

By: King

H.B. No. 1892

A BILL TO BE ENTITLED

AN ACT

relating to collection of civil damages awarded against certain nursing institutions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle C, Title 2, Civil Practice and Remedies Code, is amended by adding Chapter 40 to read as follows:

CHAPTER 40. AVAILABILITY OF CERTAIN FUNDS TO PAY DAMAGES

Sec. 40.001. ENDOWMENT OF NONPROFIT NURSING INSTITUTION.

(a) This section applies only to damages awarded against a nonprofit nursing institution:

(1) licensed under Chapter 242, Health and Safety Code; and

(2) affiliated with a nonprofit religious organization described by 34 T.A.C. Section 3.322(b)(3), as that provision existed on January 1, 2003, before the date on which the action in which the damages are awarded is filed.

(b) A claimant may not collect damages awarded against a nursing institution described by Subsection (a) from the corpus or income of an endowment or fund that:

(1) consists of temporarily or permanently restricted funds that have been donated by third parties;

(2) is exempt from federal taxation; and

(3) is used to fund services provided by the nursing institution.

1           SECTION 2. Chapter 40, Civil Practice and Remedies Code, as  
2 added by this Act, applies only to collection of damages awarded on  
3 or after the effective date of this Act. The collection of damages  
4 awarded before the effective date of this Act is governed by the law  
5 in effect immediately before the effective date of this Act, and  
6 that law is continued in effect for that purpose.

7           SECTION 3. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2003.