

AN ACT

relating to the election by voters regarding the maximum tax rate of a hospital district and to the employment of certain physicians and health care providers.

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

SECTION 1. Subsection (f), Section 285.231, Health and Safety Code, is amended to read as follows:

(f) The ballot for the election shall be printed to permit voting for or against the proposition: "The increase by the _____ (name of district) Hospital District of the maximum rate of annual taxes imposed for hospital purposes to a rate not to exceed _____ (insert the amount prescribed by the petition, not to exceed 75 cents) on each \$100 valuation of all taxable property in the district."

SECTION 2. Section 5, Chapter 287, Acts of the 61st Legislature, Regular Session, 1969, is amended to read as follows:

Sec. 5. The board of directors shall manage, control, and administer the hospital system and all funds and resources of the district, but in no event shall any operating, depreciation, or building fund reserves be invested in any funds or securities authorized by law, including Chapter 2256, Government Code. The board is given full authority to establish rules and regulations relating to seniority of employees of the district, including a retirement plan based thereon, and may give effect to previous

1 years of service for those employees who have been continuously
2 employed in the operation or management of the hospital facilities
3 acquired, including those acquired upon the creation thereof by
4 reason of Section 2 of this Act, or constructed by the district.
5 The district, through its board of directors, shall have the power
6 and authority to sue and be sued, and shall be entitled to all
7 causes of action and defenses enjoyed by similar authorities, to
8 promulgate rules and regulations governing the operation of the
9 hospital, hospital system, its staff, and its employees. The board
10 of directors shall appoint a qualified person to be known as the
11 administrator or manager of the hospital district and may in its
12 discretion appoint an assistant to the administrator or manager.
13 Such administrator or manager and assistant administrator or
14 manager, if any, shall serve at the will of the board and shall
15 receive such compensation as may be fixed by the board. The
16 administrator or manager shall, upon assuming his duties, execute a
17 bond payable to the hospital district in an amount to be set by the
18 board of directors, in no event less than \$500,000 conditioned that
19 he shall perform the duties required of him, and containing such
20 other conditions as the board may require. The administrator or
21 manager shall supervise all the work and activities of the district
22 and shall have general direction of the affairs of the district,
23 subject to the limitations as may be prescribed by the board. The
24 board of directors shall have the authority to appoint to the staff
25 such doctors as it may be deemed necessary for the efficient
26 operation of the district, and may provide for temporary
27 appointments to the staff if warranted by circumstances. The board

1 may employ physicians or other health care providers as the board
2 considers necessary for the efficient operation of the district.
3 This section does not authorize the board to supervise or control
4 the practice of medicine, as prohibited by Subtitle B, Title 3,
5 Occupations Code. The board may delegate to the administrator or
6 manager the authority to employ technicians, nurses, and employees
7 of the district other than physicians. Such board shall be
8 authorized to contract with any other public or private entity,
9 including a county, municipality, hospital district, or any other
10 political subdivision, or a charitable organization, to provide
11 health care or related services inside or outside of the district.

12 SECTION 3. Section 285.232, Health and Safety Code, is
13 repealed.

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

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1972 passed the Senate on May 10, 2007, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 2007, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1972 passed the House, with amendment, on May 23, 2007, by the following vote: Yeas 144, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor