## **BILL ANALYSIS**

C.S.H.B. 2450 By: Chavez Border and International Affairs Committee Report (Substituted)

## **BACKGROUND AND PURPOSE**

The border currently has an acute shortage of nurses and physicians who perform primary and preventive care. The federal government has designated most counties along the border as medically underserved areas and health professional shortage areas due to this lack of health care professionals. This shortage is in addition to the fact that the border experiences rates of infectious diseases and diabetes that are higher than the state and national average. For example, deaths from diabetes are 55 percent more frequent along the border than in the rest of the state. Currently, over a third of the citizens along the Texas-Mexico border are uninsured. C.S.H.B. 2450 establishes the Border Health Foundation within the Office of Border Health to raise money from private sources to finance health programs on the border.

# **RULEMAKING AUTHORITY**

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

# **ANALYSIS**

SECTION 1. C.S.H.B. 2450 amends the Health and Safety Code to require the Office of Border Health (office) under the Texas Department of Health to establish the Border Foundation (foundation) as a nonprofit corporation that qualifies as an organization exempt from federal income tax under Section 501(C)(3), Internal Revenue Code of 1986, as amended. The bill sets forth the powers and the duties of the foundation. The bill provides for the appointment, membership, and duties of a five-member board of directors of the foundation. The bill exempts property, income, and all other assets of the foundation from taxation by state and political subdivisions of the state.

C.S.H.B. 2450 requires the office and the foundation to enter into a memorandum of understanding that requires the directors and staff of the foundation to report to the executive director and executive committee of the office, that allows the office to provide staff functions to and expend funds on the foundation, and that outlines the financial contributions to be made to the foundation from funds obtained from grants and other sources.

C.S.H.B. 2450 also provides for the maintenance of financial records and reports of the foundation. The bill requires the foundation to submit to the office a report itemizing all income and expenditures and describing all activities of the foundation during the preceding fiscal year, no later than the 60th day after the last day of the fiscal year.

SECTION 2. C.S.H.B. 2450 requires the office to create the foundation not later than June 1, 2004, and provides a schedule and guidelines for initial appointments to the board of directors.

SECTION 3. Effective Date.

## **EFFECTIVE DATE**

C.S.H.B. 2450 78(R)

September 1, 2003.

# COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute amends the original by making non-substantive technical changes.

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