Senate Amendments Section-by-Section Analysis

HOUSE VERSION SENATE VERSION (IE) CONFERENCE

SECTION 1. Section 25.0005(c), Government Code, is amended to read as follows:

No equivalent provision.

- (c) The salary shall be paid in:
- (1) equal monthly installments; or
- (2) equal biweekly installments if authorized by the commissioners court.

SECTION 2. Section 31.004, Government Code, is amended to read as follows:

Sec. 31.004. <u>EQUAL</u> [<u>MONTHLY</u>] INSTALLMENTS. The compensation authorized by this chapter shall be paid in:

- (1) equal monthly installments; or
- (2) equal biweekly installments if authorized by the commissioners courts in the counties of the court of appeals district.

SECTION 3. Section 32.001(b), Government Code, is amended to read as follows:

- (b) The compensation shall be paid [in monthly installments] from the county general fund or other available funds of the county in:
- (1) monthly installments; or
- (2) biweekly installments if authorized by the commissioners court.

SECTION 4. Section 43.180(e), Government Code, is amended to read as follows:

(e) The Commissioners Court of Harris County shall pay the district attorney a salary of not less than \$35,000 a year. The county salary shall be paid in equal <u>biweekly</u> [monthly] installments.

No equivalent provision.

No equivalent provision.

No equivalent provision.

Senate Amendments Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)
No equivalent provision.	SECTION 1. Amending heading to Chapter 288, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 2. Amending Sections 288.001(2) and (3), Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 3. Amending Section 288.002, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 4. Amending Subchapter A, Chapter 288, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 5. Amending heading to Section 288.051 [Deleted by FA1]
No equivalent provision.	SECTION 6. Amending Section 288.051, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 7. Amending Section 288.101, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 8. Amending Section 288.102, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 9. Amending Section 288.104(a), Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 10. Amending Section 288.151, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 11. Amending Section 288.154(b), Health and

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SECTION 20. Requesting waiver or authorization before implementation [Deleted by FA1]

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HOUSE VERSION	SENATE VERSION (IE)
	Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 12. Amending Subchapter D, Chapter 288, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 13. Amending heading to Subchapter E, Chapter 288, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 14. Amending Section 288.201, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 15. Amending Section 288.202, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 16. Amending Section 288.203, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 17. Amending Section 288.204, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 18. Amending Section 288.205, Health and Safety Code [Deleted by FA1]
No equivalent provision.	SECTION 19. Repealing Sections 288.003, 288.004, 288.051(b), 288.052, 288.053, 288.054, 288.055, 288.056, 288.057, 288.058, 288.103, 288.104(b), 288.105, 288.107, 288.153, and 288.206, Health and Safety Code [Deleted by FA1]

No equivalent provision.

CONFERENCE

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Senate Amendments Section-by-Section Analysis

HOUSE VERSION

SECTION 5. Section 61.036, Health and Safety Code, is amended by adding Subsections (d) and (e) to read as follows:
(d) Regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may credit an intergovernmental transfer to the state toward eligibility for state assistance if the transfer was made:

- (1) to provide health care services as part of a waiver program under 42 U.S.C. Section 1315 or 1396n; or
- (2) as part of the state plan for disproportionate share hospitals under 42 U.S.C. Section 1396r-4 or 1 T.A.C. Section 355.8065.
- (e) A county may not credit toward eligibility for state assistance any intergovernmental transfer made under Subsection (d)(1) or (2) that, separately or in combination, exceeds six percent of the county's general revenue levy in any state fiscal year.

SENATE VERSION (IE)

SECTION ___. Section 61.036, Health and Safety Code, is amended by adding Subsections (d) and (e) to read as follows: (d) Regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may credit an intergovernmental transfer to the state toward eligibility for state assistance if the transfer was made to provide health care services as part of the Texas Healthcare Transformation and Quality Improvement Program waiver issued under 42 U.S.C. Section 1315.

- (e) A county may credit toward eligibility for state assistance intergovernmental transfers made under Subsection (d) that in the aggregate do not exceed four percent of the county's general revenue levy in any state fiscal year, provided:
- (1) The commissioners court determines that the expenditure fulfills the county's obligations to provide indigent health care under this chapter;
- (2) The commissioners court determines that the amount of care available through participation in the waiver is sufficient in type and amount to meet the requirements of this chapter; and
- (3) The county receives periodic reports from health care providers that receive supplemental or incentive payments under the Texas Healthcare Transformation and Quality Improvement Program waiver that document the number and types of services provided to persons who are eligible to receive services under this chapter. [FA4]

SECTION . Not later than December 1, 2014, the

No equivalent provision.

CONFERENCE

Senate Amendments Section-by-Section Analysis

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SENATE VERSION (IE)

Department of State Health Services shall submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives on the effects of the provisions of Section 61.036 (d) and (e), as added by this Act, on services **CONFERENCE**

SECTION 6. Section 152.904(e), Local Government Code, is amended to read as follows:

(e) The Commissioners Court of Harris County shall set the annual salary of the county judge at an amount that is not less than \$1,000 more than the total annual salary received by county criminal court at law judges in the county. The salary shall be paid in [12] equal biweekly [monthly] installments.

SECTION 7. Section 209.004, Property Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The county clerk of each county in which a management certificate is filed as required by this section shall record the management certificate in the real property records of the county and index the document as a "Property Owners' Association Management Certificate."

SECTION 8. (a) The change in law made by this Act to Section 61.036, Health and Safety Code, applies only to state assistance for health care services under Chapter 61, Health and Safety Code, as amended by this Act, that are delivered on or after the effective date of this Act.

State assistance for health care services under Chapter 61, Health and Safety Code, that are delivered before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law No equivalent provision.

rendered to eligible residents. [FA4]

No equivalent provision.

SECTION __. (a) The change in law made by this Act to Section 61.036, Health and Safety Code, applies only to state assistance for health care services under Chapter 61, Health and Safety Code, as amended by this Act, that are delivered on or after the effective date of this Act.

(b) State assistance for health care services under Chapter 61, Health and Safety Code, that are delivered before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law

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is continued in effect for that purpose.

(b) To ensure that all management certificates are recorded and indexed in accordance with Section 209.004(a-1), Property Code, as added by this Act, on or after September 1, 2013, and not later than January 1, 2014, each property owners' association that is subject to Section 209.004, Property Code, immediately before September 1, 2013, shall file the association's management certificate under that section, regardless of whether the association filed a management certificate before September 1, 2013. This section does not affect the time in which a property owners' association is required to file the association's management certificate under Section 209.004, Property Code, as amended by this Act, if the association's initial duty to file the management certificate arises on or after September 1, 2013.

No equivalent provision.

SENATE VERSION (IE)

is continued in effect for that purpose. [FA4]

SECTION __. Subchapter B, Chapter 533, Health and Safety Code, is amended by adding Sections 533.051 and 533.052 to read as follows:

Sec. 533.051. DEVELOPMENT OF A PLAN FOR THE ALLOCATION OF OUTPATIENT MENTAL HEALTH SERVICES AND BEDS IN STATE HOSPITALS. (a) The department, in conjunction with the commission, shall develop a plan for the proper and separate allocation of outpatient or community-based mental health services provided by secure and nonsecure outpatient facilities that provide residential care alternatives and mental health services and for the proper and separate allocation of beds in the state hospitals for the following two groups of patients:

(1) patients who are voluntarily receiving outpatient or community-based mental health services, voluntarily admitted

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CONFERENCE

Senate Amendments Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

- to a state hospital under Chapter 572, admitted to a state hospital for emergency detention under Chapter 573, or ordered by a court under Chapter 574 to receive inpatient mental health services at a state hospital or outpatient mental health services from an outpatient facility that provides residential care alternatives and mental health services; and
- (2) patients who are ordered to participate in an outpatient treatment program to attain competency to stand trial under Chapter 46B, Code of Criminal Procedure, or committed to a state hospital or other facility to attain competency to stand trial under Chapter 46B, Code of Criminal Procedure, or to receive inpatient mental health services following an acquittal by reason of insanity under Chapter 46C, Code of Criminal Procedure.
- (b) The plan developed by the department under Subsection (a) must include:
- (1) a determination of the needs for outpatient mental health services of the two groups of patients described by Subsection (a);
- (2) a determination of the minimum number of beds that the state hospital system must maintain to adequately serve the two groups of patients;
- (3) a statewide plan for and the allocation of sufficient funds for meeting the outpatient mental health service needs of and for the maintenance of beds by the state hospitals for the two groups of patients; and
- (4) a process to address and develop, without adverse impact to local service areas, the accessibility and availability of sufficient outpatient mental health services provided to and beds provided by the state hospitals to the two groups of patients based on the success of contractual outcomes with a broad base of local community outpatient mental health

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HOUSE VERSION SENATE VERSION (IE) CONFERENCE

service providers and inpatient mental health facilities; and

- (5) guidelines for use by the department and mental health services providers who contract with the department in determining what constitutes the timely delivery of services.
- (c) To assist in the development of the plan under Subsection (a), the department shall establish and meet at least monthly with an advisory panel composed of the following persons:
- (1) one representative designated by the Texas Department of Criminal Justice;
- (2) one representative designated by the Texas Association of Counties;
- (3) two representatives designated by the Texas Council of Community Centers, including one representative of an urban local service area and one representative of a rural local service area;
- (4) two representatives designated by the County Judges and Commissioners Association of Texas, including one representative who is the presiding judge of a court with jurisdiction over mental health matters;
- (5) one representative designated by the Sheriffs' Association of Texas;
- (6) two representatives designated by the Texas Municipal League, including one representative who is a municipal law enforcement official:
- (7) one representative designated by the Texas Conference of Urban Counties;
- (8) two representatives designated by the Texas Hospital Association, including one representative who is a physician;
- (9) one representative designated by the Texas Catalyst for Empowerment; and
- (10) four representatives designated by the Department of State Health Services' Council for Advising and Planning for

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the Prevention and Treatment of Mental and Substance Use Disorders, including:

- (A) the chair of the council;
- (B) one representative of the council's members who is a consumer of or advocate for mental health services;
- (C) one representative of the council's members who is a consumer of or advocate for substance abuse treatment; and
- (D) one representative of the council's members who is a family member of or advocate for persons with mental health and substance abuse disorders.
- (d) In developing the plan under Subsection (a), the department and advisory panel shall consider:
- (1) needs for outpatient mental health services of the two groups of patients described by Subsection (a);
- (2) the frequency of use of beds and the historical patterns of use of beds in the state hospitals and other facilities by the two groups of patients;
- (3) local needs and demands for outpatient mental health services by the two groups of patients;
- (4) local needs and demands for beds in the state hospitals and other facilities for the two groups of patients;
- (5) the availability of outpatient mental health service providers and inpatient mental health facilities that may be contracted with to provide outpatient mental health services and beds for the two groups of patients;
- (6) the differences between the two groups of patients with regard to:
- (A) admission to and discharge from a state hospital or outpatient facility;
- (B) rapid stabilization and discharge to the community;
- (C) length of stay in a state hospital or outpatient facility;
- (D) disputes arising from the determination of a patient's

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length of stay in a state hospital by a health maintenance organization or a managed care organization;

- (E) third-party billing; and
- (F) legal challenges or requirements related to the examination and treatment of the patients; and
- (7) public input provided to the department or advisory panel in a form and at a time and place that is effective and appropriate and in a manner that complies with any applicable laws, including administrative rules.
- (e) The department shall update the plan biennially.
- (f) Not later than June 1, 2014, the department, in conjunction with the advisory panel, shall develop the initial version of the plan required by Subsection (a).

Sec. 533.052. INFORMING COURTS OF COMMITMENT OPTIONS. The department shall develop and implement a procedure through which a court that has the authority to commit a person who is incompetent to stand trial or who has been acquitted by reason of insanity under Chapters 46B and 46C, Code of Criminal Procedure, is aware of all of the commitment options for the person, including jail diversion and community-based programs. [FA5]

SECTION __. Chapter 1001, Health and Safety Code, is amended by adding Subchapter H to read as follows:

<u>SUBCHAPTER H. MENTAL HEALTH FIRST AID</u> TRAINING

Sec. 1001.201. DEFINITIONS. In this subchapter:

- (1) "Educator" means a person who is required to hold a certificate issued under Subchapter B, Chapter 21, Education Code.
- (2) "Local mental health authority" has the meaning assigned by Section 531.002 and includes the local behavioral health

No equivalent provision.

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authority for the NorthSTAR Behavioral Health Program.

(3) "Regional education service center" means a regional education service center established under Chapter 8, Education Code.

Sec. 1001.202. GRANTS FOR TRAINING OF MENTAL HEALTH FIRST AID TRAINERS. (a) To the extent funds are appropriated to the department for that purpose, the department shall make grants to local mental health authorities to contract with persons approved by the department to train employees or contractors of the authorities as mental health first aid trainers.

- (b) Except as provided by Subsection (c), the department shall make each grant to a local mental health authority under this section in an amount equal to \$1,000 times the number of employees or contractors of the authority whose training as mental health first aid trainers will be paid by the grant.
- (c) For each state fiscal year, the total amount the department may grant to a local mental health authority under this section may not exceed the lesser of \$30,000 or three percent of the funds appropriated to the department for making grants under this section.
- (d) The executive commissioner shall adopt rules to establish the requirements for a person to be approved by the department to train employees or contractors of a local mental health authority as mental health first aid trainers. The rules must ensure that a person who is approved by the department is qualified to provide training in:
- (1) the potential risk factors and warning signs for various mental illnesses, including depression, anxiety, trauma, psychosis, eating disorders, substance abuse disorders, and self-injury;
- (2) the prevalence of various mental illnesses in the United

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HOUSE VERSION SENATE VERSION (IE) CONFERENCE

States and the need to reduce the stigma associated with mental illness;

- (3) an action plan for use by the employees or contractors that involves the use of skills, resources, and knowledge to assess a situation and develop and implement an appropriate intervention to help an individual experiencing a mental health crisis obtain appropriate professional care; and
- (4) the evidence-based professional, peer, social, and selfhelp resources available to help individuals with mental illness.
- (e) Two or more local mental health authorities may collaborate and share resources to provide training for employees or contractors of the authorities under this section.

 Sec. 1001.203. GRANTS FOR TRAINING CERTAIN EDUCATORS IN MENTAL HEALTH FIRST AID. (a) To the extent funds are appropriated to the department for that purpose, the department shall make grants to local mental health authorities to provide an approved mental health first aid training program, administered by mental health first aid trainers, at no cost to educators.
- (b) For each state fiscal year, the total amount the department may grant to a local mental health authority under this section may not exceed the lesser of \$40,000 or three percent of the funds appropriated to the department for making grants under this section.
- (c) Subject to the limit provided by Subsection (b), out of the funds appropriated to the department for making grants under this section, the department shall grant \$100 to a local mental health authority for each educator who successfully completes a mental health first aid training program provided by the authority under this section.
- (d) A mental health first aid training program provided by a

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HOUSE VERSION SENATE VERSION (IE) CONFERENCE

<u>local mental health authority under this section must:</u>

- (1) be conducted by a person trained as a mental health first aid trainer;
- (2) provide participants with the skills necessary to help an individual experiencing a mental health crisis until the individual is able to obtain appropriate professional care; and (3) include:
- (A) instruction in a five-step strategy for helping an individual experiencing a mental health crisis, including assessing risk, listening respectfully to and supporting the individual, and identifying professional help and other supports for the individual;
- (B) an introduction to the risk factors and warning signs for mental illness and substance abuse problems;
- (C) experiential activities to increase participants' understanding of the impact of mental illness on individuals and families; and
- (D) a presentation of evidence-supported treatment and self-help strategies.
- (e) A local mental health authority may contract with a regional education service center to provide a mental health first aid training program to educators under this section.
- (f) Two or more local mental health authorities may collaborate and share resources to develop and operate a mental health first aid training program under this section.
- Sec. 1001.204. PLANS FOR MENTAL HEALTH FIRST AID TRAINING PROGRAMS. (a) Not later than October 1 of each state fiscal year for which a local mental health authority will seek a grant from the department under Section 1001.203, the authority shall submit to the department a plan demonstrating the manner in which grants made to the authority under that section will be used:

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- (1) to train individuals in mental health first aid throughout the authority's local service area to maximize the number of children who have direct contact with an individual who has successfully completed a mental health first aid training program provided by the authority;
- (2) to meet the greatest needs of the authority's local service area, as identified by the authority; and
- (3) to complement existing resources and not duplicate established mental health first aid training efforts.
- (b) The department may not make a grant to a local mental health authority under Section 1001.203 unless the department has evaluated a plan submitted by the authority under this section.
- Sec. 1001.205. REPORTS. (a) Not later than July 1 of each year, a local mental health authority shall provide to the department the number of:
- (1) employees and contractors of the authority who were trained as mental health first aid trainers under Section 1001.202:
- (2) educators who completed a mental health first aid training program offered by the authority under Section 1001.203 during the preceding calendar year; and
- (3) individuals who are not educators who completed a mental health first aid training program offered by the authority during the preceding calendar year.
- (b) Not later than August 1 of each year, the department shall compile the information submitted by local mental health authorities as required by Subsection (a) and submit a report to the legislature containing the number of:
- (1) authority employees and contractors trained as mental health first aid trainers;
- (2) educators who completed a mental health first aid training

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program provided by an authority during the preceding calendar year; and

(3) individuals who are not educators who completed a mental health first aid training program provided by an authority during the preceding calendar year.

Sec. 1001.206. LIABILITY. A person who has completed a mental health first aid training program offered by a local mental health authority under this subchapter and who in good faith attempts to assist an individual experiencing a mental health crisis is not liable in civil damages for an act performed in attempting to assist the individual unless the act is wilfully or wantonly negligent. [FA6]

SECTION __. Section 21.054, Education Code, is amended by adding Subsection (d) to read as follows:

(d) The board shall adopt rules that allow an educator to fulfill up to 12 hours of continuing education by participating in a mental health first aid training program offered by a local mental health authority under Section 1001.203, Health and Safety Code. The number of hours of continuing education an educator may fulfill under this subsection may not exceed the number of hours the educator actually spends participating in a mental health first aid training program. [FA6]

SECTION __. The change in law made by this Act to added Section 1001.206, Health and Safety Code, applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrues before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose. [FA6]

No equivalent provision.

No equivalent provision.

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CONFERENCE

SECTION 9. This Act takes effect September 1, 2013.

No equivalent provision.

SECTION 21. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

SECTION __. Subtitle A, Title 3, Special District Local Laws Code, is amended by adding Chapter 1122 to read as follows:

CHAPTER 1122. HIDALGO COUNTY HOSPITAL DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 1122.001. DEFINITIONS. In this chapter:

- (1) "Board" means the board of directors of the district.
- (2) "Director" means a member of the board.
- (3) "District" means the Hidalgo County Hospital District.
- Sec. 1122.002. DISTRICT AUTHORIZATION. The Hidalgo County Hospital District may be created and, if created, operates and is financed as provided by Section 9, Article IX, Texas Constitution, and by this chapter.
- Sec. 1122.003. ESSENTIAL PUBLIC FUNCTION. The district is a public entity performing an essential public function.
- Sec. 1122.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Hidalgo County.
- Sec. 1122.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The state may not be obligated for the support or maintenance of the district.
- Sec. 1122.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation for the construction, maintenance, or

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improvement of a district facility.

SUBCHAPTER A-1. TEMPORARY PROVISIONS

Sec. 1122.021. CREATION ELECTION; ORDERING ELECTION. (a) The district may be created and a tax may be authorized only if the creation and the tax are approved by a majority of the registered voters of the territory of the proposed district voting at an election called and held for that purpose.

- (b) The Hidalgo County Commissioners Court shall order an election for the registered voters of Hidalgo County on the question of creation of the Hidalgo County Hospital District if the commissioners court receives a petition requesting an election that is signed by at least 50 registered voters who are residents of Hidalgo County.
- (c) The order calling an election under this section must state:
- (1) the nature of the election, including the proposition that is to appear on the ballot;
- (2) the date of the election;
- (3) the hours during which the polls will be open; and
- (4) the location of the polling places.
- (d) Section 41.001(a), Election Code, does not apply to an election ordered under this section.
- (e) The Hidalgo County Commissioners Court shall give notice of an election under this section by publishing a substantial copy of the election order in a newspaper with general circulation in Hidalgo County once a week for two consecutive weeks. The first publication must appear not later than the 30th day before the date set for the election.
- (f) The ballot for an election under this section must be printed to permit voting for or against the proposition: "The creation of the Hidalgo County Hospital District, providing for the imposition of an ad valorem tax at a rate not to exceed

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HOUSE VERSION SENATE VERSION (IE) CONFERENCE

- 75 cents on each \$100 valuation on all taxable property in the district."
- (g) The Hidalgo County Commissioners Court shall find that the Hidalgo County Hospital District is created if a majority of the voters voting in the election held under this section favor the creation of the district.
- Sec. 1122.022. TEMPORARY DIRECTORS. (a) If the creation of the district is approved at the election held under Section 1122.021, the Hidalgo County Commissioners Court shall appoint five temporary directors to represent the district at large.
- (b) Temporary directors serve until the date of the next regular election of directors that occurs after the date of the election held under Section 1122.021 and that allows sufficient time to comply with other requirements of law.
- (c) A vacancy on the temporary board of directors shall be filled by appointment by the Hidalgo County Commissioners Court.
- (d) A person must be a qualified voter of the district to serve as a temporary director.
- (e) An employee of the district may not serve as a temporary director.
- Sec. 1122.023. TEMPORARY OFFICERS. (a) The temporary board shall elect a president and a vice president from among the temporary directors.
- (b) The temporary board shall appoint a secretary, who need not be a temporary director.
- (c) The temporary board shall fill a vacancy in a board office for the remainder of the unexpired term.

SUBCHAPTER B. DISTRICT ADMINISTRATION

<u>Sec. 1122.051. BOARD ELECTION; TERM. (a) The board consists of five directors elected at large.</u>

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- (b) An election shall be held each year on an authorized uniform election date to elect the appropriate number of directors.
- (c) Directors serve staggered two-year terms.
- Sec. 1122.052. NOTICE. Notice of the directors' election shall be published at least once in a newspaper with general circulation in the district in accordance with Section 4.003(a), Election Code.
- <u>Sec. 1122.053. QUALIFICATION FOR OFFICE.</u> (a) To be eligible to hold office on the board, a person must be:
- (1) a resident of the district; and
- (2) a qualified voter.
- (b) An administrator or an employee of the district may not serve as a director.
- Sec. 1122.054. DIRECTOR'S BOND. (a) Before assuming the duties of office, each director must execute a bond in the amount of \$5,000 payable to the district and conditioned on the faithful performance of the director's duties.
- (b) The bond shall be kept in the permanent records of the district.
- (c) The board may pay for a director's bond with district money.
- Sec. 1122.055. BOARD VACANCY. If a vacancy occurs in the office of director, the remaining directors shall appoint a director for the remainder of the unexpired term.
- Sec. 1122.056. OFFICERS. (a) The board shall elect a president and a vice president from among the directors.
- (b) The board shall appoint a secretary, who need not be a director.
- (c) Each officer of the board serves a one-year term.
- (d) The board shall fill a vacancy in a board office for the remainder of the unexpired term.

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Sec. 1122.057. COMPENSATION; REIMBURSEMENT. A director or officer serves without compensation but may be reimbursed for actual expenses incurred in the performance of official duties. The expenses must be:

- (1) reported in the district's records; and
- (2) approved by the board.

Sec. 1122.058. VOTING REQUIREMENT. A concurrence of a majority of the directors voting is necessary in matters relating to district business.

Sec. 1122.059. DISTRICT ADMINISTRATOR; ADMINISTRATOR'S BOND. (a) The board may appoint a qualified person as district administrator.

- (b) The district administrator serves at the will of the board.
- (c) The district administrator is entitled to compensation determined by the board.
- (d) Before assuming the duties of district administrator, the administrator must execute a bond payable to the district in an amount not less than \$5,000, as determined by the board, conditioned on the faithful performance of the administrator's duties.
- (e) The board may pay for the bond with district money.
- Sec. 1122.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to the limitations prescribed by the board, the district administrator shall:
- (1) supervise the work and activities of the district; and
- (2) direct the general affairs of the district.

Sec. 1122.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY. (a) The board may appoint qualified persons as assistant district administrator and attorney for the district.

(b) The assistant district administrator and attorney for the district serve at the will of the board.

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- (c) The assistant district administrator and attorney for the district are entitled to compensation determined by the board. Sec. 1122.062. EMPLOYEES. (a) The district may employ nurses, technicians, fiscal agents, accountants, architects, additional attorneys, and other necessary employees.
- (b) The board may delegate to the district administrator the authority to employ persons for the district.
- Sec. 1122.063. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES. The board may spend district money, enter into agreements, and take other necessary actions to recruit physicians and other persons to serve as medical staff members or district employees. The actions may include:
- (1) advertising and marketing;
- (2) paying travel, recruitment, and relocation expenses;
- (3) providing a loan or scholarship to a physician or a person currently enrolled in health care education courses at an institution of higher education who contracts to become a medical staff member or district employee; or
- (4) contracting with a full-time medical student or other student in a health occupation who is enrolled in and in good standing at an accredited medical school, college, or university to pay the student's tuition or other expenses for the consideration of the student agreeing to serve as an employee or independent contractor for the district.
- <u>Sec. 1122.064. APPOINTMENT AND REMOVAL OF</u> MEDICAL STAFF. The board may:
- (1) appoint to the medical staff any doctor the board considers necessary for the efficient operation of the district;
- (2) remove any doctor from the medical staff, after due process, if the board considers the doctor's removal necessary for the efficient operation of the district; and
- (3) make temporary appointments to the medical staff as the

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board considers necessary.

- Sec. 1122.065. RETIREMENT BENEFITS. The board may provide retirement benefits for district employees by:
- (1) establishing or administering a retirement program; or(2) participating in:
- (A) the Texas County and District Retirement System; or
- (B) another statewide retirement system in which the district is eligible to participate.

SUBCHAPTER C. POWERS AND DUTIES

- Sec. 1122.101. DISTRICT RESPONSIBILITY. The district has full responsibility for operating hospital facilities and providing medical and hospital care for the district's needy residents.
- Sec. 1122.102. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and administer the hospital system and the money and resources of the district.
- Sec. 1122.103. RULES. The board may adopt rules governing:
- (1) the operation of the hospital and hospital system; and
- (2) the duties, functions, and responsibilities of district staff and employees.
- Sec. 1122.104. PURCHASING AND ACCOUNTING PROCEDURES. The board may prescribe:
- (1) the method of making purchases and expenditures by and for the district; and
- (2) accounting and control procedures for the district.
- Sec. 1122.105. PROVISION OF CERTAIN HEALTH SERVICES. (a) The district may operate or provide for the operation of a mobile emergency medical service.
- (b) The district may operate or provide for home health services, long-term care, skilled nursing care, intermediate

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nursing care, or hospice care.

Sec. 1122.106. DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a) The board shall determine:

- (1) the type, number, and location of buildings required to maintain an adequate hospital system; and
- (2) the type of equipment necessary for hospital care.
- (b) The board may:
- (1) acquire property, facilities, and equipment for the district for use in the hospital system;
- (2) mortgage or pledge the property, facilities, or equipment as security for payment of the purchase price;
- (3) sell or otherwise dispose of property, facilities, or equipment for the district; or
- (4) lease hospital facilities for the district.
- Sec. 1122.107. OPERATING AND MANAGEMENT CONTRACTS. The board may enter into operating or management contracts relating to hospital facilities for the district.
- Sec. 1122.108. SERVICE CONTRACTS. (a) The board may contract with a public or private hospital, a political subdivision of the state, or a state or federal agency for the district to provide a mobile emergency medical service or other health care services needed to provide for the investigatory or welfare needs of residents of the district.
- (b) The board may contract with a person to receive or supply the services the board considers necessary for the effective operation of the district.
- Sec. 1122.109. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in property located in district territory if the interest is necessary for the district to exercise the rights or authority conferred by this chapter.

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- (b) The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, except that the district is not required to deposit with the trial court money or a bond as provided by Section 21.021(a), Property Code.
- (c) In a condemnation proceeding brought by the district, the district is not required to:
- (1) pay in advance or provide bond or other security for costs in the trial court;
- (2) provide bond for the issuance of a temporary restraining order or a temporary injunction; or
- (3) provide a bond for costs or a supersedeas bond on an appeal or petition for review.
- Sec. 1122.110. COST OF RELOCATING OR ALTERING PROPERTY. In exercising the power of eminent domain, if the board requires relocating, raising, lowering, rerouting, changing the grade, or altering the construction of any railroad, highway, pipeline, or electric transmission and electric distribution, telegraph, or telephone line, conduit, pole, or facility, the district shall pay the actual cost of that activity to provide a comparable replacement, without enhancement of facilities, after deducting the net salvage value derived from the old facility.
- Sec. 1122.111. GIFTS AND ENDOWMENTS. The board may accept for the district a gift or endowment to be held in trust for any purpose and under any direction, limitation, or provision in writing by the donor that is consistent with the proper management of the district.
- Sec. 1122.112. PAYMENT FOR TREATMENT; PROCEDURES. (a) When a person who resides in the district is admitted as a patient to a district facility, the district administrator may have an inquiry made into the financial

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circumstances of:

- (1) the patient; and
- (2) a relative of the patient who is legally responsible for the patient's support.
- (b) To the extent that the patient or a relative of the patient who is legally responsible for the patient's support cannot pay for care and treatment provided by the district, the district shall supply the care and treatment without charging the patient or the patient's relative.
- (c) On determining that the patient or a relative legally responsible for the patient's support can pay for all or part of the care and treatment provided by the district, the district administrator shall report that determination to the board, and the board shall issue an order directing the patient or the relative to pay the district a specified amount each week. The amount must be based on the person's ability to pay.
- (d) The district administrator may collect money owed to the district from the patient's estate or from that of a relative legally responsible for the patient's support in the manner provided by law for the collection of expenses in the last illness of a deceased person.
- (e) If there is a dispute relating to a person's ability to pay or if the district administrator has any doubt concerning a person's ability to pay, the board shall call witnesses, hear and resolve the question, and issue a final order. The order may be appealed to a district court in any county in which the district is located. The substantial evidence rule applies to an appeal under this subsection.
- Sec. 1122.113. REIMBURSEMENT FOR SERVICES. (a) The board shall require a county, municipality, or public hospital located outside of the district to reimburse the district for the district's care and treatment of a sick or injured person

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- of that county, municipality, or hospital, as provided by Chapter 61, Health and Safety Code.
- (b) The board shall require the sheriff of Hidalgo County to reimburse the district for the district's care and treatment of a person who is confined in a jail facility of Hidalgo County and is not a resident of the district.
- (c) On behalf of the district, the board may contract with the state or federal government for that government to reimburse the district for treatment of a sick or injured person.
- Sec. 1122.114. NONPROFIT CORPORATION. (a) The district may create and sponsor a nonprofit corporation under the Business Organizations Code and may contribute money to or solicit money for the corporation.
- (b) A corporation created under this section may use money contributed by the district only to provide health care or other services the district is authorized to provide under this chapter.
- (c) The corporation may invest the corporation's money in any manner in which the district may invest the district's money, including investing money as authorized by Chapter 2256, Government Code.
- (d) The board shall establish controls to ensure that the corporation uses its money as required by this section.
- Sec. 1122.115. LOANS AND GRANTS FOR ECONOMIC DEVELOPMENT PURPOSES. Under the authority granted by Section 52-a, Article III, Texas Constitution, the district may loan or grant money to any person for the development of medical education and research in the district.
- <u>Sec. 1122.116.</u> AUTHORITY TO SUE AND BE SUED. The board may sue and be sued on behalf of the district.
- Sec. 1122.117. CONSTRUCTION CONTRACTS; ADVERTISING FOR CERTAIN CONSTRUCTION CONTRACTS. (a) The board may enter into a construction

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contract on the district's behalf.

(b) The board may enter into a construction contract only after competitive bidding as provided by Subchapter B, Chapter 271, Local Government Code, if the amount of the contract is greater than the amount provided by Section 271.024 of that code.

<u>SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS</u>
<u>Sec. 1122.151. BUDGET. (a) The district administrator</u> shall prepare a proposed annual budget for the district.

- (b) The proposed budget must contain a complete financial statement, including a statement of:
- (1) the outstanding obligations of the district;
- (2) the amount of cash on hand to the credit of each fund of the district;
- (3) the amount of money received by the district from all sources during the previous year;
- (4) the amount of money available to the district from all sources during the ensuing year;
- (5) the amount of the balances expected at the end of the year in which the budget is being prepared;
- (6) the estimated amount of revenues and balances available to cover the proposed budget; and
- (7) the estimated tax rate required.
- Sec. 1122.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a) The board shall hold a public hearing on the proposed budget.
- (b) The board shall publish notice of the hearing in a newspaper with general circulation in the district not later than the 10th day before the date of the hearing.
- (c) Any district resident is entitled to be present and participate at the hearing.
- (d) At the conclusion of the hearing, the board shall adopt a

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budget by acting on the budget proposed by the district administrator. The board may make a change in the proposed budget that the board determines to be in the interests of the taxpayers.

- (e) The budget is effective only after adoption by the board. Sec. 1122.153. AMENDMENT OF BUDGET. After the budget is adopted, the budget may be amended on the board's approval.
- <u>Sec. 1122.154.</u> FISCAL YEAR. (a) The district operates according to a fiscal year established by the board.
- (b) The fiscal year may not be changed:
- (1) during a period in which revenue bonds of the district are outstanding; or
- (2) more than once in a 24-month period.
- Sec. 1122.155. ANNUAL AUDIT. The board shall have an annual audit made of the financial condition of the district.
- Sec. 1122.156. INSPECTION OF ANNUAL AUDIT AND DISTRICT RECORDS. The annual audit and other district records are open to inspection during regular business hours at the principal office of the district.
- Sec. 1122.157. FINANCIAL REPORT. As soon as practicable after the close of each fiscal year, the district administrator shall prepare for the board a sworn statement of the amount of district money and an account of the disbursement of that money.
- <u>Sec. 1122.158.</u> <u>SHORT-TERM FINANCING.</u> <u>The district</u> may borrow money through short-term financing.
- Sec. 1122.159. DEBT LIMITATION. Except as provided by this chapter and Chapter 1207, Government Code, the district may not incur a debt payable from district revenue other than revenue available in the current fiscal year and the immediately following fiscal year of the district.

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<u>Sec. 1122.160. DEPOSITORY.</u> (a) The board shall select at <u>least one bank to serve as a depository for district money.</u>

- (b) The board may solicit bids from local financial institutions to determine which institution may serve as a depository for district money.
- (c) District money, other than money invested as provided by Section 1122.161 and money transmitted to a bank for payment of bonds or obligations issued or assumed by the district, shall be deposited as received with the depository bank and shall remain on deposit. This subsection does not limit the board's power to place part of the district's money on time deposit or to purchase certificates of deposit.
- Sec. 1122.161. RESTRICTION ON INVESTMENT. The board may invest operating, depreciation, or building reserves only in funds or securities specified by Chapter 2256, Government Code.

SUBCHAPTER E. BONDS

- Sec. 1122.201. GENERAL OBLIGATION BONDS. If authorized by an election, the board may issue and sell general obligation bonds in the name and on the faith and credit of the district to:
- (1) purchase, construct, acquire, repair, or renovate buildings or improvements;
- (2) equip buildings or improvements for hospital purposes; or (3) acquire and operate a mobile emergency medical service.
- Sec. 1122.202. TAX TO PAY GENERAL OBLIGATION BONDS. (a) At the time general obligation bonds are issued by the district under Section 1122.201, the board shall impose an ad valorem tax in an amount sufficient to create an interest
- and sinking fund to pay the principal of and interest on the bonds as the bonds mature.
- (b) The tax required by this section together with any other

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tax the district imposes in any year may not exceed the limit approved by the voters at the election authorizing the imposition of taxes.

Sec. 1122.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds only if the bonds are authorized by a majority of the voters voting in an election held for that purpose.

- (b) The board may order a bond election. The order calling the election must specify:
- (1) the nature and date of the election;
- (2) the hours during which the polls will be open;
- (3) the location of polling places;
- (4) the amounts of the bonds to be authorized; and
- (5) the maximum maturity of the bonds.
- (c) Notice of a bond election must be given as provided by Chapter 1251, Government Code.
- (d) The board shall declare the results of the election.
- <u>Sec. 1122.204.</u> REVENUE BONDS. (a) The board may issue revenue bonds to:
- (1) acquire, purchase, construct, repair, renovate, or equip buildings or improvements for hospital purposes;
- (2) acquire sites to be used for hospital purposes; or
- (3) acquire and operate a mobile emergency medical service to assist the district in carrying out its hospital purposes.
- (b) The bonds must be payable from and secured by a pledge of all or part of the revenues derived from the operation of the district's hospital system.
- (c) The bonds may be additionally secured by a mortgage or deed of trust lien on all or part of the district property.
- (d) The bonds must be issued in the manner provided by Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health and Safety Code, for issuance of revenue

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bonds by county hospital authorities.

<u>Sec. 1122.205. MATURITY. District bonds must mature not later than 40 years after the date of their issuance.</u>

<u>Sec. 1122.206. EXECUTION OF BONDS.</u> (a) The board president shall execute district bonds in the district's name.

(b) The board secretary shall countersign the bonds in the manner provided by Chapter 618, Government Code.

Sec. 1122.207. BONDS NOT SUBJECT TO TAXATION. The following are not subject to taxation by the state or by a political subdivision of the state:

- (1) bonds issued by the district;
- (2) any transaction relating to the bonds; and
- (3) profits made in the sale of the bonds.

SUBCHAPTER F. AD VALOREM TAX

Sec. 1122.251. IMPOSITION OF AD VALOREM TAX. (a) The board shall impose a tax on all property in the district subject to hospital district taxation.

- (b) The tax may be used to pay:
- (1) indebtedness issued or assumed by the district; and
- (2) the maintenance and operating expenses of the district.
- (c) The district may not impose a tax to pay the principal of or interest on revenue bonds issued under this chapter.
- Sec. 1122.252. TAX RATE. (a) The tax rate on all taxable property in the district for all purposes may not exceed 75 cents on each \$100 valuation of the property according to the most recent certified tax appraisal roll of the district.
- (b) In setting the tax rate, the board shall consider district income from sources other than taxation.

Sec. 1122.253. TAX ASSESSOR-COLLECTOR. The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by the Tax Code.

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SUBCHAPTER G. DISSOLUTION

- Sec. 1122.301. DISSOLUTION; ELECTION. (a) The district may be dissolved only on approval of a majority of the voters voting in an election held for that purpose.
- (b) The board may order an election on the question of dissolving the district and disposing of the district's assets and obligations.
- (c) The board shall order an election if the board receives a petition requesting an election that is signed by at least 15 percent of the district's registered voters.
- (d) The order calling the election must state:
- (1) the nature of the election, including the proposition that is to appear on the ballot;
- (2) the date of the election;
- (3) the hours during which the polls will be open; and
- (4) the location of the polling places.
- (e) Section 41.001(a), Election Code, does not apply to an election ordered under this section.
- Sec. 1122.302. NOTICE OF ELECTION. (a) The board shall give notice of an election under this subchapter by publishing a substantial copy of the election order in a newspaper with general circulation in the district once a week for two consecutive weeks.
- (b) The first publication must appear not later than the 30th day before the date set for the election.
- Sec. 1122.303. BALLOT. The ballot for an election under this subchapter must be printed to permit voting for or against the proposition: "The dissolution of the Hidalgo County Hospital District."
- Sec. 1122.304. ELECTION RESULTS. (a) If a majority of the votes in an election under this subchapter favor dissolution, the board shall order that the district be dissolved.

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- (b) If a majority of the votes in an election under this subchapter do not favor dissolution, the board shall continue to administer the district, and another election on the question of dissolution may not be held before the first anniversary of the date of the most recent election to dissolve the district.

 Sec. 1122.305. TRANSFER OR ADMINISTRATION OF ASSETS. (a) If a majority of the votes in an election under this subchapter favor dissolution, the board shall:
- (1) transfer the land, buildings, improvements, equipment, and other assets belonging to the district to Hidalgo County or another governmental entity in Hidalgo County; or
- (2) administer the property, assets, and debts of the district until all money has been disposed of and all district debts have been paid or settled.
- (b) If the board makes the transfer under Subsection (a)(1), the county or entity assumes all debts and obligations of the district at the time of the transfer and the district is dissolved.
- (c) If Subsection (a)(1) does not apply and the board administers the property, assets, and debts of the district under Subsection (a)(2), the district is dissolved when all money has been disposed of and all district debts have been paid or settled.
- Sec. 1122.306. IMPOSITION OF TAX AND RETURN OF SURPLUS TAXES. (a) After the board determines that the district is dissolved, the board shall:
- (1) determine the debt owed by the district; and
- (2) impose on the property included in the district's tax rolls a tax that is in proportion of the debt to the property value.
- (b) On the payment of all outstanding debts and obligations of the district, the board shall order the secretary to return to each district taxpayer the taxpayer's pro rata share of all unused tax money.

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(c) A taxpayer may request that the taxpayer's share of surplus tax money be credited to the taxpayer's county taxes. If a taxpayer requests the credit, the board shall direct the secretary to transmit the funds to the tax assessor-collector for Hidalgo County.

Sec. 1122.307. REPORT; DISSOLUTION ORDER. (a) After the district has paid all its debts and has disposed of all its money and other assets as prescribed by this subchapter, the board shall file a written report with the Hidalgo County Commissioners Court summarizing the board's actions in dissolving the district.

(b) Not later than the 10th day after the date the Hidalgo County Commissioners Court receives the report and determines that the requirements of this subchapter have been fulfilled, the commissioners court shall enter an order dissolving the district and releasing the board from any further duty or obligation. [FA2]

SECTION __. (a) The members of the board of directors of the Hidalgo County Hospital District elected at the first election held under Section 1122.051, Special District Local Laws Code, as added by this Act, shall draw lots to determine which three directors serve a two-year term and which two directors serve a one-year term.

(b) Successor directors shall serve two-year terms. [FA2]

SECTION __. Proof of publication of the notice required in the enactment of this Act under the provisions of Section 9, Article IX, Texas Constitution, has been made in the manner and form provided by law pertaining to the enactment of local and special laws, and the notice is found and declared proper and sufficient to satisfy the requirement. [FA2]

No equivalent provision.

No equivalent provision.

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(See SECTION 9 above)

SECTION __. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013. [FA2]