

## **BILL ANALYSIS**

S.B. 1677  
By: Barrientos  
County Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, employees of the Travis County Hospital District (district) are not eligible for benefits provided to other county employees. Additionally, the district does not have the authority to issue revenue anticipation notes (the Harris County Hospital District has such authority) and the district board does not have the authority to change the name of the district.

As proposed, S.B. 1677 allows employees of the Travis County Hospital District to be included in health insurance benefits provided by the county, at the discretion of the commissioners court. It adds the district to the list of entities having statutory authority to issue revenue anticipation notes. Additionally, the district board is authorized to change the district's name and is granted certain contracting authority. A study requirement is deleted, as the work required under such a study would be duplicative of other work already being done by another entity.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1. Amends Section 157.002(a), Local Government Code, to authorize the commissioners court by rule to provide for medical care and hospitalization and to provide for compensation, accident, hospital, and disability insurance for certain persons if their salaries are paid from the funds of a hospital district described by Section 281.0475, Health and Safety Code, located entirely in the county. Makes a conforming change.

SECTION 2. Amends Section 157.003(b), Local Government Code, to require the county and any participating hospital district to also contribute to the hospital and insurance fund.

SECTION 3. Amends Subchapter A, Chapter 157, Local Government Code, by adding Section 157.008, as follows:

Sec. 157.008. NO INSURANCE POOL OR COMPANY CREATED. Unless a county enters into a contract under Chapter 172, if a county provides for medical care and hospitalization or provides for compensation, accident, hospital, and disability insurance to the persons listed in Section 157.002(a)(1), the county can not be construed as creating an insurance pool with a district or other governmental entity. If a county provides for medical care and hospitalization or provides for compensation, accident, hospital, and disability insurance to the persons listed in Section 157.002(a)(1), the county can not be construed as an insurance company subject to the requirements of the Insurance Code and to regulation by the Texas Department of Insurance as such.

SECTION 4. Amends Section 157.101(a), Local Government Code, to make conforming changes.

SECTION 5. Amends Section 157.102(b), Local Government Code, to make a conforming change.

SECTION 6. Amends Subchapter F, Chapter 157, Local Government Code, by adding Section 157.106 as follows:

S.B. 1677 79(R)

Sec. 157.106. NO INSURANCE POOL OR COMPANY CREATED. Unless a county enters into a contract under Chapter 172, if a county provides for medical care and hospitalization or provides for compensation, accident, hospital, and disability insurance to the persons listed in Section 157.001(a)(1), the county can not be construed as creating an insurance pool with a district or other governmental entity. If a county provides for medical care and hospitalization or provides for compensation, accident, hospital, and disability insurance to the persons listed in Section 157.001(a)(1), the county can not be construed as an insurance company subject to the requirements of the Insurance Code and to regulation by the Texas Department of Insurance as such.

SECTION 7. Amends Section 1431.001(2), Government Code, to redefine "eligible countywide district."

SECTION 8. Amends Subchapter C, Chapter 281, Health and Safety Code, by adding Section 281.0475, as follows:

Sec. 281.0475. RENAMING DISTRICT. (a) Provides that this section applies only to a district created in a county with a population of more than 800,000 that was not included in the boundaries of a hospital district before September 1, 2003.

(b) Authorizes the board of directors of a civic center authority (board), with the approval of the commissioners court, to rename the district.

SECTION 9. Amends Subchapter C, Chapter 281, Health and Safety Code, by adding Section 281.0513, as follows:

Sec. 281.0513. CONTRACTING AUTHORITY OF CERTAIN DISTRICTS. (a) Provides that this section applies only to a district created in a county with a population of more than 800,000 that was not included in the boundaries of a hospital district before September 1, 2003.

(b) Authorizes the board, with the approval of the commissioners court, to contract with a person, private entity, or certain public entity, or other political subdivision of this state, to provide or assist in the provision of services.

SECTION 10. Repealer: Section 281.0461 (Study), Health and Safety Code.

SECTION 11. Effective Date

**EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.