

## **BILL ANALYSIS**

Senate Research Center  
78R15463 KEG-D

C.S.H.B. 2073  
By: Hilderbran (Fraser)  
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Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Currently, hospital districts' taxing authority is capped at \$0.75, but the rates imposed by some hospital districts are lower. C.S.H.B. 2073 authorizes an increase in hospital district taxing rates on the approval of the voters of the district if the current rate is lower than the cap.

### **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 Chapter 285, Health and Safety Code, by adding Subchapter M, as follows:

#### **SUBCHAPTER M. CHANGE IN RATE OF AD VALOREM TAXES**

Sec. 285.201. ELECTION TO INCREASE MAXIMUM TAX RATE. (a) Authorizes the registered voters of a hospital district that is authorized to impose ad valorem taxes and that has a maximum tax rate of less than 75 cents on the \$100 valuation of all taxable property in the district to file a petition with the secretary of the governing body of the hospital district requesting an election to authorize the increase of that maximum tax rate. Requires the petition to be signed by at least the lesser of 100 of the registered voters of the district, or the number equal to 15 percent of the registered voters of the district.

(b) Requires the petition to state the maximum tax rate to be voted on at the election, which may not exceed 75 cents on the \$100 valuation of all taxable property in the district.

(c) Requires the governing body of the hospital district by order to set a time and place to hold a hearing on the petition to increase the maximum tax rate of the district. Requires the governing body to set a date for the hearing that is not earlier than the 10th day after the date the governing body issues the order.

(d) Requires the governing body, if after the hearing it finds that the petition is in proper form and that an increase of the maximum tax rate would benefit the district, to order an election to authorize the increase of the maximum tax rate to the tax rate stated in the petition. Requires certain information to be included in the order calling the election.

(e) Requires the governing body of the hospital district to give notice of the election by publishing a substantial copy of the election order in a newspaper with general circulation in the district once a week for two consecutive weeks. Requires the first publication to appear before the 35th day before the date set for the election.

(f) Requires the ballot for the election to be printed in a certain manner.

(g) Requires the governing body of the hospital district, after ordering an election under this subchapter, to hold the election on the first authorized uniform election date prescribed by Section 41.001, Election Code, that allows sufficient time to comply with other requirements of law.

(h) Provides that if the majority of the votes cast in the district favor the proposition, the maximum tax rate of the district is increased to the tax rate stated in the petition.

Sec. 285.202. EXPIRATION. Provides that this subchapter expires September 1, 2008.

SECTION 2. Effective date: upon passage or September 1, 2003.