BILL ANALYSIS

Senate Research Center 81R7485 TJS-F S.B. 2250 By: Zaffirini Intergovernmental Relations 4/7/2009 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

This legislation would allow the Karnes County Hospital District (district) to operate more efficiently and better serve the residents of the hospital district by allowing the district to employ physicians. This bill also grants the district the authority to establish a comprehensive program to provide income and medical benefits to a district employee injured on the job.

As proposed, S.B. 2250 authorizes the district to employ physicians or other health care providers. S.B. 2250 authorizes the hospital district to adopt a comprehensive program for providing income and medical benefits to the district's employees who are injured while on the job as an alternative to participation in the workers' compensation system. Finally this bill authorizes the hospital district to borrow money and pledge revenues or taxes to secure the debt incurred.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1048.061, Special District Local Laws Code, as effective April 1, 2009, by adding Subsections (d) and (e), as follows:

(d) Authorizes the board of directors of the Karnes County Hospital District (board) to employ physicians or other health care providers as the board considers necessary for the efficient operation of the Karnes County Hospital District (district).

(e) Prohibits this section from being construed as authorizing the board to supervise or control the practice of medicine, as prohibited by Subtitle B (Physicians), Title 3 (Health Professions), Occupations Code.

SECTION 2. Amends Subchapter C, Chapter 1048, Special District Local Laws Code, as effective April 1, 2009, by adding Section 1048.117, as follows:

Sec. 1048.117. BENEFITS FOR INJURED EMPLOYEES. (a) Authorizes the district to establish a comprehensive program to provide income and medical benefits to a district employee who sustains an injury that arises out of and in the course and scope of employment.

(b) Exempts the district, if the district adopts a comprehensive program under Subsection (a), from Section 504.011 (Method of Providing Coverage), Labor Code, to the extent that the section requires the district to provide workers' compensation to its employees.

SECTION 3. Amends Subchapter D, Chapter 1048, Special District Local Laws Code, as effective April 1, 2009, by adding Section 1048.161, as follows:

Sec. 1048.161. GENERAL AUTHORITY TO BORROW MONEY; SECURITY. (a) Authorizes the board to borrow money at a rate not to exceed the maximum annual percentage rate allowed by law for district obligations at the time the loan is made.

(b) Authorizes the board, to secure a loan, to pledge district revenue that is not pledged to pay the district's bonded indebtedness; a district tax to be imposed by the district in the next 12-month period following the date of the pledge that is not pledged to pay the principal of or interest on district bonds; or a district bond that has been authorized but not sold.

(c) Requires a loan for which taxes or bonds are pledged to mature not later than the first anniversary of the date the loan is made. Requires a loan for which district revenue is pledged to mature not later than the fifth anniversary of the date the loan is made.

SECTION 4. Effective date: upon passage or September 1, 2009.