

BILL ANALYSIS

H.B. 4036
By: Bonnen
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Act creating the Sweeny Hospital District (district) was passed by the 58th Legislature in 1963 and was amended in subsequent legislative sessions.

H.B. 4036 would allow the district to amend the legislation to allow the district to employ physicians, dentists, or other health care providers. Like other rural hospitals, the district has great difficulty recruiting and retaining physicians, which limits access to health care by residents of the district. Directly employing physicians will allow the district to provide economic security adequate for a physician to relocate and reside in their communities and will help the district to recruit and retain physicians to provide medically necessary services in its community. The district would also like to amend its enabling legislation to allow the district to borrow money through a loan secured by district bonds, taxes or revenue.

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

H.B. 4036 amends the enabling legislation to provide that the district may employ physicians, dentists or other health care providers as the board considers necessary for the efficient operation of the district. The board is not authorized to supervise or control the practice of medicine.

The bill also authorizes the district to borrow money at a rate not to exceed the maximum rate allowed by law for district obligations if the board declares that money is not available to meet authorized obligations of the district and an emergency exists. The board may also borrow money without a declaration of an emergency. The loan may be secured by district revenues not pledged to pay bonds, district taxes to be imposed in the next 12 months that are not pledged to pay bonds, or district bonds that have been authorized but not sold. A loan for which district taxes or bonds are pledged must mature within one year. A loan for which district revenues are pledged must mature within five years. If the money is obtained as an emergency loan, the board may not spend such money for any purpose other than the purpose for which the board declared an emergency and, if district taxes or bonds are pledged to secure the loan, the purpose for which the pledged taxes were imposed or the pledged bonds were authorized.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.