

By: Hinojosa

S.B. No. 1549

A BILL TO BE ENTITLED

AN ACT

relating to health services districts.

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

SECTION 1. Subsection (a), Section 287.024, Health and Safety Code, is amended to read as follows:

(a) Each county or hospital district that contracts with the district shall contribute to the district for its operation:

(1) a specified dollar amount from or a percentage of the contracting entity's operating budget and reserves if the contracting entity is a hospital district;

(2) a specified dollar amount [~~percentage, not less than the percentage required under Section 61.037 for state assistance, of the contracting entity's general revenue levy~~] for each state fiscal year for the term of the contract, if the contracting entity is a county, that is equal to or greater than the amount the county would have to spend during that state fiscal year to be eligible under Section 61.037 for state assistance;

(3) state assistance received under Chapter 61;

(4) federal matching funds received by a hospital district under the Medicaid disproportionate share program; and

(5) any funds that are:

(A) received under the Agreement Regarding Disposition of Settlement Proceeds dated July 18, 1998, or July 24, 1998, and filed in the United States District Court, Eastern

1 District of Texas, in the case styled The State of Texas v. The
2 American Tobacco Company, et al., No. 5-96CV-91; and

3 (B) received on or after the date on which the
4 district is created and before the district is dissolved.

5 SECTION 2. Subsection (c), Section 287.041, Health and
6 Safety Code, is amended to read as follows:

7 (c) The commissioners court [~~county judges~~] of a county that
8 creates the district shall appoint the directors to the board on
9 behalf of the county. The board of directors of a hospital district
10 that creates the district shall appoint the directors to the board
11 on behalf of the hospital district.

12 SECTION 3. Subchapter C, Chapter 287, Health and Safety
13 Code, is amended by adding Section 287.054 to read as follows:

14 Sec. 287.054. REMOVAL OF DIRECTORS. It is a ground for
15 removal of a director from the board if the director is absent from
16 four regularly scheduled board meetings during a calendar year
17 without an excuse approved by a majority of the board.

18 SECTION 4. This Act takes effect September 1, 2007.