

BILL ANALYSIS

Senate Research Center
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S.B. 881
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 881 makes several changes relating to the election and composition of the board of directors of the Maverick County Hospital District. S.B. 881 was drafted at the request of the district, and the district's board of directors passed and approved a resolution in support of the bill.

S.B. 881 stipulates that vacancies in the office of director are to be filled by a majority vote of the remaining directors, instead of a unanimous vote. Additionally, if the number of directors at any time falls below three, a special election shall be called by the remaining directors to fill the vacancies. If they do not, a district court may order the holding of such an election on the application of a district voter or taxpayer.

Furthermore, the titles of the officers elected by the board from among its members are changed: the position of board president is replaced by that of board chairman, and the new position of vice-chairman is introduced by S.B. 881. The board chairman, in place of the board president, would be the member of the board who executes the district's bonds in the district's name. The hospital district had informally used the office of vice-chairman for years and would like it added to statute. The changes in S.B. 881 are typical of the enabling legislation for other hospital districts.

As proposed, S.B. 881 amends current law relating to the board of directors of the Maverick County Hospital District.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1118.054, Special District Local Laws Code, by amending Subsection (a) and adding Subsection (c), as follows:

(a) Requires a majority, rather than unanimous, vote by the remaining directors to appoint a director for the unexpired term, if a vacancy occurs in the office of director.

(c) Requires the remaining directors to, if the number of directors is reduced to fewer than three for any reason, immediately call a special election to fill the vacancies. Authorizes a district court to, on application of a district voter or taxpayer, order the directors to hold the election if the remaining directors do not call the election.

SECTION 2. Amends Section 1118.055, Special District Local Laws Code, to require the board of directors of the Maverick County Hospital District (district) to elect from among its members a chairman, a vice-chairman, a secretary, and a treasurer, rather than a president, a secretary, and a treasurer, at the first meeting after each directors' election.

SECTION 3. Amends Section 1118.207(a), Special District Local Laws Code, to require the board chairman, rather than board president, to execute the district's bonds in the district's name.

SECTION 4. Effective date: September 1, 2017.