

By: Carona

S.B. No. 1094

A BILL TO BE ENTITLED

AN ACT

relating to the powers of municipal and county hospital authorities and hospital districts created under general or special law.

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

SECTION 1. Subchapter C, Chapter 262, Health and Safety Code, is amended by adding Sections 262.037 and 262.038 to read as follows:

Sec. 262.037. ESTABLISHMENT OF NONPROFIT CORPORATION. (a)

The authority may form and sponsor a nonprofit corporation under the Texas Nonprofit Corporation Law, as described by Section 1.008, Business Organizations Code, to own and operate all or part of one or more ancillary health care facilities consistent with the purposes of an authority under this chapter.

(b) The board shall appoint the board of directors of a nonprofit corporation formed under this section.

(c) The authority may contribute money to or solicit money for the nonprofit corporation. If the authority contributes or solicits money for the corporation, the authority shall establish procedures and controls sufficient to ensure that the money is used by the corporation for public purposes.

(d) A nonprofit corporation formed under this section has the same powers as a development corporation under Section 221.030.

Sec. 262.038. HOSPITAL AUTHORITY CONTRACTS, COLLABORATIONS, AND JOINT VENTURES. The authority may, directly or

1 through any nonprofit corporation formed by the authority,
2 contract, collaborate, or enter into a joint venture with any
3 public or private entity as necessary to carry out the functions of
4 or provide services to the authority.

5 SECTION 2. Subchapter C, Chapter 264, Health and Safety
6 Code, is amended by adding Sections 264.035 and 264.036 to read as
7 follows:

8 Sec. 264.035. ESTABLISHMENT OF NONPROFIT CORPORATION. (a)
9 The authority may form and sponsor a nonprofit corporation under
10 the Texas Nonprofit Corporation Law, as described by Section 1.008,
11 Business Organizations Code, to own and operate all or part of one
12 or more ancillary health care facilities consistent with the
13 purposes of an authority under this chapter.

14 (b) The board shall appoint the board of directors of a
15 nonprofit corporation formed under this section.

16 (c) The authority may contribute money to or solicit money
17 for the nonprofit corporation. If the authority contributes or
18 solicits money for the corporation, the authority shall establish
19 procedures and controls sufficient to ensure that the money is used
20 by the corporation for public purposes.

21 (d) A nonprofit corporation formed under this section has
22 the same powers as a development corporation under Section 221.030.

23 Sec. 264.036. HOSPITAL AUTHORITY CONTRACTS,
24 COLLABORATIONS, AND JOINT VENTURES. The authority may, directly or
25 through any nonprofit corporation formed by the authority,
26 contract, collaborate, or enter into a joint venture with any
27 public or private entity as necessary to carry out the functions of

1 or provide services to the authority.

2 SECTION 3. Section 285.091(a), Health and Safety Code, is
3 amended to read as follows:

4 (a) A hospital district created under general or special law
5 may, directly or through a nonprofit corporation created or formed
6 by the district, contract, collaborate, or enter into a joint
7 venture with any public or private entity as necessary to [~~form or~~]
8 carry out the functions of or provide services to the district [~~an~~
9 ~~intergovernmental initiative under Section 16B, Article 4413(502),~~
10 ~~Revised Statutes~~].

11 SECTION 4. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2007.