

BILL ANALYSIS

S.B. 1478
By: Carona
County Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Hospital districts in Texas are working to meet the challenge of providing quality health care services in a cost-effective manner. This bill builds on previously passed legislation allowing hospital districts to use innovative methods, including the formation of public-private joint venture for various purposes such as owning an ancillary health care facility, to maximize available revenue generating options and to avoid the need to seek additional public tax support for district operations.

S.B. 1478 authorizes the board of hospital managers of a hospital district, with the approval of the commissioners court, to lease undeveloped real property for not more than 50 years to provide for the development and construction of facilities designed to generate revenue for the financial benefit of the district.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

SECTION 1. Amends Section 281.050, Health and Safety Code, as follows:

Sec. 281.050. POWERS RELATING TO DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a) Creates this subsection from existing text.

(b) Authorizes the board of hospital managers of a district (board), notwithstanding any other law, with the approval of the commissioners court, to lease undeveloped real property for not more than 50 years to provide for the development and construction of facilities designed to generate revenue for the financial benefit of the district. Authorizes the board, directly or through a nonprofit corporation, to contract or enter into a joint venture with a public private entity as necessary to enter into a lease under this subsection.

SECTION 2. Effective date: upon passage or September 1, 2009.

EFFECTIVE DATE

Effective date: upon passage or September 1, 2009.