BILL ANALYSIS

Senate Research Center 76R8661 KLA-D

H.B. 3463 By: Alexander (Cain) Intergovernmental Relations 5/10/1999 Engrossed

DIGEST

The Cedar Creek Hospital District, originally known as the Mabank-Kemp Hospital District, was established in 1973 by the 63rd Legislature. Currently, no medical facilities of any kind, such as doctor's offices, emergency centers, or hospitals, exist as part of the district. H.B. 3463 provides a process for the board of directors of the hospital district to call for a vote by the residents of the district to dissolve the district.

PURPOSE

As proposed, H.B. 3463 sets forth requirements for the dissolution of the Cedar Creek Hospital District.

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 22, Acts of the 63rd Legislature, Regular Session, 1973, by adding Sections 21A and 21B, as follows:

Sec. 21A. Authorizes the Cedar Creek Hospital District (district) to be dissolved as provided by this section. Sets forth provisions regarding an election to dissolve the district. Sets forth actions to be taken by the board of directors of the district (board) if a majority of the votes in the election favor dissolution. Provides that if the district transfers certain assets to certain counties, or another governmental entity in the district, the county or entity assumes all debts and obligations of the district at the time of the transfer, and the district is dissolved.

Sec. 21B. Requires the district to continue to control and administer the property, debts, and assets of the district until all funds have been disposed of and all district debts have been paid or settled, if the board finds that the district is dissolved but does not transfer certain assets to certain counties or another governmental entity in the district. Sets forth actions to be taken by the board 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 the payment of taxes due the district. Sets forth provisions regarding unused tax money and other monies. Requires the board, after completing certain actions, to file a written report with the commissioners courts of certain counties setting forth a summary of the board's actions in dissolving the district. Requires the commissioners courts of certain counties to enter orders dissolving the district not later than the 10th day after the date it receives the report and determines that the requirements of this section have been fulfilled.

SECTION 2. Amends Section 22, Chapter 22, Acts of the 63rd Legislature, Regular Session, 1973, to make a conforming change.

SECTION 3. Emergency clause.

Effective date: upon passage.