

SENATE AMENDMENTS

2nd Printing

By: Chisum

H.B. No. 1413

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the powers and duties of the Castro County Hospital
3 District.

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

5 SECTION 1. Sections 1013.052 and 1013.062, Special District
6 Local Laws Code, are amended to read as follows:

7 Sec. 1013.052. NOTICE OF ELECTION. Notice [~~Not earlier~~
8 ~~than the 30th day or later than the 10th day before the date~~] of an
9 election of directors [~~, notice of the election~~] shall be published
10 [~~one time~~] in a newspaper of general circulation in Castro County in
11 accordance with Section 4.003, Election Code.

12 Sec. 1013.062. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES.

13 (a) The board may spend district money, enter into agreements, and
14 take other necessary action to recruit physicians and other persons
15 to serve as medical staff members or district employees, including:

16 (1) advertising and marketing;

17 (2) paying travel, recruitment, and relocation
18 expenses;

19 (3) providing a loan or scholarship to a physician or a
20 person who:

21 (A) is currently enrolled in health care
22 education courses at an institution of higher education; and

23 (B) contractually agrees to become a district
24 employee or medical staff member; and

1 (4) providing on a rent-free basis or subsidizing the
2 cost of office space or other facilities for a health care
3 professional, including a physician.

4 (b) The board may employ physicians or other health care
5 providers as the board considers necessary for the efficient
6 operation of the district.

7 (c) This section may not be construed as authorizing the
8 board to supervise or control the practice of medicine, as
9 prohibited by Subtitle B, Title 3, Occupations Code.

10 (d) The board may employ a physician and retain all or part
11 of the professional income generated by the physician for medical
12 services provided at the hospital and other health facilities owned
13 or operated by the hospital if the hospital satisfies the
14 requirements of this subchapter.

15 (e) The board shall:

16 (1) appoint a chief medical officer, who may be a
17 member of the hospital's medical staff; and

18 (2) adopt, maintain, and enforce policies to ensure
19 that a physician employed by the hospital exercises the physician's
20 independent medical judgment in providing care to patients at the
21 hospital.

22 (f) The policies adopted under this section must include:

23 (1) policies relating to:

24 (A) credentialing;

25 (B) quality assurance;

26 (C) utilization review;

27 (D) peer review; and

1 (E) medical decision-making; and

2 (2) the implementation of a complaint mechanism to
3 process and resolve complaints regarding interference or attempted
4 interference with a physician's independent medical judgment.

5 (g) For all matters relating to the practice of medicine,
6 each physician employed by the hospital under this subchapter shall
7 ultimately report to the chief medical officer of the hospital.

8 (h) The policies adopted under this section:

9 (1) must be approved by the chief medical officer of
10 the hospital; and

11 (2) shall control and prevail in the event of a
12 conflict with any other policies of a hospital under this
13 subchapter.

14 (i) The chief medical officer shall immediately report to
15 the Texas Medical Board any action or event that the chief medical
16 officer reasonably and in good faith believes constitutes a
17 compromise of the independent medical judgment of a physician in
18 caring for a patient.

19 SECTION 2. Subchapter E, Chapter 1013, Special District
20 Local Laws Code, is amended by adding Sections 1013.209 and
21 1013.210 to read as follows:

22 Sec. 1013.209. ADDITIONAL MEANS OF SECURING REPAYMENT OF
23 BONDS. In addition to the authority to issue general obligation
24 bonds and revenue bonds under this subchapter, the board may
25 provide for the security and payment of district bonds from a pledge
26 of a combination of ad valorem taxes as authorized by Section
27 1013.202 and revenue and other sources authorized by Section

1 1013.206.

2 Sec. 1013.210. USE OF BOND PROCEEDS. The district may use
3 the proceeds of bonds issued under this subchapter to pay:

4 (1) any expense the board determines is reasonable and
5 necessary to issue, sell, and deliver the bonds;

6 (2) interest payments on the bonds during a period of
7 acquisition or construction of a project or facility to be provided
8 through the bonds, not to exceed five years;

9 (3) costs related to the operation and maintenance of
10 a project or facility to be provided through the bonds:

11 (A) during an estimated period of acquisition or
12 construction, not to exceed five years; and

13 (B) for one year after the project or facility is
14 acquired or constructed;

15 (4) costs related to the financing of the bond funds,
16 including debt service reserve and contingency funds;

17 (5) costs related to the bond issuance;

18 (6) costs related to the acquisition of land or
19 interests in land for a project or facility to be provided through
20 the bonds; and

21 (7) costs of construction of a project or facility to
22 be provided through the bonds, including the payment of related
23 professional services and expenses.

24 SECTION 3. This Act takes effect immediately if it receives
25 a vote of two-thirds of all the members elected to each house, as
26 provided by Section 39, Article III, Texas Constitution. If this
27 Act does not receive the vote necessary for immediate effect, this

1 Act takes effect September 1, 2011.

ADOPTED

MAY 25 2011

Atty Gen
Secretary of the Senate

By: Duncan

H.B. No. 1413

Substitute the following for H.B. No. 1413:

By: [Signature]

C.S. H.B. No. 1413

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Castro County Hospital District.

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

SECTION 1. Section 1013.052, Special District Local Laws Code, is amended to read as follows:

Sec. 1013.052. NOTICE OF ELECTION. Notice [~~Not earlier than the 30th day or later than the 10th day before the date~~] of an election of directors [~~, notice of the election~~] shall be published [~~one time~~] in a newspaper of general circulation in Castro County in accordance with Section 4.003, Election Code.

SECTION 2. Subchapter E, Chapter 1013, Special District Local Laws Code, is amended by adding Sections 1013.209 and 1013.210 to read as follows:

Sec. 1013.209. ADDITIONAL MEANS OF SECURING REPAYMENT OF BONDS. In addition to the authority to issue general obligation bonds and revenue bonds under this subchapter, the board may provide for the security and payment of district bonds from a pledge of a combination of ad valorem taxes as authorized by Section 1013.202 and revenue and other sources authorized by Section 1013.206.

Sec. 1013.210. USE OF BOND PROCEEDS. The district may use the proceeds of bonds issued under this subchapter to pay:

- (1) any expense the board determines is reasonable and

1 necessary to issue, sell, and deliver the bonds;

2 (2) interest payments on the bonds during a period of
3 acquisition or construction of a project or facility to be provided
4 through the bonds, not to exceed five years;

5 (3) costs related to the operation and maintenance of
6 a project or facility to be provided through the bonds:

7 (A) during an estimated period of acquisition or
8 construction, not to exceed five years; and

9 (B) for one year after the project or facility is
10 acquired or constructed;

11 (4) costs related to the financing of the bond funds,
12 including debt service reserve and contingency funds;

13 (5) costs related to the bond issuance;

14 (6) costs related to the acquisition of land or
15 interests in land for a project or facility to be provided through
16 the bonds; and

17 (7) costs of construction of a project or facility to
18 be provided through the bonds, including the payment of related
19 professional services and expenses.

20 SECTION 3. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2011.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 26, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1413 by Chisum (Relating to the powers and duties of the Castro County Hospital District.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, ESi, KKR, TP

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 18, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1413 by Chisum (Relating to the powers and duties of the Castro County Hospital District.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, TP

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 13, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1413 by Chisum (Relating to the powers and duties of the Castro County Hospital District.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 28, 2011

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: **HB1413** by Chisum (relating to the powers and duties of the Castro County Hospital District.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 13, 2011

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1413 by Chisum (Relating to the powers and duties of the Castro County Hospital District.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, TP