

## **BILL ANALYSIS**

Senate Research Center  
76R678 MDR-D

H.B. 1889  
By: Keffer (Brown)  
Intergovernmental Relations  
4/19/1999  
Engrossed

### **DIGEST**

Currently, the Ranger Hospital District (district) is operating under the Chapter 9 Bankruptcy Plan of Liquidation dated May 22, 1990. The district is approximately one year away from fulfilling the financial obligations of the plan and the board of directors of the district has requested that the district be dissolved. Because the district was created by Article IX, Section 9, Texas Constitution, legislative action is required to dissolve the district.

### **PURPOSE**

As proposed, H.B. 1889 sets forth a procedure for the dissolution of the Ranger Hospital District of Eastland County, Texas.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 93, Acts of the 61st Legislature, Regular Session, 1969, by adding Sections 21A and 21B, as follows:

Sec. 21A. Authorizes the Ranger Hospital District (district) to be dissolved as provided by this section. Authorizes the board of directors of the district (board) to order an election on the question of dissolving the district and disposing of the district's assets and obligations. Requires the board to order an election if the board receives a petition, signed by at least 15 percent of the registered voters of the district, requesting the election. Requires the election, to which Section 41.001(a), Election Code, does not apply, to be held not later than the 60th day after the order for the election. Requires the ballot to contain certain text and requires the election to be held in accordance with the Election Code. Requires the board to take action regarding the dissolution of the district if a majority of the voters favor dissolution. Requires the board to continue and administer the district if a majority of voters do not favor dissolution, and prohibits another election regarding dissolution of the district from being held within one year of the most recent election to dissolve the district. Requires the board to transfer all property and assets that belong to the district to a governmental entity in the district which assumes all debts and obligations of the district at the time of transfer, dissolving the district, and administer the property, assets, and debts in accordance with Section 21B, if the majority of voters favor dissolution.

Sec. 21B. Requires the board to administer the property, assets, and debts of the district until all funds have been disposed of and all debts are settled, if the board finds that the district is dissolved but does not transfer the property and assets. Requires the board to determine the debt owed by the district and impose a tax on the property included on the district's tax rolls, after the board finds that the district is dissolved. Authorizes the board to institute a suit to enforce payment of taxes and to foreclose liens to secure payment of taxes due the district. Requires the board to order the secretary of the board (secretary) to return the pro rata share of all unused tax money to each district taxpayer, when all debts and obligations are paid. Requires the board to file a written report with the commissioners court of Eastland County setting forth the board's actions in dissolving the district, after all debts and assets are settled. Requires the commissioners court to enter an order dissolving the district not later than 10 days after receiving a report from the board and determining that the requirements of this section have been fulfilled.

SECTION 2. Emergency clause.  
Effective date: upon passage.