

## **BILL ANALYSIS**

S.B. 628  
By: Duncan  
County Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Currently, Section 285.101 (Facilities or Services for Elderly or Disabled) of the Texas Health and Safety Code, authorizes a hospital district in counties of 35,000 or less or in areas not delineated as urban areas to construct, acquire, own, operate, enlarge, improve, furnish, or equip a nursing home facility. While statute allows them to operate a nursing home facility, the enabling legislation for the Childress County Hospital District does not provide clear authority to issue bonds to fund a nursing home facility project.

S.B. 628 provides clear authority for the Childress County Hospital District to acquire a nursing home facility and to issue general obligation and revenue bonds and other notes for the funding of such a project.

As proposed, S.B. 628 amends current law relating to the authority of the Childress County Hospital District to provide facilities and services for persons who are elderly or disabled and provides authority to issue bonds and notes.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

SECTION 1. Amends Subchapter C, Chapter 1012, Special District Local Laws Code, by adding Section 1012.114, as follows:

Sec. 1012.114. FACILITIES OR SERVICES FOR PERSONS WHO ARE ELDERLY OR DISABLED. (a) Authorizes the district to:

(1) purchase, construct, acquire, repair, renovate, equip, or administer the following types of facilities or services for the care of persons who are elderly or disabled:

- (A) a nursing home or similar long-term care facility;
- (B) elderly housing;
- (C) assisted living;
- (D) home health;
- (E) personal care;
- (F) special care; or
- (G) continuing care; and

(2) purchase, acquire, repair, or equip durable medical equipment to provide services to persons who are elderly or disabled.

(b) Authorizes the board of directors of the district (board), for a facility or service described by Subsection (a), to:

(1) lease or enter into an operating or management agreement relating to all or part of a facility or service that is owned by the district;

(2) close, transfer, sell, or otherwise convey all or part of a facility; and

(3) discontinue all or part of a service.

(c) Authorizes the board to issue general obligation bonds, revenue bonds, and other notes to acquire, construct, or improve a facility for the care of persons who are elderly or disabled or to implement the delivery of a service for the care of persons who are elderly or disabled.

(d) Provides that for the purposes of this section, a facility or service described by Subsection (a) is a hospital project under Chapter 223 (Hospital Project Financing Act), Health and Safety Code, notwithstanding Section 223.002 (Definitions) of that chapter.

### **EFFECTIVE DATE**

SECTION 2. Effective date: upon passage or September 1, 2011.