla
0 nays
3 absent — Elkins, C. Howard, Villarreal

SENATE VOTE: On final passage, April 19 — 31-0, on the Local and Uncontested Calendar

WITNESSES: No public hearing

BACKGROUND: Ch. 112, sec. 5, subsec. (g), Acts of the 65th Legislature, 1977 Regular Session, allows the members of the board of directors of the Midland County Hospital District to order board member elections to be held in even-numbered years to serve staggered four-year terms. The election is held on the first Saturday in May.

Ch. 112, sec. 11, gives the board of directors complete discretion as to the buildings and property required to establish and maintain an adequate hospital system. On the district's behalf, the board of directors may hold, construct, condemn, purchase, acquire, lease, add to, maintain, operate, regulate, sell, convey or otherwise dispose of land, equipment, or property of any nature found by the board to be in the best interest of the district's inhabitants.

Ch. 112, sec. 12, stipulates that all contracts by the district for construction or purchases involving the expenditure of more than \$10,000 may be made only after advertising in the manner required by current law.

Ch. 112, sec. 13, subsec. (a) requires the board to name one or more banks in the district to serve as a depository for the district funds for a period of two years and the depository contract is let to the bank or banks that offer the most favorable terms.

Currently, the Midland County Hospital District holds elections in May of even number years. Other political subdivisions in Midland County, including cities, school districts and the junior college district hold their elections in November.

DIGEST: SB 1752 would require that elections for members of the Midland County Hospital District board of directors to be held on the November uniform election date, which is the first Tuesday after the first Monday in November.

The bill would stipulate that the board of directors could — after adequate consideration — donate to another governmental entity or to a charitable organization any surplus personal property or equipment if the donation serves a public purpose.

All construction contracts or purchases involving the expenditure of more than \$25,000, rather than \$10,000, could be made only after advertising in the manner required by current law.

The board would have to name one or more banks in the district to serve as the depository of district funds for four years, rather than two year and the bill would clarify that the depository contract would have to be awarded to the bank or banks that offered favorable terms and conditions for handling the district's money.

The bill would adjust the terms of office to conform to the changes proposed by the bill.

The bill would take effect September 1, 2007.

NOTES: The companion bill, HB 3614 by Swinford, passed the House on the Local, Consent, and Resolutions Calendar on April 19 and has been referred to the Senate Intergovernmental Relations Committee.