

1-1 By: Coleman (Senate Sponsor - Lucio) H.B. No. 2977
 1-2 (In the Senate - Received from the House May 11, 2015;
 1-3 May 12, 2015, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 26, 2015, reported adversely,
 1-5 with favorable Committee Substitute by the following vote: Yeas 4,
 1-6 Nays 2; May 26, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12		X		
1-13		X		
1-14			X	
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 2977 By: Lucio

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to issues affecting counties and certain other
 1-20 governmental entities; authorizing fees.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subchapter B, Chapter 1, Family Code, is amended
 1-23 by adding Section 1.109 to read as follows:

1-24 Sec. 1.109. CERTAIN MARRIAGE LICENSES AND DECLARATIONS OF
 1-25 INFORMAL MARRIAGE PROHIBITED. (a) This state or a political
 1-26 subdivision of this state may not use any funds to issue, enforce,
 1-27 or recognize a marriage license or declaration of informal marriage
 1-28 for a union other than a union between one man and one woman.

1-29 (b) An employee or official of this state or a political
 1-30 subdivision of this state may not issue, enforce, or recognize a
 1-31 marriage license or declaration of informal marriage for a union
 1-32 other than a union between one man and one woman.

1-33 (c) This state or a political subdivision of this state may
 1-34 not use any funds to enforce an order requiring the issuance,
 1-35 enforcement, or recognition of a marriage license or declaration of
 1-36 informal marriage for a union other than a union between one man and
 1-37 one woman.

1-38 SECTION 2. Effective September 1, 2015, Subchapter H,
 1-39 Chapter 51, Government Code, is amended by adding Section 51.712 to
 1-40 read as follows:

1-41 Sec. 51.712. ADDITIONAL FILING FEE FOR CIVIL CASES IN
 1-42 KAUFMAN COUNTY. (a) This section applies only to district courts,
 1-43 statutory probate courts, county courts at law, and justice courts
 1-44 in Kaufman County.

1-45 (b) Except as otherwise provided by this section and in
 1-46 addition to all other fees authorized or required by other law, the
 1-47 clerk of a court shall collect a filing fee of not more than \$15 in
 1-48 each civil case filed in the court to be used for the construction,
 1-49 renovation, or improvement of the facilities that house the Kaufman
 1-50 courts collecting the fee.

1-51 (c) Court fees due under this section shall be collected in
 1-52 the same manner as other fees, fines, or costs are collected in the
 1-53 case.

1-54 (d) The clerk shall send the fees collected under this
 1-55 section to the county treasurer or to any other official who
 1-56 discharges the duties commonly assigned to the county treasurer at
 1-57 least as frequently as monthly. The treasurer or other official
 1-58 shall deposit the fees in a special account in the county treasury
 1-59 dedicated to the construction, renovation, or improvement of the
 1-60 facilities that house the courts collecting the fee.

2-1 (e) This section applies only to fees for a 12-month period
2-2 beginning July 1, if the commissioners court:

2-3 (1) adopts a resolution authorizing a fee of not more
2-4 than \$15; and

2-5 (2) files the resolution with the county treasurer or
2-6 with any other official who discharges the duties commonly assigned
2-7 to the county treasurer not later than June 1 immediately preceding
2-8 the first 12-month period during which the fees are to be collected.

2-9 (f) A resolution adopted under Subsection (e) continues
2-10 from year to year until July 1, 2030, allowing the county to collect
2-11 fees under the terms of this section until the resolution is
2-12 rescinded.

2-13 (g) The commissioners court may rescind a resolution
2-14 adopted under Subsection (e) by adopting a resolution rescinding
2-15 the resolution and submitting the rescission resolution to the
2-16 county treasurer or to any other official who discharges the duties
2-17 commonly assigned to the county treasurer not later than June 1
2-18 preceding the beginning of the first day of the county fiscal year.
2-19 The commissioners court may adopt an additional resolution in the
2-20 manner provided by Subsection (e) after rescinding a previous
2-21 resolution under that subsection.

2-22 (h) A fee established under a particular resolution is
2-23 abolished on the earlier of:

2-24 (1) the date a resolution adopted under Subsection (e)
2-25 is rescinded as provided by Subsection (g); or

2-26 (2) July 1, 2030.

2-27 SECTION 3. Effective September 1, 2015, Subchapter D,
2-28 Chapter 101, Government Code, is amended by adding Section
2-29 101.061193 to read as follows:

2-30 Sec. 101.061193. ADDITIONAL DISTRICT COURT FEES FOR COURT
2-31 FACILITIES: GOVERNMENT CODE. The clerk of a district court in
2-32 Kaufman County shall collect an additional filing fee of not more
2-33 than \$15 under Section 51.712, Government Code, in civil cases to
2-34 fund the construction, renovation, or improvement of court
2-35 facilities, if authorized by the county commissioners court.

2-36 SECTION 4. Effective September 1, 2015, Subchapter E,
2-37 Chapter 101, Government Code, is amended by adding Section
2-38 101.081196 to read as follows:

2-39 Sec. 101.081196. ADDITIONAL STATUTORY COUNTY COURT FEES FOR
2-40 COURT FACILITIES: GOVERNMENT CODE. The clerk of a statutory county
2-41 court in Kaufman County shall collect an additional filing fee of
2-42 not more than \$15 under Section 51.712, Government Code, in civil
2-43 cases to fund the construction, renovation, or improvement of court
2-44 facilities, if authorized by the county commissioners court.

2-45 SECTION 5. Effective September 1, 2015, Subchapter F,
2-46 Chapter 101, Government Code, is amended by adding Section
2-47 101.101191 to read as follows:

2-48 Sec. 101.101191. ADDITIONAL STATUTORY PROBATE COURT FEES
2-49 FOR COURT FACILITIES: GOVERNMENT CODE. The clerk of a statutory
2-50 probate court in Kaufman County shall collect an additional filing
2-51 fee of not more than \$15 under Section 51.712, Government Code, in
2-52 civil cases to fund the construction, renovation, or improvement of
2-53 court facilities, if authorized by the county commissioners court.

2-54 SECTION 6. Effective September 1, 2015, Subchapter H,
2-55 Chapter 101, Government Code, is amended by adding Section 101.143
2-56 to read as follows:

2-57 Sec. 101.143. ADDITIONAL JUSTICE COURT FEE FOR COURT
2-58 FACILITIES COLLECTED BY CLERK. The clerk of a justice court in
2-59 Kaufman County shall collect an additional filing fee of not more
2-60 than \$15 under Section 51.712, Government Code, in civil cases to
2-61 fund the construction, renovation, or improvement of court
2-62 facilities, if authorized by the county commissioners court.

2-63 SECTION 7. Section 1502.056, Government Code, is amended by
2-64 adding Subsection (a-1) to read as follows:

2-65 (a-1) For a municipality in a county that contains an
2-66 international border and borders the Gulf of Mexico, the first lien
2-67 against the revenue of a municipally owned utility system that
2-68 secures the payment of public securities issued or obligations
2-69 incurred under this chapter also applies to funding, as a necessary

3-1 operations expense, for a bill payment assistance program for the
3-2 utility system's customers who:

3-3 (1) have been determined by the municipality to be
3-4 low-income customers;

3-5 (2) are military veterans who have significantly
3-6 decreased abilities to regulate their bodies' core temperatures
3-7 because of severe burns received in combat; or

3-8 (3) are elderly and low-income customers as determined
3-9 by the municipality.

3-10 SECTION 8. Section 194.001, Health and Safety Code, is
3-11 amended by adding Subsection (c) to read as follows:

3-12 (c) A county clerk may not file, and the vital statistics
3-13 unit may not enter into the vital statistics system, a document copy
3-14 described by Subsection (a) or (b) that is associated with a union
3-15 other than a union between one man and one woman. If the vital
3-16 statistics unit determines that the document copy is associated
3-17 with a union other than a union between one man and one woman, the
3-18 vital statistics unit shall provide the document copy to the
3-19 attorney general.

3-20 SECTION 9. Section 285.101, Health and Safety Code, is
3-21 amended by amending Subsection (a) and adding Subsection (b-1) to
3-22 read as follows:

3-23 (a) This subchapter applies only to a hospital, hospital
3-24 district, or authority created and operated under Article IX, Texas
3-25 Constitution, under a special law, or under this title [~~that is~~
3-26 ~~located in:~~

3-27 ~~[(1) a county with a population of 35,000 or less;~~

3-28 ~~[(2) those portions of extended municipalities that~~
3-29 ~~the federal census bureau has determined to be rural; or~~

3-30 ~~[(3) an area that is not delineated as an urbanized~~
3-31 ~~area by the federal census bureau].~~

3-32 (b-1) A facility or service under Subsection (b) may be
3-33 located or offered, as applicable, in any location that the
3-34 governing body of the hospital, hospital district, or authority
3-35 considers to be in the best interest of the hospital, hospital
3-36 district, or authority, subject to any limitation imposed by:

3-37 (1) a rule of the Department of State Health Services;
3-38 or

3-39 (2) an order of the commissioners court of a county in
3-40 which any part of the facility will be located or the service will
3-41 be offered, if the county in which any part of the facility will be
3-42 located or the service will be offered does not have a public
3-43 hospital, hospital district, or hospital authority.

3-44 SECTION 10. Section 288.001(4), Health and Safety Code, is
3-45 amended to read as follows:

3-46 (4) "Institutional health care provider" means a
3-47 nonpublic hospital that provides inpatient hospital services
3-48 [~~licensed under Chapter 241~~].

3-49 SECTION 11. Subtitle D, Title 4, Health and Safety Code, is
3-50 amended by adding Chapter 291 to read as follows:

3-51 CHAPTER 291. COUNTY HEALTH CARE PROVIDER PARTICIPATION PROGRAM IN
3-52 CERTAIN COUNTIES BORDERING ARKANSAS

3-53 SUBCHAPTER A. GENERAL PROVISIONS

3-54 Sec. 291.001. DEFINITIONS. In this chapter:

3-55 (1) "Institutional health care provider" means a
3-56 nonpublic hospital that provides inpatient hospital services.

3-57 (2) "Paying hospital" means an institutional health
3-58 care provider required to make a mandatory payment under this
3-59 chapter.

3-60 (3) "Program" means the county health care provider
3-61 participation program authorized by this chapter.

3-62 Sec. 291.002. APPLICABILITY. This chapter applies only to
3-63 a county that:

3-64 (1) is not served by a hospital district or a public
3-65 hospital;

3-66 (2) is located on the state border with Arkansas; and

3-67 (3) has a population of more than 90,000.

3-68 Sec. 291.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION
3-69 PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care

4-1 provider participation program authorizes a county to collect a
 4-2 mandatory payment from each institutional health care provider
 4-3 located in the county to be deposited in a local provider
 4-4 participation fund established by the county. Money in the fund may
 4-5 be used by the county to fund certain intergovernmental transfers
 4-6 and indigent care programs as provided by this chapter.

4-7 (b) The commissioners court may adopt an order authorizing a
 4-8 county to participate in the program, subject to the limitations
 4-9 provided by this chapter.

4-10 SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

4-11 Sec. 291.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY
 4-12 PAYMENT. The commissioners court of a county may require a
 4-13 mandatory payment authorized under this chapter by an institutional
 4-14 health care provider in the county only in the manner provided by
 4-15 this chapter.

4-16 Sec. 291.052. MAJORITY VOTE REQUIRED. The commissioners
 4-17 court of a county may not authorize the county to collect a
 4-18 mandatory payment authorized under this chapter without an
 4-19 affirmative vote of a majority of the members of the commissioners
 4-20 court.

4-21 Sec. 291.053. RULES AND PROCEDURES. After the
 4-22 commissioners court has voted to require a mandatory payment
 4-23 authorized under this chapter, the commissioners court may adopt
 4-24 rules relating to the administration of the mandatory payment.

4-25 Sec. 291.054. INSTITUTIONAL HEALTH CARE PROVIDER
 4-26 REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a
 4-27 county that collects a mandatory payment authorized under this
 4-28 chapter shall require each institutional health care provider to
 4-29 submit to the county a copy of any financial and utilization data
 4-30 required by and reported to the Department of State Health Services
 4-31 under Sections 311.032 and 311.033 and any rules adopted by the
 4-32 executive commissioner of the Health and Human Services Commission
 4-33 to implement those sections.

4-34 (b) The commissioners court of a county that collects a
 4-35 mandatory payment authorized under this chapter may inspect the
 4-36 records of an institutional health care provider to the extent
 4-37 necessary to ensure compliance with the requirements of Subsection
 4-38 (a).

4-39 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

4-40 Sec. 291.101. HEARING. (a) Each year, the commissioners
 4-41 court of a county that collects a mandatory payment authorized
 4-42 under this chapter shall hold a public hearing on the amounts of any
 4-43 mandatory payments that the commissioners court intends to require
 4-44 during the year and how the revenue derived from those payments is
 4-45 to be spent.

4-46 (b) Not later than the 10th day before the date of the
 4-47 hearing required under Subsection (a), the commissioners court of
 4-48 the county shall publish notice of the hearing in a newspaper of
 4-49 general circulation in the county.

4-50 (c) A representative of a paying hospital is entitled to
 4-51 appear at the time and place designated in the public notice and to
 4-52 be heard regarding any matter related to the mandatory payments
 4-53 authorized under this chapter.

4-54 Sec. 291.102. DEPOSITORY. (a) The commissioners court of
 4-55 each county that collects a mandatory payment authorized under this
 4-56 chapter by resolution shall designate one or more banks located in
 4-57 the county as the depository for mandatory payments received by the
 4-58 county. A bank designated as a depository serves for two years or
 4-59 until a successor is designated.

4-60 (b) All income received by a county under this chapter,
 4-61 including the revenue from mandatory payments remaining after
 4-62 discounts and fees for assessing and collecting the payments are
 4-63 deducted, shall be deposited with the county depository in the
 4-64 county's local provider participation fund and may be withdrawn
 4-65 only as provided by this chapter.

4-66 (c) All funds under this chapter shall be secured in the
 4-67 manner provided for securing county funds.

4-68 Sec. 291.103. LOCAL PROVIDER PARTICIPATION FUND;
 4-69 AUTHORIZED USES OF MONEY. (a) Each county that collects a

5-1 mandatory payment authorized under this chapter shall create a
 5-2 local provider participation fund.

5-3 (b) The local provider participation fund of a county
 5-4 consists of:

5-5 (1) all revenue received by the county attributable to
 5-6 mandatory payments authorized under this chapter, including any
 5-7 penalties and interest attributable to delinquent payments;

5-8 (2) money received from the Health and Human Services
 5-9 Commission as a refund of an intergovernmental transfer from the
 5-10 county to the state for the purpose of providing the nonfederal
 5-11 share of Medicaid supplemental payment program payments, provided
 5-12 that the intergovernmental transfer does not receive a federal
 5-13 matching payment; and

5-14 (3) the earnings of the fund.

5-15 (c) Money deposited to the local provider participation
 5-16 fund may be used only to:

5-17 (1) fund intergovernmental transfers from the county
 5-18 to the state to provide:

5-19 (A) the nonfederal share of a Medicaid
 5-20 supplemental payment program authorized under the state Medicaid
 5-21 plan, the Texas Healthcare Transformation and Quality Improvement
 5-22 Program waiver issued under Section 1115 of the federal Social
 5-23 Security Act (42 U.S.C. Section 1315), or a successor waiver
 5-24 program authorizing similar Medicaid supplemental payment
 5-25 programs; or

5-26 (B) payments to Medicaid managed care
 5-27 organizations that are dedicated for payment to hospitals;

5-28 (2) subsidize indigent programs;

5-29 (3) pay the administrative expenses of the county
 5-30 solely for activities under this chapter;

5-31 (4) refund a portion of a mandatory payment collected
 5-32 in error from a paying hospital; and

5-33 (5) refund to paying hospitals the proportionate share
 5-34 of money received by the county from the Health and Human Services
 5-35 Commission that is not used to fund the nonfederal share of Medicaid
 5-36 supplemental payment program payments.

5-37 (d) Money in the local provider participation fund may not
 5-38 be commingled with other county funds.

5-39 (e) An intergovernmental transfer of funds described by
 5-40 Subsection (c)(1) and any funds received by the county as a result
 5-41 of an intergovernmental transfer described by that subsection may
 5-42 not be used by the county or any other entity to expand Medicaid
 5-43 eligibility under the Patient Protection and Affordable Care Act
 5-44 (Pub. L. No. 111-148) as amended by the Health Care and Education
 5-45 Reconciliation Act of 2010 (Pub. L. No. 111-152).

5-46 SUBCHAPTER D. MANDATORY PAYMENTS

5-47 Sec. 291.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL
 5-48 NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the
 5-49 commissioners court of a county that collects a mandatory payment
 5-50 authorized under this chapter may require an annual mandatory
 5-51 payment to be assessed on the net patient revenue of each
 5-52 institutional health care provider located in the county. The
 5-53 commissioners court may provide for the mandatory payment to be
 5-54 assessed quarterly. In the first year in which the mandatory
 5-55 payment is required, the mandatory payment is assessed on the net
 5-56 patient revenue of an institutional health care provider as
 5-57 determined by the data reported to the Department of State Health
 5-58 Services under Sections 311.032 and 311.033 in the fiscal year
 5-59 ending in 2013 or, if the institutional health care provider did not
 5-60 report any data under those sections in that fiscal year, as
 5-61 determined by the institutional health care provider's Medicare
 5-62 cost report submitted for the 2013 fiscal year or for the closest
 5-63 subsequent fiscal year for which the provider submitted the
 5-64 Medicare cost report. The county shall update the amount of the
 5-65 mandatory payment on an annual basis.

5-66 (b) The amount of a mandatory payment authorized under this
 5-67 chapter must be uniformly proportionate with the amount of net
 5-68 patient revenue generated by each paying hospital in the county. A
 5-69 mandatory payment authorized under this chapter may not hold

6-1 harmless any institutional health care provider, as required under
 6-2 42 U.S.C. Section 1396b(w).

6-3 (c) The commissioners court of a county that collects a
 6-4 mandatory payment authorized under this chapter shall set the
 6-5 amount of the mandatory payment. The amount of the mandatory
 6-6 payment required of each paying hospital may not exceed an amount
 6-7 that, when added to the amount of the mandatory payments required
 6-8 from all other paying hospitals in the county, equals an amount of
 6-9 revenue that exceeds six percent of the aggregate net patient
 6-10 revenue of all paying hospitals in the county.

6-11 (d) Subject to the maximum amount prescribed by Subsection
 6-12 (c), the commissioners court of a county that collects a mandatory
 6-13 payment authorized under this chapter shall set the mandatory
 6-14 payments in amounts that in the aggregate will generate sufficient
 6-15 revenue to cover the administrative expenses of the county for
 6-16 activities under this chapter, to fund an intergovernmental
 6-17 transfer described by Section 291.103(c)(1), and to pay for
 6-18 indigent programs, except that the amount of revenue from mandatory
 6-19 payments used for administrative expenses of the county for
 6-20 activities under this chapter in a year may not exceed the lesser of
 6-21 four percent of the total revenue generated from the mandatory
 6-22 payment or \$20,000.

6-23 (e) A paying hospital may not add a mandatory payment
 6-24 required under this section as a surcharge to a patient.

6-25 Sec. 291.152. ASSESSMENT AND COLLECTION OF MANDATORY
 6-26 PAYMENTS. (a) Except as provided by Subsection (b), the county tax
 6-27 assessor-collector shall collect the mandatory payment authorized
 6-28 under this chapter. The county tax assessor-collector shall charge
 6-29 and deduct from mandatory payments collected for the county a fee
 6-30 for collecting the mandatory payment in an amount determined by the
 6-31 commissioners court of the county, not to exceed the county tax
 6-32 assessor-collector's usual and customary charges.

6-33 (b) If determined by the commissioners court to be
 6-34 appropriate, the commissioners court may contract for the
 6-35 assessment and collection of mandatory payments in the manner
 6-36 provided by Title 1, Tax Code, for the assessment and collection of
 6-37 ad valorem taxes.

6-38 (c) Revenue from a fee charged by a county tax
 6-39 assessor-collector for collecting the mandatory payment shall be
 6-40 deposited in the county general fund and, if appropriate, shall be
 6-41 reported as fees of the county tax assessor-collector.

6-42 Sec. 291.153. INTEREST, PENALTIES, AND DISCOUNTS.
 6-43 Interest, penalties, and discounts on mandatory payments required
 6-44 under this chapter are governed by the law applicable to county ad
 6-45 valorem taxes.

6-46 Sec. 291.154. PURPOSE; CORRECTION OF INVALID PROVISION OR
 6-47 PROCEDURE. (a) The purpose of this chapter is to generate revenue
 6-48 by collecting from institutional health care providers a mandatory
 6-49 payment to be used to provide the nonfederal share of a Medicaid
 6-50 supplemental payment program.

6-51 (b) To the extent any provision or procedure under this
 6-52 chapter causes a mandatory payment authorized under this chapter to
 6-53 be ineligible for federal matching funds, the county may provide by
 6-54 rule for an alternative provision or procedure that conforms to the
 6-55 requirements of the federal Centers for Medicare and Medicaid
 6-56 Services.

6-57 SECTION 12. Subtitle D, Title 4, Health and Safety Code, is
 6-58 amended by adding Chapter 293 to read as follows:

6-59 CHAPTER 293. COUNTY HEALTH CARE PROVIDER PARTICIPATION PROGRAM IN
 6-60 CERTAIN COUNTIES IN THE TEXAS-LOUISIANA BORDER REGION
 6-61 SUBCHAPTER A. GENERAL PROVISIONS

6-62 Sec. 293.001. DEFINITIONS. In this chapter:

6-63 (1) "Institutional health care provider" means a
 6-64 nonpublic hospital that provides inpatient hospital services.

6-65 (2) "Paying hospital" means an institutional health
 6-66 care provider required to make a mandatory payment under this
 6-67 chapter.

6-68 (3) "Program" means the county health care provider
 6-69 participation program authorized by this chapter.

7-1 Sec. 293.002. APPLICABILITY. This chapter applies only to
7-2 a county that:

- 7-3 (1) is not served by a hospital district;
- 7-4 (2) is located in the Texas-Louisiana border region,
7-5 as that region is defined by Section 2056.002, Government Code; and
- 7-6 (3) has a population of more than 100,000 but less than
7-7 200,000.

7-8 Sec. 293.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION
7-9 PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care
7-10 provider participation program authorizes a county to collect a
7-11 mandatory payment from each institutional health care provider
7-12 located in the county to be deposited in a local provider
7-13 participation fund established by the county. Money in the fund may
7-14 be used by the county to fund certain intergovernmental transfers
7-15 and indigent care programs as provided by this chapter.

7-16 (b) The commissioners court may adopt an order authorizing a
7-17 county to participate in the program, subject to the limitations
7-18 provided by this chapter.

7-19 SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

7-20 Sec. 293.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY
7-21 PAYMENT. The commissioners court of a county may require a
7-22 mandatory payment authorized under this chapter by an institutional
7-23 health care provider in the county only in the manner provided by
7-24 this chapter.

7-25 Sec. 293.052. MAJORITY VOTE REQUIRED. The commissioners
7-26 court of a county may not authorize the county to collect a
7-27 mandatory payment authorized under this chapter without an
7-28 affirmative vote of a majority of the members of the commissioners
7-29 court.

7-30 Sec. 293.053. RULES AND PROCEDURES. After the
7-31 commissioners court has voted to require a mandatory payment
7-32 authorized under this chapter, the commissioners court may adopt
7-33 rules relating to the administration of the mandatory payment.

7-34 Sec. 293.054. INSTITUTIONAL HEALTH CARE PROVIDER
7-35 REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a
7-36 county that collects a mandatory payment authorized under this
7-37 chapter shall require each institutional health care provider to
7-38 submit to the county a copy of any financial and utilization data
7-39 required by and reported to the Department of State Health Services
7-40 under Sections 311.032 and 311.033 and any rules adopted by the
7-41 executive commissioner of the Health and Human Services Commission
7-42 to implement those sections.

7-43 (b) The commissioners court of a county that collects a
7-44 mandatory payment authorized under this chapter may inspect the
7-45 records of an institutional health care provider to the extent
7-46 necessary to ensure compliance with the requirements of Subsection
7-47 (a).

7-48 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

7-49 Sec. 293.101. HEARING. (a) Each year, the commissioners
7-50 court of a county that collects a mandatory payment authorized
7-51 under this chapter shall hold a public hearing on the amounts of any
7-52 mandatory payments that the commissioners court intends to require
7-53 during the year and how the revenue derived from those payments is
7-54 to be spent.

7-55 (b) Not later than the 10th day before the date of the
7-56 hearing required under Subsection (a), the commissioners court of
7-57 the county shall publish notice of the hearing in a newspaper of
7-58 general circulation in the county.

7-59 (c) A representative of a paying hospital is entitled to
7-60 appear at the time and place designated in the public notice and to
7-61 be heard regarding any matter related to the mandatory payments
7-62 authorized under this chapter.

7-63 Sec. 293.102. DEPOSITORY. (a) The commissioners court of
7-64 each county that collects a mandatory payment authorized under this
7-65 chapter by resolution shall designate one or more banks located in
7-66 the county as the depository for mandatory payments received by the
7-67 county. A bank designated as a depository serves for two years or
7-68 until a successor is designated.

7-69 (b) All income received by a county under this chapter,

8-1 including the revenue from mandatory payments remaining after
 8-2 discounts and fees for assessing and collecting the payments are
 8-3 deducted, shall be deposited with the county depository in the
 8-4 county's local provider participation fund and may be withdrawn
 8-5 only as provided by this chapter.

8-6 (c) All funds under this chapter shall be secured in the
 8-7 manner provided for securing county funds.

8-8 Sec. 293.103. LOCAL PROVIDER PARTICIPATION FUND;
 8-9 AUTHORIZED USES OF MONEY. (a) Each county that collects a
 8-10 mandatory payment authorized under this chapter shall create a
 8-11 local provider participation fund.

8-12 (b) The local provider participation fund of a county
 8-13 consists of:

8-14 (1) all revenue received by the county attributable to
 8-15 mandatory payments authorized under this chapter, including any
 8-16 penalties and interest attributable to delinquent payments;

8-17 (2) money received from the Health and Human Services
 8-18 Commission as a refund of an intergovernmental transfer from the
 8-19 county to the state for the purpose of providing the nonfederal
 8-20 share of Medicaid supplemental payment program payments, provided
 8-21 that the intergovernmental transfer does not receive a federal
 8-22 matching payment; and

8-23 (3) the earnings of the fund.

8-24 (c) Money deposited to the local provider participation
 8-25 fund may be used only to:

8-26 (1) fund intergovernmental transfers from the county
 8-27 to the state to provide the nonfederal share of a Medicaid
 8-28 supplemental payment program authorized under the state Medicaid
 8-29 plan, the Texas Healthcare Transformation and Quality Improvement
 8-30 Program waiver issued under Section 1115 of the federal Social
 8-31 Security Act (42 U.S.C. Section 1315), or a successor waiver
 8-32 program authorizing similar Medicaid supplemental payment
 8-33 programs;

8-34 (2) subsidize indigent programs;

8-35 (3) pay the administrative expenses of the county
 8-36 solely for activities under this chapter;

8-37 (4) refund a portion of a mandatory payment collected
 8-38 in error from a paying hospital; and

8-39 (5) refund to paying hospitals the proportionate share
 8-40 of money received by the county from the Health and Human Services
 8-41 Commission that is not used to fund the nonfederal share of Medicaid
 8-42 supplemental payment program payments.

8-43 (d) Money in the local provider participation fund may not
 8-44 be commingled with other county funds.

8-45 (e) An intergovernmental transfer of funds described by
 8-46 Subsection (c)(1) and any funds received by the county as a result
 8-47 of an intergovernmental transfer described by that subsection may
 8-48 not be used by the county or any other entity to expand Medicaid
 8-49 eligibility under the Patient Protection and Affordable Care Act
 8-50 (Pub. L. No. 111-148) as amended by the Health Care and Education
 8-51 Reconciliation Act of 2010 (Pub. L. No. 111-152).

8-52 SUBCHAPTER D. MANDATORY PAYMENTS

8-53 Sec. 293.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL
 8-54 NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the
 8-55 commissioners court of a county that collects a mandatory payment
 8-56 authorized under this chapter may require an annual mandatory
 8-57 payment to be assessed on the net patient revenue of each
 8-58 institutional health care provider located in the county. The
 8-59 commissioners court may provide for the mandatory payment to be
 8-60 assessed quarterly. In the first year in which the mandatory
 8-61 payment is required, the mandatory payment is assessed on the net
 8-62 patient revenue of an institutional health care provider as
 8-63 determined by the data reported to the Department of State Health
 8-64 Services under Sections 311.032 and 311.033 in the fiscal year
 8-65 ending in 2013 or, if the institutional health care provider did not
 8-66 report any data under those sections in that fiscal year, as
 8-67 determined by the institutional health care provider's cost report
 8-68 submitted for the 2013 fiscal year or for the closest subsequent
 8-69 fiscal year for which the provider submitted the cost report. The

9-1 county shall update the amount of the mandatory payment on an annual
9-2 basis.

9-3 (b) The amount of a mandatory payment authorized under this
9-4 chapter must be uniformly proportionate with the amount of net
9-5 patient revenue generated by each paying hospital in the county. A
9-6 mandatory payment authorized under this chapter may not hold
9-7 harmless any institutional health care provider, as required under
9-8 42 U.S.C. Section 1396b(w).

9-9 (c) The commissioners court of a county that collects a
9-10 mandatory payment authorized under this chapter shall set the
9-11 amount of the mandatory payment. The amount of the mandatory
9-12 payment required of each paying hospital may not exceed an amount
9-13 that, when added to the amount of the mandatory payments required
9-14 from all other paying hospitals in the county, equals an amount of
9-15 revenue that exceeds six percent of the aggregate net patient
9-16 revenue of all paying hospitals in the county.

9-17 (d) Subject to the maximum amount prescribed by Subsection
9-18 (c), the commissioners court of a county that collects a mandatory
9-19 payment authorized under this chapter shall set the mandatory
9-20 payments in amounts that in the aggregate will generate sufficient
9-21 revenue to cover the administrative expenses of the county for
9-22 activities under this chapter, to fund the nonfederal share of a
9-23 Medicaid supplemental payment program, and to pay for indigent
9-24 programs, except that the amount of revenue from mandatory payments
9-25 used for administrative expenses of the county for activities under
9-26 this chapter in a year may not exceed the lesser of four percent of
9-27 the total revenue generated from the mandatory payment or \$20,000.

9-28 (e) A paying hospital may not add a mandatory payment
9-29 required under this section as a surcharge to a patient.

9-30 Sec. 293.152. ASSESSMENT AND COLLECTION OF MANDATORY
9-31 PAYMENTS. (a) Except as provided by Subsection (b), the county tax
9-32 assessor-collector shall collect the mandatory payment authorized
9-33 under this chapter. The county tax assessor-collector shall charge
9-34 and deduct from mandatory payments collected for the county a fee
9-35 for collecting the mandatory payment in an amount determined by the
9-36 commissioners court of the county, not to exceed the county tax
9-37 assessor-collector's usual and customary charges.

9-38 (b) If determined by the commissioners court to be
9-39 appropriate, the commissioners court may contract for the
9-40 assessment and collection of mandatory payments in the manner
9-41 provided by Title 1, Tax Code, for the assessment and collection of
9-42 ad valorem taxes.

9-43 (c) Revenue from a fee charged by a county tax
9-44 assessor-collector for collecting the mandatory payment shall be
9-45 deposited in the county general fund and, if appropriate, shall be
9-46 reported as fees of the county tax assessor-collector.

9-47 Sec. 293.153. INTEREST, PENALTIES, AND DISCOUNTS.
9-48 Interest, penalties, and discounts on mandatory payments required
9-49 under this chapter are governed by the law applicable to county ad
9-50 valorem taxes.

9-51 Sec. 293.154. PURPOSE; CORRECTION OF INVALID PROVISION OR
9-52 PROCEDURE. (a) The purpose of this chapter is to generate revenue
9-53 by collecting from institutional health care providers a mandatory
9-54 payment to be used to provide the nonfederal share of a Medicaid
9-55 supplemental payment program.

9-56 (b) To the extent any provision or procedure under this
9-57 chapter causes a mandatory payment authorized under this chapter to
9-58 be ineligible for federal matching funds, the county may provide by
9-59 rule for an alternative provision or procedure that conforms to the
9-60 requirements of the federal Centers for Medicare and Medicaid
9-61 Services.

9-62 SECTION 13. Subtitle D, Title 4, Health and Safety Code, is
9-63 amended by adding Chapter 294 to read as follows:

9-64 CHAPTER 294. COUNTY HEALTH CARE PROVIDER PARTICIPATION PROGRAM IN
9-65 CERTAIN COUNTIES CONTAINING A PRIVATE UNIVERSITY
9-66 SUBCHAPTER A. GENERAL PROVISIONS

9-67 Sec. 294.001. DEFINITIONS. In this chapter:

9-68 (1) "Institutional health care provider" means a
9-69 nonpublic hospital licensed under Chapter 241.

10-1 (2) "Paying hospital" means an institutional health
10-2 care provider required to make a mandatory payment under this
10-3 chapter.

10-4 (3) "Program" means the county health care provider
10-5 participation program authorized by this chapter.

10-6 Sec. 294.002. APPLICABILITY. This chapter applies only to
10-7 a county that:

10-8 (1) is not served by a hospital district or a public
10-9 hospital;

10-10 (2) contains a private institution of higher education
10-11 with a student enrollment of more than 12,000; and

10-12 (3) has a population of less than 250,000.

10-13 Sec. 294.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION
10-14 PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care
10-15 provider participation program authorizes a county to collect a
10-16 mandatory payment from each institutional health care provider
10-17 located in the county to be deposited in a local provider
10-18 participation fund established by the county. Money in the fund may
10-19 be used by the county to fund certain intergovernmental transfers
10-20 and indigent care programs as provided by this chapter.

10-21 (b) The commissioners court may adopt an order authorizing a
10-22 county to participate in the program, subject to the limitations
10-23 provided by this chapter.

10-24 SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

10-25 Sec. 294.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY
10-26 PAYMENT. The commissioners court of a county may require a
10-27 mandatory payment authorized under this chapter by an institutional
10-28 health care provider in the county only in the manner provided by
10-29 this chapter.

10-30 Sec. 294.052. MAJORITY VOTE REQUIRED. The commissioners
10-31 court of a county may not authorize the county to collect a
10-32 mandatory payment authorized under this chapter without an
10-33 affirmative vote of a majority of the members of the commissioners
10-34 court.

10-35 Sec. 294.053. RULES AND PROCEDURES. After the
10-36 commissioners court has voted to require a mandatory payment
10-37 authorized under this chapter, the commissioners court may adopt
10-38 rules relating to the administration of the mandatory payment.

10-39 Sec. 294.054. INSTITUTIONAL HEALTH CARE PROVIDER
10-40 REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a
10-41 county that collects a mandatory payment authorized under this
10-42 chapter shall require each institutional health care provider to
10-43 submit to the county a copy of any financial and utilization data
10-44 required by and reported to the Department of State Health Services
10-45 under Sections [311.032](#) and [311.033](#) and any rules adopted by the
10-46 executive commissioner of the Health and Human Services Commission
10-47 to implement those sections.

10-48 (b) The commissioners court of a county that collects a
10-49 mandatory payment authorized under this chapter may inspect the
10-50 records of an institutional health care provider to the extent
10-51 necessary to ensure compliance with the requirements of Subsection
10-52 (a).

10-53 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

10-54 Sec. 294.101. HEARING. (a) Each year, the commissioners
10-55 court of a county that collects a mandatory payment authorized
10-56 under this chapter shall hold a public hearing on the amounts of any
10-57 mandatory payments that the commissioners court intends to require
10-58 during the year and how the revenue derived from those payments is
10-59 to be spent.

10-60 (b) Not later than the 10th day before the date of the
10-61 hearing required under Subsection (a), the commissioners court of
10-62 the county shall publish notice of the hearing in a newspaper of
10-63 general circulation in the county.

10-64 (c) A representative of a paying hospital is entitled to
10-65 appear at the time and place designated in the public notice and to
10-66 be heard regarding any matter related to the mandatory payments
10-67 authorized under this chapter.

10-68 Sec. 294.102. DEPOSITORY. (a) The commissioners court of
10-69 each county that collects a mandatory payment authorized under this

11-1 chapter by resolution shall designate one or more banks located in
11-2 the county as the depository for mandatory payments received by the
11-3 county. A bank designated as a depository serves for two years or
11-4 until a successor is designated.

11-5 (b) All income received by a county under this chapter,
11-6 including the revenue from mandatory payments remaining after
11-7 discounts and fees for assessing and collecting the payments are
11-8 deducted, shall be deposited with the county depository in the
11-9 county's local provider participation fund and may be withdrawn
11-10 only as provided by this chapter.

11-11 (c) All funds under this chapter shall be secured in the
11-12 manner provided for securing county funds.

11-13 Sec. 294.103. LOCAL PROVIDER PARTICIPATION FUND;
11-14 AUTHORIZED USES OF MONEY. (a) Each county that collects a
11-15 mandatory payment authorized under this chapter shall create a
11-16 local provider participation fund.

11-17 (b) The local provider participation fund of a county
11-18 consists of:

11-19 (1) all revenue received by the county attributable to
11-20 mandatory payments authorized under this chapter, including any
11-21 penalties and interest attributable to delinquent payments;

11-22 (2) money received from the Health and Human Services
11-23 Commission as a refund of an intergovernmental transfer from the
11-24 county to the state for the purpose of providing the nonfederal
11-25 share of Medicaid supplemental payment program payments, provided
11-26 that the intergovernmental transfer does not receive a federal
11-27 matching payment; and

11-28 (3) the earnings of the fund.

11-29 (c) Money deposited to the local provider participation
11-30 fund may be used only to:

11-31 (1) fund intergovernmental transfers from the county
11-32 to the state to provide the nonfederal share of a Medicaid
11-33 supplemental payment program authorized under the state Medicaid
11-34 plan, the Texas Healthcare Transformation and Quality Improvement
11-35 Program waiver issued under Section 1115 of the federal Social
11-36 Security Act (42 U.S.C. Section 1315), or a successor waiver
11-37 program authorizing similar Medicaid supplemental payment
11-38 programs;

11-39 (2) subsidize indigent programs;

11-40 (3) pay the administrative expenses of the county
11-41 solely for activities under this chapter;

11-42 (4) refund a portion of a mandatory payment collected
11-43 in error from a paying hospital; and

11-44 (5) refund to paying hospitals the proportionate share
11-45 of money received by the county from the Health and Human Services
11-46 Commission that is not used to fund the nonfederal share of Medicaid
11-47 supplemental payment program payments.

11-48 (d) Money in the local provider participation fund may not
11-49 be commingled with other county funds.

11-50 (e) An intergovernmental transfer of funds described by
11-51 Subsection (c)(1) and any funds received by the county as a result
11-52 of an intergovernmental transfer described by that subsection may
11-53 not be used by the county or any other entity to expand Medicaid
11-54 eligibility under the Patient Protection and Affordable Care Act
11-55 (Pub. L. No. 111-148) as amended by the Health Care and Education
11-56 Reconciliation Act of 2010 (Pub. L. No. 111-152).

11-57 SUBCHAPTER D. MANDATORY PAYMENTS

11-58 Sec. 294.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL
11-59 NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the
11-60 commissioners court of a county that collects a mandatory payment
11-61 authorized under this chapter may require an annual mandatory
11-62 payment to be assessed quarterly on the net patient revenue of each
11-63 institutional health care provider located in the county. In the
11-64 first year in which the mandatory payment is required, the
11-65 mandatory payment is assessed on the net patient revenue of an
11-66 institutional health care provider as determined by the data
11-67 reported to the Department of State Health Services under Sections
11-68 311.032 and 311.033 in the fiscal year ending in 2014. The county
11-69 shall update the amount of the mandatory payment on an annual basis.

12-1 (b) The amount of a mandatory payment authorized under this
 12-2 chapter must be uniformly proportionate with the amount of net
 12-3 patient revenue generated by each paying hospital in the county. A
 12-4 mandatory payment authorized under this chapter may not hold
 12-5 harmless any institutional health care provider, as required under
 12-6 42 U.S.C. Section 1396b(w).

12-7 (c) The commissioners court of a county that collects a
 12-8 mandatory payment authorized under this chapter shall set the
 12-9 amount of the mandatory payment. The amount of the mandatory
 12-10 payment required of each paying hospital may not exceed an amount
 12-11 that, when added to the amount of the mandatory payments required
 12-12 from all other paying hospitals in the county, equals an amount of
 12-13 revenue that exceeds six percent of the aggregate net patient
 12-14 revenue of all paying hospitals in the county.

12-15 (d) Subject to the maximum amount prescribed by Subsection
 12-16 (c), the commissioners court of a county that collects a mandatory
 12-17 payment authorized under this chapter shall set the mandatory
 12-18 payments in amounts that in the aggregate will generate sufficient
 12-19 revenue to cover the administrative expenses of the county for
 12-20 activities under this chapter, to fund the nonfederal share of a
 12-21 Medicaid supplemental payment program, and to pay for indigent
 12-22 programs, except that the amount of revenue from mandatory payments
 12-23 used for administrative expenses of the county for activities under
 12-24 this chapter in a year may not exceed the lesser of four percent of
 12-25 the total revenue generated from the mandatory payment or \$20,000.

12-26 (e) A paying hospital may not add a mandatory payment
 12-27 required under this section as a surcharge to a patient.

12-28 Sec. 294.152. ASSESSMENT AND COLLECTION OF MANDATORY
 12-29 PAYMENTS. (a) Except as provided by Subsection (b), the county tax
 12-30 assessor-collector shall collect the mandatory payment authorized
 12-31 under this chapter. The county tax assessor-collector shall charge
 12-32 and deduct from mandatory payments collected for the county a fee
 12-33 for collecting the mandatory payment in an amount determined by the
 12-34 commissioners court of the county, not to exceed the county tax
 12-35 assessor-collector's usual and customary charges.

12-36 (b) If determined by the commissioners court to be
 12-37 appropriate, the commissioners court may contract for the
 12-38 assessment and collection of mandatory payments in the manner
 12-39 provided by Title 1, Tax Code, for the assessment and collection of
 12-40 ad valorem taxes.

12-41 (c) Revenue from a fee charged by a county tax
 12-42 assessor-collector for collecting the mandatory payment shall be
 12-43 deposited in the county general fund and, if appropriate, shall be
 12-44 reported as fees of the county tax assessor-collector.

12-45 Sec. 294.153. INTEREST, PENALTIES, AND DISCOUNTS.
 12-46 Interest, penalties, and discounts on mandatory payments required
 12-47 under this chapter are governed by the law applicable to county ad
 12-48 valorem taxes.

12-49 Sec. 294.154. PURPOSE; CORRECTION OF INVALID PROVISION OR
 12-50 PROCEDURE. (a) The purpose of this chapter is to generate revenue
 12-51 by collecting from institutional health care providers a mandatory
 12-52 payment to be used to provide the nonfederal share of a Medicaid
 12-53 supplemental payment program.

12-54 (b) To the extent any provision or procedure under this
 12-55 chapter causes a mandatory payment authorized under this chapter to
 12-56 be ineligible for federal matching funds, the county may provide by
 12-57 rule for an alternative provision or procedure that conforms to the
 12-58 requirements of the federal Centers for Medicare and Medicaid
 12-59 Services.

12-60 SECTION 14. Subtitle D, Title 4, Health and Safety Code, is
 12-61 amended by adding Chapter 296 to read as follows:

12-62 CHAPTER 296. COUNTY HEALTH CARE PROVIDER PARTICIPATION
 12-63 PROGRAM IN CERTAIN COUNTIES
 12-64 SUBCHAPTER A. GENERAL PROVISIONS

12-65 Sec. 296.001. DEFINITIONS. In this chapter:

12-66 (1) "Institutional health care provider" means a
 12-67 nonpublic hospital that provides inpatient hospital services.

12-68 (2) "Paying hospital" means an institutional health
 12-69 care provider required to make a mandatory payment under this

13-1 chapter.
13-2 (3) "Program" means the county health care provider
13-3 participation program authorized by this chapter.

13-4 Sec. 296.002. APPLICABILITY. This chapter applies only to
13-5 a county that:

13-6 (1) is not served by a hospital district or a public
13-7 hospital; and

13-8 (2) has a population of less than 200,000 and contains
13-9 two municipalities both with populations of 75,000 or more.

13-10 Sec. 296.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION
13-11 PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care
13-12 provider participation program authorizes a county to collect a
13-13 mandatory payment from each institutional health care provider
13-14 located in the county to be deposited in a local provider
13-15 participation fund established by the county. Money in the fund may
13-16 be used by the county to fund certain intergovernmental transfers
13-17 and indigent care programs as provided by this chapter.

13-18 (b) The commissioners court may adopt an order authorizing a
13-19 county to participate in the program, subject to the limitations
13-20 provided by this chapter.

13-21 SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

13-22 Sec. 296.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY
13-23 PAYMENT. The commissioners court of a county may require a
13-24 mandatory payment authorized under this chapter by an institutional
13-25 health care provider in the county only in the manner provided by
13-26 this chapter.

13-27 Sec. 296.052. MAJORITY VOTE REQUIRED. The commissioners
13-28 court of a county may not authorize the county to collect a
13-29 mandatory payment authorized under this chapter without an
13-30 affirmative vote of a majority of the members of the commissioners
13-31 court.

13-32 Sec. 296.053. RULES AND PROCEDURES. After the
13-33 commissioners court has voted to require a mandatory payment
13-34 authorized under this chapter, the commissioners court may adopt
13-35 rules relating to the administration of the mandatory payment.

13-36 Sec. 296.054. INSTITUTIONAL HEALTH CARE PROVIDER
13-37 REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a
13-38 county that collects a mandatory payment authorized under this
13-39 chapter shall require each institutional health care provider to
13-40 submit to the county a copy of any financial and utilization data
13-41 required by and reported to the Department of State Health Services
13-42 under Sections 311.032 and 311.033 and any rules adopted by the
13-43 executive commissioner of the Health and Human Services Commission
13-44 to implement those sections.

13-45 (b) The commissioners court of a county that collects a
13-46 mandatory payment authorized under this chapter may inspect the
13-47 records of an institutional health care provider to the extent
13-48 necessary to ensure compliance with the requirements of Subsection
13-49 (a).

13-50 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

13-51 Sec. 296.101. HEARING. (a) Each year, the commissioners
13-52 court of a county that collects a mandatory payment authorized
13-53 under this chapter shall hold a public hearing on the amounts of any
13-54 mandatory payments that the commissioners court intends to require
13-55 during the year and how the revenue derived from those payments is
13-56 to be spent.

13-57 (b) Not later than the 10th day before the date of the
13-58 hearing required under Subsection (a), the commissioners court of
13-59 the county shall publish notice of the hearing in a newspaper of
13-60 general circulation in the county.

13-61 (c) A representative of a paying hospital is entitled to
13-62 appear at the time and place designated in the public notice and to
13-63 be heard regarding any matter related to the mandatory payments
13-64 authorized under this chapter.

13-65 Sec. 296.102. DEPOSITORY. (a) The commissioners court of
13-66 each county that collects a mandatory payment authorized under this
13-67 chapter by resolution shall designate one or more banks located in
13-68 the county as the depository for mandatory payments received by the
13-69 county. A bank designated as a depository serves for two years or

14-1 until a successor is designated.
 14-2 (b) All income received by a county under this chapter,
 14-3 including the revenue from mandatory payments remaining after
 14-4 discounts and fees for assessing and collecting the payments are
 14-5 deducted, shall be deposited with the county depository in the
 14-6 county's local provider participation fund and may be withdrawn
 14-7 only as provided by this chapter.
 14-8 (c) All funds under this chapter shall be secured in the
 14-9 manner provided for securing county funds.
 14-10 Sec. 296.103. LOCAL PROVIDER PARTICIPATION FUND;
 14-11 AUTHORIZED USES OF MONEY. (a) Each county that collects a
 14-12 mandatory payment authorized under this chapter shall create a
 14-13 local provider participation fund.
 14-14 (b) The local provider participation fund of a county
 14-15 consists of:
 14-16 (1) all revenue received by the county attributable to
 14-17 mandatory payments authorized under this chapter, including any
 14-18 penalties and interest attributable to delinquent payments;
 14-19 (2) money received from the Health and Human Services
 14-20 Commission as a refund of an intergovernmental transfer from the
 14-21 county to the state for the purpose of providing the nonfederal
 14-22 share of Medicaid supplemental payment program payments, provided
 14-23 that the intergovernmental transfer does not receive a federal
 14-24 matching payment; and
 14-25 (3) the earnings of the fund.
 14-26 (c) Money deposited to the local provider participation
 14-27 fund may be used only to:
 14-28 (1) fund intergovernmental transfers from the county
 14-29 to the state to provide the nonfederal share of a Medicaid
 14-30 supplemental payment program authorized under the state Medicaid
 14-31 plan, the Texas Healthcare Transformation and Quality Improvement
 14-32 Program waiver issued under Section 1115 of the federal Social
 14-33 Security Act (42 U.S.C. Section 1315), or a successor waiver
 14-34 program authorizing similar Medicaid supplemental payment
 14-35 programs;
 14-36 (2) subsidize indigent programs;
 14-37 (3) pay the administrative expenses of the county
 14-38 solely for activities under this chapter;
 14-39 (4) refund a portion of a mandatory payment collected
 14-40 in error from a paying hospital; and
 14-41 (5) refund to paying hospitals the proportionate share
 14-42 of money received by the county from the Health and Human Services
 14-43 Commission that is not used to fund the nonfederal share of Medicaid
 14-44 supplemental payment program payments.
 14-45 (d) Money in the local provider participation fund may not
 14-46 be commingled with other county funds.
 14-47 (e) An intergovernmental transfer of funds described by
 14-48 Subsection (c)(1) and any funds received by the county as a result
 14-49 of an intergovernmental transfer described by that subsection may
 14-50 not be used by the county or any other entity to expand Medicaid
 14-51 eligibility under the Patient Protection and Affordable Care Act
 14-52 (Pub. L. No. 111-148) as amended by the Health Care and Education
 14-53 Reconciliation Act of 2010 (Pub. L. No. 111-152).
 14-54 SUBCHAPTER D. MANDATORY PAYMENTS
 14-55 Sec. 296.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL
 14-56 NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the
 14-57 commissioners court of a county that collects a mandatory payment
 14-58 authorized under this chapter may require an annual mandatory
 14-59 payment to be assessed on the net patient revenue of each
 14-60 institutional health care provider located in the county. The
 14-61 commissioners court may provide for the mandatory payment to be
 14-62 assessed quarterly. In the first year in which the mandatory
 14-63 payment is required, the mandatory payment is assessed on the net
 14-64 patient revenue of an institutional health care provider as
 14-65 determined by the data reported to the Department of State Health
 14-66 Services under Sections 311.032 and 311.033 in the fiscal year
 14-67 ending in 2013 or, if the institutional health care provider did not
 14-68 report any data under those sections in that fiscal year, as
 14-69 determined by the institutional health care provider's Medicare

15-1 cost report submitted for the 2013 fiscal year or for the closest
15-2 subsequent fiscal year for which the provider submitted the
15-3 Medicare cost report. The county shall update the amount of the
15-4 mandatory payment on an annual basis.

15-5 (b) The amount of a mandatory payment authorized under this
15-6 chapter must be uniformly proportionate with the amount of net
15-7 patient revenue generated by each paying hospital in the county. A
15-8 mandatory payment authorized under this chapter may not hold
15-9 harmless any institutional health care provider, as required under
15-10 42 U.S.C. Section 1396b(w).

15-11 (c) The commissioners court of a county that collects a
15-12 mandatory payment authorized under this chapter shall set the
15-13 amount of the mandatory payment. The amount of the mandatory
15-14 payment required of each paying hospital may not exceed an amount
15-15 that, when added to the amount of the mandatory payments required
15-16 from all other paying hospitals in the county, equals an amount of
15-17 revenue that exceeds six percent of the aggregate net patient
15-18 revenue of all paying hospitals in the county.

15-19 (d) Subject to the maximum amount prescribed by Subsection
15-20 (c), the commissioners court of a county that collects a mandatory
15-21 payment authorized under this chapter shall set the mandatory
15-22 payments in amounts that in the aggregate will generate sufficient
15-23 revenue to cover the administrative expenses of the county for
15-24 activities under this chapter, to fund an intergovernmental
15-25 transfer described by Section 296.103(c)(1), and to pay for
15-26 indigent programs, except that the amount of revenue from mandatory
15-27 payments used for administrative expenses of the county for
15-28 activities under this chapter in a year may not exceed the lesser of
15-29 four percent of the total revenue generated from the mandatory
15-30 payment or \$20,000.

15-31 (e) A paying hospital may not add a mandatory payment
15-32 required under this section as a surcharge to a patient.

15-33 Sec. 296.152. ASSESSMENT AND COLLECTION OF MANDATORY
15-34 PAYMENTS. (a) Except as provided by Subsection (b), the county tax
15-35 assessor-collector shall collect the mandatory payment authorized
15-36 under this chapter. The county tax assessor-collector shall charge
15-37 and deduct from mandatory payments collected for the county a fee
15-38 for collecting the mandatory payment in an amount determined by the
15-39 commissioners court of the county, not to exceed the county tax
15-40 assessor-collector's usual and customary charges.

15-41 (b) If determined by the commissioners court to be
15-42 appropriate, the commissioners court may contract for the
15-43 assessment and collection of mandatory payments in the manner
15-44 provided by Title 1, Tax Code, for the assessment and collection of
15-45 ad valorem taxes.

15-46 (c) Revenue from a fee charged by a county tax
15-47 assessor-collector for collecting the mandatory payment shall be
15-48 deposited in the county general fund and, if appropriate, shall be
15-49 reported as fees of the county tax assessor-collector.

15-50 Sec. 296.153. INTEREST, PENALTIES, AND DISCOUNTS.
15-51 Interest, penalties, and discounts on mandatory payments required
15-52 under this chapter are governed by the law applicable to county ad
15-53 valorem taxes.

15-54 Sec. 296.154. PURPOSE; CORRECTION OF INVALID PROVISION OR
15-55 PROCEDURE. (a) The purpose of this chapter is to generate revenue
15-56 by collecting from institutional health care providers a mandatory
15-57 payment to be used to provide the nonfederal share of a Medicaid
15-58 supplemental payment program.

15-59 (b) To the extent any provision or procedure under this
15-60 chapter causes a mandatory payment authorized under this chapter to
15-61 be ineligible for federal matching funds, the county may provide by
15-62 rule for an alternative provision or procedure that conforms to the
15-63 requirements of the federal Centers for Medicare and Medicaid
15-64 Services.

15-65 SECTION 15. Subtitle D, Title 4, Health and Safety Code, is
15-66 amended by adding Chapter 297 to read as follows:

15-67 CHAPTER 297. COUNTY HEALTH CARE PROVIDER PARTICIPATION PROGRAM IN
15-68 CERTAIN COUNTIES CONTAINING A MILITARY BASE
15-69 SUBCHAPTER A. GENERAL PROVISIONS

Sec. 297.001. DEFINITIONS. In this chapter:

(1) "Institutional health care provider" means a nonpublic hospital licensed under Chapter 241.

(2) "Paying hospital" means an institutional health care provider required to make a mandatory payment under this chapter.

(3) "Program" means the county health care provider participation program authorized by this chapter.

Sec. 297.002. APPLICABILITY. This chapter applies only to a county:

(1) that is not served by a hospital district or a public hospital;

(2) on which a military base with more than 30,000 military personnel is partially located; and

(3) that has a population of more than 300,000.

Sec. 297.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care provider participation program authorizes a county to collect a mandatory payment from each institutional health care provider located in the county to be deposited in a local provider participation fund established by the county. Money in the fund may be used by the county to fund certain intergovernmental transfers and indigent care programs as provided by this chapter.

(b) The commissioners court may adopt an order authorizing a county to participate in the program, subject to the limitations provided by this chapter.

SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

Sec. 297.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY PAYMENT. The commissioners court of a county may require a mandatory payment authorized under this chapter by an institutional health care provider in the county only in the manner provided by this chapter.

Sec. 297.052. MAJORITY VOTE REQUIRED. The commissioners court of a county may not authorize the county to collect a mandatory payment authorized under this chapter without an affirmative vote of a majority of the members of the commissioners court.

Sec. 297.053. RULES AND PROCEDURES. After the commissioners court has voted to require a mandatory payment authorized under this chapter, the commissioners court may adopt rules relating to the administration of the mandatory payment.

Sec. 297.054. INSTITUTIONAL HEALTH CARE PROVIDER REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a county that collects a mandatory payment authorized under this chapter shall require each institutional health care provider to submit to the county a copy of any financial and utilization data required by and reported to the Department of State Health Services under Sections 311.032 and 311.033 and any rules adopted by the executive commissioner of the Health and Human Services Commission to implement those sections.

(b) The commissioners court of a county that collects a mandatory payment authorized under this chapter may inspect the records of an institutional health care provider to the extent necessary to ensure compliance with the requirements of Subsection (a).

SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 297.101. HEARING. (a) Each year, the commissioners court of a county that collects a mandatory payment authorized under this chapter shall hold a public hearing on the amounts of any mandatory payments that the commissioners court intends to require during the year and how the revenue derived from those payments is to be spent.

(b) Not later than the 10th day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

(c) A representative of a paying hospital is entitled to appear at the time and place designated in the public notice and to be heard regarding any matter related to the mandatory payments

17-1 authorized under this chapter.

17-2 Sec. 297.102. DEPOSITORY. (a) The commissioners court of
 17-3 each county that collects a mandatory payment authorized under this
 17-4 chapter by resolution shall designate one or more banks located in
 17-5 the county as the depository for mandatory payments received by the
 17-6 county. A bank designated as a depository serves for two years or
 17-7 until a successor is designated.

17-8 (b) All income received by a county under this chapter,
 17-9 including the revenue from mandatory payments remaining after
 17-10 discounts and fees for assessing and collecting the payments are
 17-11 deducted, shall be deposited with the county depository in the
 17-12 county's local provider participation fund and may be withdrawn
 17-13 only as provided by this chapter.

17-14 (c) All funds under this chapter shall be secured in the
 17-15 manner provided for securing county funds.

17-16 Sec. 297.103. LOCAL PROVIDER PARTICIPATION FUND;
 17-17 AUTHORIZED USES OF MONEY. (a) Each county that collects a
 17-18 mandatory payment authorized under this chapter shall create a
 17-19 local provider participation fund.

17-20 (b) The local provider participation fund of a county
 17-21 consists of:

17-22 (1) all revenue received by the county attributable to
 17-23 mandatory payments authorized under this chapter, including any
 17-24 penalties and interest attributable to delinquent payments;

17-25 (2) money received from the Health and Human Services
 17-26 Commission as a refund of an intergovernmental transfer from the
 17-27 county to the state for the purpose of providing the nonfederal
 17-28 share of Medicaid supplemental payment program payments, provided
 17-29 that the intergovernmental transfer does not receive a federal
 17-30 matching payment; and

17-31 (3) the earnings of the fund.

17-32 (c) Money deposited to the local provider participation
 17-33 fund may be used only to:

17-34 (1) fund intergovernmental transfers from the county
 17-35 to the state to provide the nonfederal share of a Medicaid
 17-36 supplemental payment program authorized under the state Medicaid
 17-37 plan, the Texas Healthcare Transformation and Quality Improvement
 17-38 Program waiver issued under Section 1115 of the federal Social
 17-39 Security Act (42 U.S.C. Section 1315), or a successor waiver
 17-40 program authorizing similar Medicaid supplemental payment
 17-41 programs;

17-42 (2) subsidize indigent programs;

17-43 (3) pay the administrative expenses of the county
 17-44 solely for activities under this chapter;

17-45 (4) refund a portion of a mandatory payment collected
 17-46 in error from a paying hospital; and

17-47 (5) refund to paying hospitals the proportionate share
 17-48 of money received by the county from the Health and Human Services
 17-49 Commission that is not used to fund the nonfederal share of Medicaid
 17-50 supplemental payment program payments.

17-51 (d) Money in the local provider participation fund may not
 17-52 be commingled with other county funds.

17-53 (e) An intergovernmental transfer of funds described by
 17-54 Subsection (c)(1) and any funds received by the county as a result
 17-55 of an intergovernmental transfer described by that subsection may
 17-56 not be used by the county or any other entity to expand Medicaid
 17-57 eligibility under the Patient Protection and Affordable Care Act
 17-58 (Pub. L. No. 111-148) as amended by the Health Care and Education
 17-59 Reconciliation Act of 2010 (Pub. L. No. 111-152).

17-60 SUBCHAPTER D. MANDATORY PAYMENTS

17-61 Sec. 297.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL
 17-62 NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the
 17-63 commissioners court of a county that collects a mandatory payment
 17-64 authorized under this chapter may require an annual mandatory
 17-65 payment to be assessed quarterly on the net patient revenue of each
 17-66 institutional health care provider located in the county. In the
 17-67 first year in which the mandatory payment is required, the
 17-68 mandatory payment is assessed on the net patient revenue of an
 17-69 institutional health care provider as determined by the data

18-1 reported to the Department of State Health Services under Sections
 18-2 311.032 and 311.033 in the fiscal year ending in 2013. The county
 18-3 may update the amount of the mandatory payment on an annual basis
 18-4 based on data reported to the Department of State Health Services in
 18-5 a more recent fiscal year.

18-6 (b) The amount of a mandatory payment authorized under this
 18-7 chapter must be uniformly proportionate with the amount of net
 18-8 patient revenue generated by each paying hospital in the county. A
 18-9 mandatory payment authorized under this chapter may not hold
 18-10 harmless any institutional health care provider, as required under
 18-11 42 U.S.C. Section 1396b(w).

18-12 (c) The commissioners court of a county that collects a
 18-13 mandatory payment authorized under this chapter shall set the
 18-14 amount of the mandatory payment. The amount of the mandatory
 18-15 payment required of each paying hospital may not exceed an amount
 18-16 that, when added to the amount of the mandatory payments required
 18-17 from all other paying hospitals in the county, equals an amount of
 18-18 revenue that exceeds six percent of the aggregate net patient
 18-19 revenue of all paying hospitals in the county.

18-20 (d) Subject to the maximum amount prescribed by Subsection
 18-21 (c), the commissioners court of a county that collects a mandatory
 18-22 payment authorized under this chapter shall set the mandatory
 18-23 payments in amounts that in the aggregate will generate sufficient
 18-24 revenue to cover the administrative expenses of the county for
 18-25 activities under this chapter, to fund the nonfederal share of a
 18-26 Medicaid supplemental payment program, and to pay for indigent
 18-27 programs, except that the amount of revenue from mandatory payments
 18-28 used for administrative expenses of the county for activities under
 18-29 this chapter in a year may not exceed the lesser of four percent of
 18-30 the total revenue generated from the mandatory payment or \$20,000.

18-31 (e) A paying hospital may not add a mandatory payment
 18-32 required under this section as a surcharge to a patient.

18-33 Sec. 297.152. ASSESSMENT AND COLLECTION OF MANDATORY
 18-34 PAYMENTS. (a) Except as provided by Subsection (b), the county tax
 18-35 assessor-collector shall collect the mandatory payment authorized
 18-36 under this chapter. The county tax assessor-collector shall charge
 18-37 and deduct from mandatory payments collected for the county a fee
 18-38 for collecting the mandatory payment in an amount determined by the
 18-39 commissioners court of the county, not to exceed the county tax
 18-40 assessor-collector's usual and customary charges.

18-41 (b) If determined by the commissioners court to be
 18-42 appropriate, the commissioners court may contract for the
 18-43 assessment and collection of mandatory payments in the manner
 18-44 provided by Title 1, Tax Code, for the assessment and collection of
 18-45 ad valorem taxes.

18-46 (c) Revenue from a fee charged by a county tax
 18-47 assessor-collector for collecting the mandatory payment shall be
 18-48 deposited in the county general fund and, if appropriate, shall be
 18-49 reported as fees of the county tax assessor-collector.

18-50 Sec. 297.153. INTEREST, PENALTIES, AND DISCOUNTS.
 18-51 Interest, penalties, and discounts on mandatory payments required
 18-52 under this chapter are governed by the law applicable to county ad
 18-53 valorem taxes.

18-54 Sec. 297.154. PURPOSE; CORRECTION OF INVALID PROVISION OR
 18-55 PROCEDURE. (a) The purpose of this chapter is to generate revenue
 18-56 by collecting from institutional health care providers a mandatory
 18-57 payment to be used to provide the nonfederal share of a Medicaid
 18-58 supplemental payment program.

18-59 (b) To the extent any provision or procedure under this
 18-60 chapter causes a mandatory payment authorized under this chapter to
 18-61 be ineligible for federal matching funds, the county may provide by
 18-62 rule for an alternative provision or procedure that conforms to the
 18-63 requirements of the federal Centers for Medicare and Medicaid
 18-64 Services.

18-65 SECTION 16. Sections 775.0355(b) and (c), Health and Safety
 18-66 Code, are amended to read as follows:

18-67 (b) This section applies only to a district located [~~wholly~~
 18-68 ~~in a county~~]:

18-69 (1) wholly or partly in a county with a population of

19-1 more than three million;
 19-2 (2) wholly in a county with a population of more than
 19-3 200,000 that borders Lake Palestine; or

19-4 (3) wholly in a county with a population of less than
 19-5 200,000 that borders another state and the Gulf Intracoastal
 19-6 Waterway.

19-7 (c) A person is disqualified from serving as an emergency
 19-8 services commissioner if that person:

19-9 (1) is related within the third degree of affinity or
 19-10 consanguinity to:

19-11 (A) a person providing professional services to
 19-12 the district;

19-13 (B) a commissioner of the same district; or

19-14 (C) a person who is an employee or volunteer of an
 19-15 emergency services organization providing emergency services to
 19-16 the district unless the emergency services are provided under a
 19-17 mutual aid agreement under Chapter 418, Government Code;

19-18 (2) is an employee of a commissioner of the same
 19-19 district, attorney, or other person providing professional
 19-20 services to the district;

19-21 (3) is serving as an attorney, consultant, or
 19-22 architect or in some other professional capacity for the district
 19-23 or an emergency services organization providing emergency services
 19-24 to the district; or

19-25 (4) fails to maintain the qualifications required by
 19-26 law to serve as a commissioner.

19-27 SECTION 17. Effective September 1, 2015, Section 775.0821,
 19-28 Health and Safety Code, is amended by amending Subsection (a) and
 19-29 adding Subsection (e) to read as follows:

19-30 (a) This section applies only to a district to which Section
 19-31 775.082 applies that:

19-32 (1) did not have any outstanding bonds secured by ad
 19-33 valorem taxes or any outstanding liabilities secured by ad valorem
 19-34 taxes having a term of more than one year during the previous fiscal
 19-35 year;

19-36 (2) did not receive more than a total of \$250,000 in
 19-37 gross receipts from operations, loans, taxes, or contributions
 19-38 during the previous fiscal year; and

19-39 (3) did not have a total of more than \$250,000 in cash
 19-40 and temporary investments during the previous fiscal year.

19-41 (e) A district that files compiled financial statements in
 19-42 accordance with Subsection (b) and that maintains an Internet
 19-43 website shall have posted on the district's website the compiled
 19-44 financial statements for the most recent three years.

19-45 SECTION 18. Effective September 1, 2015, Section 1001.201,
 19-46 Health and Safety Code, as added by Chapter 1306 (H.B. 3793), Acts
 19-47 of the 83rd Legislature, Regular Session, 2013, is amended by
 19-48 adding Subdivisions (4) and (5) to read as follows:

19-49 (4) "School district employee" means a principal,
 19-50 assistant principal, educator, teacher's aide, counselor, nurse,
 19-51 or school bus driver employed by a school district.

19-52 (5) "School resource officer" has the meaning assigned
 19-53 by Section 1701.601, Occupations Code.

19-54 SECTION 19. Effective September 1, 2015, Sections
 19-55 1001.203(a) and (c), Health and Safety Code, as added by Chapter
 19-56 1306 (H.B. 3793), Acts of the 83rd Legislature, Regular Session,
 19-57 2013, are amended to read as follows:

19-58 (a) To the extent funds are appropriated to the department
 19-59 for that purpose, the department shall make grants to local mental
 19-60 health authorities to provide an approved mental health first aid
 19-61 training program, administered by mental health first aid trainers,
 19-62 at no cost to school district employees and school resource
 19-63 officers [educators].

19-64 (c) Subject to the limit provided by Subsection (b), out of
 19-65 the funds appropriated to the department for making grants under
 19-66 this section, the department shall grant \$100 to a local mental
 19-67 health authority for each school district employee or school
 19-68 resource officer [educator] who successfully completes a mental
 19-69 health first aid training program provided by the authority under

20-1 this section.

20-2 SECTION 20. Effective September 1, 2015, Section 1001.205,
 20-3 Health and Safety Code, as added by Chapter 1306 (H.B. 3793), Acts
 20-4 of the 83rd Legislature, Regular Session, 2013, is amended to read
 20-5 as follows:

20-6 Sec. 1001.205. REPORTS. (a) Not later than August 31
 20-7 [~~July 1~~] of each year, a local mental health authority shall provide
 20-8 to the department the number of:

20-9 (1) employees and contractors of the authority who
 20-10 were trained as mental health first aid trainers under Section
 20-11 1001.202 during the preceding calendar year;

20-12 (2) educators, school district employees other than
 20-13 educators, and school resource officers who completed a mental
 20-14 health first aid training program offered by the authority under
 20-15 Section 1001.203 during the preceding calendar year; and

20-16 (3) individuals who are not school district employees
 20-17 or school resource officers [~~educators~~] who completed a mental
 20-18 health first aid training program offered by the authority during
 20-19 the preceding calendar year.

20-20 (b) Not later than September 30 [~~August 1~~] of each year, the
 20-21 department shall compile the information submitted by local mental
 20-22 health authorities as required by Subsection (a) and submit a
 20-23 report to the legislature containing the number of:

20-24 (1) authority employees and contractors trained as
 20-25 mental health first aid trainers during the preceding calendar
 20-26 year;

20-27 (2) educators, school district employees other than
 20-28 educators, and school resource officers who completed a mental
 20-29 health first aid training program provided by an authority during
 20-30 the preceding calendar year; and

20-31 (3) individuals who are not school district employees
 20-32 or school resource officers [~~educators~~] who completed a mental
 20-33 health first aid training program provided by an authority during
 20-34 the preceding calendar year.

20-35 SECTION 21. Effective September 1, 2015, Subchapter B,
 20-36 Chapter 32, Human Resources Code, is amended by adding Section
 20-37 32.0264 to read as follows:

20-38 Sec. 32.0264. SUSPENSION, TERMINATION, AND AUTOMATIC
 20-39 REINSTATEMENT OF ELIGIBILITY FOR INDIVIDUALS CONFINED IN COUNTY
 20-40 JAILS. (a) In this section, "county jail" means a facility
 20-41 operated by or for a county for the confinement of persons accused
 20-42 or convicted of an offense.

20-43 (b) If an individual is confined in a county jail because
 20-44 the individual has been charged with but not convicted of an
 20-45 offense, the commission shall suspend the individual's eligibility
 20-46 for medical assistance during the period the individual is confined
 20-47 in the county jail.

20-48 (c) If an individual is confined in a county jail because
 20-49 the individual has been convicted of an offense, the commission
 20-50 shall, as appropriate:

20-51 (1) terminate the individual's eligibility for medical
 20-52 assistance; or

20-53 (2) suspend the individual's eligibility during the
 20-54 period the individual is confined in the county jail.

20-55 (d) Not later than 48 hours after the commission is notified
 20-56 of the release from a county jail of an individual whose eligibility
 20-57 for medical assistance has been suspended under this section, the
 20-58 commission shall reinstate the individual's eligibility, provided
 20-59 the individual's eligibility certification period has not elapsed.
 20-60 Following the reinstatement, the individual remains eligible until
 20-61 the expiration of the period for which the individual was certified
 20-62 as eligible.

20-63 SECTION 22. Section 118.018, Local Government Code, is
 20-64 amended by adding Subsection (d) to read as follows:

20-65 (d) If a state agency determines that a marriage license fee
 20-66 was collected for a marriage license that is associated with a union
 20-67 other than a union between one man and one woman, the county clerk
 20-68 shall remit \$30 to the comptroller. The comptroller shall deposit
 20-69 funds remitted under this subsection into the general revenue fund.

21-1 SECTION 23. Section 118.019, Local Government Code, is
 21-2 amended to read as follows:

21-3 Sec. 118.019. DECLARATION OF INFORMAL MARRIAGE. (a) The
 21-4 fee for "Declaration of Informal Marriage" under Section 118.011 is
 21-5 for all services rendered in connection with the execution of a
 21-6 declaration of informal marriage under Section 2.402 [~~1.92~~], Family
 21-7 Code. The fee shall be collected at the time the service is
 21-8 rendered.

21-9 (b) If a state agency determines that a declaration of
 21-10 informal marriage fee was collected for a declaration of informal
 21-11 marriage that is associated with a union other than a union between
 21-12 one man and one woman, the county clerk shall remit \$12.50 to the
 21-13 comptroller. The comptroller shall deposit funds remitted under
 21-14 this subsection into the general revenue fund.

21-15 SECTION 24. Effective September 1, 2015, Section 263.152,
 21-16 Local Government Code, is amended by adding Subsection (c) to read
 21-17 as follows:

21-18 (c) Disposal under Subsection (a)(3) may be accomplished
 21-19 through a recycling program under which the property is collected,
 21-20 separated, or processed and returned to use in the form of raw
 21-21 materials in the production of new products.

21-22 SECTION 25. Effective September 1, 2015, Subchapter C,
 21-23 Chapter 351, Local Government Code, is amended by adding Section
 21-24 351.046 to read as follows:

21-25 Sec. 351.046. NOTICE TO CERTAIN GOVERNMENTAL ENTITIES. (a)
 21-26 The sheriff of a county may notify the Health and Human Services
 21-27 Commission:

21-28 (1) on the confinement in the county jail of an
 21-29 individual who is receiving medical assistance benefits under
 21-30 Chapter 32, Human Resources Code; and

21-31 (2) on the conviction of a prisoner who, immediately
 21-32 before the prisoner's confinement in the county jail, was receiving
 21-33 medical assistance benefits.

21-34 (b) If the sheriff of a county chooses to provide the
 21-35 notices described by Subsection (a), the sheriff shall provide the
 21-36 notices electronically or by other appropriate means as soon as
 21-37 possible and not later than the 30th day after the date of the
 21-38 individual's confinement or prisoner's conviction, as applicable.

21-39 (c) The sheriff of a county may notify:

21-40 (1) the United States Social Security Administration
 21-41 of the release or discharge of a prisoner who, immediately before
 21-42 the prisoner's confinement in the county jail, was receiving:

21-43 (A) Supplemental Security Income (SSI) benefits
 21-44 under 42 U.S.C. Section 1381 et seq.; or

21-45 (B) Social Security Disability Insurance (SSDI)
 21-46 benefits under 42 U.S.C. Section 401 et seq.; and

21-47 (2) the Health and Human Services Commission of the
 21-48 release or discharge of a prisoner who, immediately before the
 21-49 prisoner's confinement in the county jail, was receiving medical
 21-50 assistance benefits.

21-51 (d) If the sheriff of a county chooses to provide the
 21-52 notices described by Subsection (c), the sheriff shall provide the
 21-53 notices electronically or by other appropriate means not later than
 21-54 48 hours after the prisoner's release or discharge from custody.

21-55 (e) If the sheriff of a county chooses to provide the
 21-56 notices described by Subsection (c), at the time of the prisoner's
 21-57 release or discharge, the sheriff shall provide the prisoner with a
 21-58 written copy of each applicable notice and a phone number at which
 21-59 the prisoner may contact the Health and Human Services Commission
 21-60 regarding confirmation of or assistance relating to reinstatement
 21-61 of the individual's eligibility for medical assistance benefits, if
 21-62 applicable.

21-63 (f) The Health and Human Services Commission shall
 21-64 establish a means by which the sheriff of a county, or an employee
 21-65 of the county or sheriff, may determine whether an individual
 21-66 confined in the county jail is or was, as appropriate, receiving
 21-67 medical assistance benefits under Chapter 32, Human Resources Code,
 21-68 for purposes of this section.

21-69 (g) The county or sheriff, or an employee of the county or

22-1 sheriff, is not liable in a civil action for damages resulting from
22-2 a failure to comply with this section.

22-3 SECTION 26. Section 501.106(b), Local Government Code, is
22-4 amended to read as follows:

22-5 (b) For a corporation to which this section applies, in this
22-6 subtitle, "project" includes the land, buildings, facilities,
22-7 infrastructure, and improvements that:

22-8 (1) the corporation's board of directors finds are
22-9 required or suitable for the development or promotion of new or
22-10 expanded business enterprises through transportation facilities
22-11 including airports, hangars, railports, rail switching facilities,
22-12 maintenance and repair facilities, cargo facilities, marine ports,
22-13 inland ports, mass commuting facilities, parking facilities, and
22-14 related infrastructure located on or adjacent to an airport or
22-15 railport facility [~~expansion of airport facilities~~]; or

22-16 (2) are undertaken by the corporation if the
22-17 municipality that authorized the creation of the corporation has,
22-18 at the time the corporation approves the project as provided by this
22-19 subtitle:

22-20 (A) a population of less than 50,000; or

22-21 (B) an average rate of unemployment that is
22-22 greater than the state average rate of unemployment during the most
22-23 recent 12-month period for which data is available that precedes
22-24 the date the project is approved.

22-25 SECTION 27. Section 501.160(d), Local Government Code, is
22-26 amended to read as follows:

22-27 (d) A corporation has all the powers necessary to own and
22-28 operate a project as a business if:

22-29 (1) the project is a military installation or military
22-30 facility that has been closed or realigned, including a military
22-31 installation or facility closed or realigned under the Defense Base
22-32 Closure and Realignment Act of 1990 (10 U.S.C. Section 2687 note),
22-33 as amended; or
22-34 (2) the project is authorized under Section 501.106.

22-35 SECTION 28. Effective September 1, 2015, Section 52.025,
22-36 Natural Resources Code, is amended to read as follows:

22-37 Sec. 52.025. DISPOSITION OF LEASE PAYMENTS. (a) Except as
22-38 provided by Subsection (b), the [The] comptroller shall credit the
22-39 permanent school fund with amounts received from unsurveyed school
22-40 land and with two-thirds of the amount received from other areas and
22-41 shall credit the General Revenue Fund with the remaining one-third
22-42 of the payments for the other areas.

22-43 (b) To the extent permissible under the Texas Constitution,
22-44 the comptroller shall remit to a county the amount received from
22-45 land owned in fee simple by the county. Money remitted to a county
22-46 under this section shall be deposited to the credit of the county
22-47 road and bridge fund of the county and may be used by the county only
22-48 for road maintenance purposes.

22-49 SECTION 29. Subchapter E, Chapter 1054, Special District
22-50 Local Laws Code, is amended by adding Section 1054.2025 to read as
22-51 follows:

22-52 Sec. 1054.2025. GENERAL OBLIGATION BOND ELECTION. (a) The
22-53 district may issue general obligation bonds only if the bonds are
22-54 authorized by a majority of the district voters voting at an
22-55 election held for that purpose.

22-56 (b) The order calling the election shall provide for clerks
22-57 as in county elections and must specify:

- 22-58 (1) the date of the election;
- 22-59 (2) the location of the polling places;
- 22-60 (3) the presiding and alternate election judges for
22-61 each polling place;
- 22-62 (4) the amount of the bonds to be authorized;
- 22-63 (5) the maximum interest rate of the bonds; and
- 22-64 (6) the maximum maturity of the bonds.

22-65 (c) Notice of a bond election shall be given as provided by
22-66 Section 1251.003, Government Code.

22-67 SECTION 30. Effective January 1, 2016, Section 11.1825, Tax
22-68 Code, is amended by amending Subsections (s) and (v) and adding
22-69 Subsection (z) to read as follows:

23-1 (s) Unless otherwise provided by the governing body of a
 23-2 taxing unit any part of which is located in a county with a
 23-3 population of at least 1.8 million under Subsection (x) or as
 23-4 provided by Subsection (z), for property described by Subsection
 23-5 (f)(1), the amount of the exemption under this section from
 23-6 taxation is 50 percent of the appraised value of the property.

23-7 (v) Except as provided by Subsection (z), notwithstanding
 23-8 [Notwithstanding] any other provision of this section, an
 23-9 organization may not receive an exemption from taxation of property
 23-10 described by Subsection (f)(1) by a taxing unit any part of which is
 23-11 located in a county with a population of at least 1.8 million unless
 23-12 the exemption is approved by the governing body of the taxing unit
 23-13 in the manner provided by law for official action.

23-14 (z) Notwithstanding any other provision of this section, an
 23-15 owner of real property described by Subsection (f)(1) or (2) is
 23-16 entitled to an exemption under this section from taxation of 100
 23-17 percent of the appraised value of the property regardless of
 23-18 whether the owner meets the requirements of Subsection (b) or of
 23-19 Subsections (c) and (d) if:

23-20 (1) the owner is exempt from federal income taxation
 23-21 under Section 501(a), Internal Revenue Code of 1986, by being
 23-22 listed as an exempt entity under Section 501(c)(3) of that code and
 23-23 the owner otherwise qualifies for an exemption for the property
 23-24 under this section;

23-25 (2) the property was previously owned by a local
 23-26 government corporation created by a municipality under Chapter 431,
 23-27 Transportation Code, or Chapter 394, Local Government Code, or a
 23-28 predecessor statute for purposes that include promoting,
 23-29 developing, encouraging, and maintaining affordable housing in a
 23-30 tax increment financing reinvestment zone created by the
 23-31 municipality under Chapter 311; and

23-32 (3) the property is located in a county with a
 23-33 population of at least four million.

23-34 SECTION 31. Effective September 1, 2015, Subchapter A,
 23-35 Chapter 311, Transportation Code, is amended by adding Section
 23-36 311.009 to read as follows:

23-37 Sec. 311.009. COUNTY REQUEST FOR CLOSING OF ALLEY IN
 23-38 CERTAIN MUNICIPALITIES. (a) This section applies only to a
 23-39 municipality with a population of more than 10,000 but less than
 23-40 25,000 that has land area of less than four square miles and is
 23-41 located wholly within a county that has a population of more than
 23-42 2.3 million and a total area of less than 1,000 square miles.

23-43 (b) If not otherwise restricted by a county, a municipality
 23-44 that receives a request for the abandonment of an alley located in
 23-45 any portion of the county shall, not later than the 30th day after
 23-46 the date the request was submitted, issue a final decision to grant
 23-47 or deny the request.

23-48 (c) A request for which a final decision is not issued in the
 23-49 period described by Subsection (b) is considered to be granted.

23-50 (d) A decision of the municipality under Subsection (b) may
 23-51 be appealed to a district or county court.

23-52 SECTION 32. Effective September 1, 2015, Subchapter A,
 23-53 Chapter 623, Transportation Code, is amended by adding Section
 23-54 623.004 to read as follows:

23-55 Sec. 623.004. ADMINISTRATION AND OVERSIGHT OF OVERWEIGHT
 23-56 CORRIDORS. (a) In this section, "overweight corridor" means a
 23-57 designated section of a state highway for which an optional
 23-58 procedure is authorized under this chapter for the issuance of
 23-59 permits:

23-60 (1) by entities other than the Texas Department of
 23-61 Transportation or the department; and

23-62 (2) for the movement of oversize or overweight
 23-63 vehicles.

23-64 (b) The Texas Department of Transportation shall, after
 23-65 receiving input from local officials:

23-66 (1) set minimum requirements for determining the
 23-67 feasibility, viability, and economic impact of additional
 23-68 overweight corridors that take into consideration traffic volume,
 23-69 safety concerns, ability to recover costs, and the role of

24-1 overweight corridors within a statewide plan for freight mobility;
24-2 (2) use the requirements set under Subdivision (1) to
24-3 periodically develop recommendations for additional overweight
24-4 corridors that would benefit the state;
24-5 (3) include any recommendations developed under
24-6 Subdivision (2) in the plan described by Section 201.6011; and
24-7 (4) create a pavement management plan for each
24-8 operational overweight corridor.

24-9 (c) The Texas Department of Transportation, in consultation
24-10 with interested parties, shall:

24-11 (1) establish performance measures for each
24-12 operational overweight corridor; and

24-13 (2) include in the plan described by Section 201.6011
24-14 the results of an evaluation using the performance measures
24-15 disaggregated by overweight corridor.

24-16 (d) An entity issuing overweight corridor permits under
24-17 this chapter shall:

24-18 (1) report information necessary for an evaluation
24-19 using performance measures established under Subsection (c) to the
24-20 Texas Department of Transportation; and

24-21 (2) in setting a fee for the permit, consider the
24-22 pavement management plan created under Subsection (b)(4) for the
24-23 overweight corridor.

24-24 (e) The department may:

24-25 (1) issue overweight corridor permits on behalf of an
24-26 entity authorized to issue the permits under this chapter; and

24-27 (2) establish and charge a fee for issuing a permit
24-28 under Subdivision (1) in an amount sufficient to recover the actual
24-29 cost of issuance.

24-30 (f) A fee collected under Subsection (e)(2) shall be sent to
24-31 the comptroller for deposit to the credit of the Texas Department of
24-32 Motor Vehicles fund and may be appropriated only to the department
24-33 for the administration of this section.

24-34 SECTION 33. Subchapter E, Chapter 13, Water Code, is
24-35 amended by adding Section 13.1461 to read as follows:

24-36 Sec. 13.1461. CORRECTIONAL FACILITY COMPLIANCE WITH
24-37 CONSERVATION MEASURES. A retail public utility may require the
24-38 operator of a correctional facility, as defined by Section
24-39 1.07(14), Penal Code, that receives retail water or sewer utility
24-40 service from the retail public utility to comply with uniform water
24-41 conservation measures adopted or implemented by the retail public
24-42 utility. This section does not authorize a retail public utility to
24-43 require a correctional facility to:

24-44 (1) alter or remove facilities installed on or before
24-45 September 1, 2015; or

24-46 (2) install devices that the correctional facility
24-47 determines may disrupt the operation of the correctional facility.

24-48 SECTION 34. Effective September 1, 2015, Subchapter G,
24-49 Chapter 13, Water Code, is amended by adding Section 13.2541 to read
24-50 as follows:

24-51 Sec. 13.2541. REVOCATION OF CERTIFICATE FOR CERTAIN MAJOR
24-52 VIOLATORS. (a) Utility commission staff shall file a petition to
24-53 revoke an investor-owned water utility's certificate of public
24-54 convenience and necessity if the staff has reason to believe:

24-55 (1) the utility has committed repeated or continuous
24-56 major violations of one or more commission rules related to safe
24-57 drinking water for at least six years before the petition is filed;

24-58 (2) none of the owners of the utility have borrowed
24-59 money from a federally insured lending institution to use to remedy
24-60 a violation of one or more commission rules related to safe drinking
24-61 water;

24-62 (3) the utility serves more than 1,000 connections but
24-63 is made up of less than five public water systems;

24-64 (4) the utility does not serve customers who are
24-65 located in a municipality; and

24-66 (5) the utility is located in a county with a
24-67 population of more than four million.

24-68 (b) If, after notice and hearing, the utility commission
24-69 finds that the facts alleged in the petition are true, the utility

25-1 commission may revoke the investor-owned water utility's
 25-2 certificate on or before the 90th day after the date the petition is
 25-3 filed.

25-4 (c) At the time the utility commission revokes the
 25-5 certificate it shall appoint a temporary manager and temporarily
 25-6 transfer the certificate to the temporary manager. On accepting
 25-7 the transfer, the temporary manager has all the powers necessary to
 25-8 operate and manage the utility until the utility commission
 25-9 certifies another retail public utility.

25-10 (d) Not more than 12 months after the date the utility
 25-11 commission appoints a temporary manager under Subsection (c), the
 25-12 utility commission shall offer at auction any property that the
 25-13 utility commission determines is rendered useless or valueless to
 25-14 the decertified investor-owned water utility as a result of the
 25-15 decertification.

25-16 (e) Any person, including public and private water
 25-17 utilities and the temporary manager appointed under Subsection (c),
 25-18 may apply for approval to bid on the decertified utility's assets
 25-19 and property. The utility commission shall review each application
 25-20 and approve applicants that it determines have the financial,
 25-21 managerial, and technical ability to provide safe, adequate, and
 25-22 continuous water service to the decertified utility's customers.
 25-23 Only approved applicants may bid in the auction. The utility
 25-24 commission shall request proposals from all approved bidders.

25-25 (f) Before the auction, the utility commission and the
 25-26 temporary manager shall:

25-27 (1) make the books and records of the decertified
 25-28 utility available to all approved bidders; and

25-29 (2) provide an opportunity for all approved bidders to
 25-30 inspect the decertified utility's assets and property.

25-31 (g) Each bid must:

25-32 (1) estimate the rates the bidder would charge for
 25-33 service during the first five years following the date of the sale;
 25-34 and

25-35 (2) agree that the bidder, if the bidder purchases the
 25-36 assets and property, will consider making improvements to remedy
 25-37 and prevent damages from previous violations of commission rules
 25-38 related to safe drinking water before the third anniversary of the
 25-39 purchase date.

25-40 (h) The utility commission shall select the bidder that has
 25-41 the best plan to remedy previous violations of commission rules, as
 25-42 determined by the utility commission, and, on completion of the
 25-43 sale to the selected bidder and payment to the decertified utility,
 25-44 transfer the certificate of public convenience and necessity from
 25-45 the temporary manager to the selected bidder.

25-46 (i) This section expires December 31, 2019.

25-47 SECTION 35. Effective September 1, 2015, Section 60.039(a),
 25-48 Water Code, is amended to read as follows:

25-49 (a) The commission may lease the surface of land for not
 25-50 more than ~~50~~ [30] years by the entry of an order on the minutes of
 25-51 the commission and the execution of a lease in the manner provided
 25-52 by the original order. The lease may not be extended beyond the
 25-53 ~~50-year~~ [30-year] period by renewal, extension, or otherwise,
 25-54 except that the commission may extend a lease beyond a 50-year
 25-55 period for residential property located in a district in which at
 25-56 least 50 percent of the property is residential property.

25-57 SECTION 36. Effective September 1, 2015, Section 60.040,
 25-58 Water Code, is amended to read as follows:

25-59 Sec. 60.040. PUBLICATION OF NOTICE FOR SALES AND LEASES IN
 25-60 EXCESS OF ~~50~~ [30] YEARS. Before making a sale or lease of land for
 25-61 more than ~~50~~ [30] years, the commission shall publish a notice in
 25-62 the manner provided in Section 60.035 [of this subchapter].

25-63 SECTION 37. Effective September 1, 2015, Section 60.041,
 25-64 Water Code, is amended to read as follows:

25-65 Sec. 60.041. SECURITY FOR BIDS ON LAND TO BE SOLD OR LEASED
 25-66 FOR MORE THAN ~~50~~ [30] YEARS. Each bid submitted on land to be sold
 25-67 or leased for more than ~~50~~ [30] years shall be accompanied by a
 25-68 certified check, cashier's check, or bidder's bond with a
 25-69 responsible corporate surety authorized to do business in Texas.

26-1 The check or bond shall be in an amount equal to the bid for the land
26-2 or for the first rental payment under the lease and shall guarantee
26-3 that the bidder will perform the terms of the [~~his~~] bid if it is
26-4 accepted by the commission.

26-5 SECTION 38. Effective September 1, 2015, the heading to
26-6 Section 60.042, Water Code, is amended to read as follows:

26-7 Sec. 60.042. AWARD AND EXECUTION OF DEED OR LEASE IN EXCESS
26-8 OF 50 [~~30~~] YEARS.

26-9 SECTION 39. Effective September 1, 2015, the following
26-10 sections of the Health and Safety Code are repealed:

- 26-11 (1) Section 262.034;
- 26-12 (2) Section 285.101(d); and
- 26-13 (3) Section 288.0032.

26-14 SECTION 40. Except as otherwise provided by this section,
26-15 Section 194.001(c), Health and Safety Code, and Sections 118.018(d)
26-16 and 118.019(b), Local Government Code, as added by this Act, apply
26-17 only to a marriage license issued or declaration of informal
26-18 marriage recorded on or after the effective date of this Act. If
26-19 this Act takes effect before June 1, 2015, Section 194.001(c),
26-20 Health and Safety Code, and Sections 118.018(d) and 118.019(b),
26-21 Local Government Code, as added by this Act, do not apply to a
26-22 marriage license issued or declaration of informal marriage
26-23 recorded before that date.

26-24 SECTION 41. Sections 32.0264(a)-(c), Human Resources Code,
26-25 and Section 351.046(a), Local Government Code, as added by this
26-26 Act, apply to an individual whose period of confinement in a county
26-27 jail begins on or after the effective date of this Act, regardless
26-28 of the date the individual was determined eligible for medical
26-29 assistance under Chapter 32, Human Resources Code.

26-30 SECTION 42. Section 32.0264(d), Human Resources Code, and
26-31 Section 351.046(c), Local Government Code, as added by this Act,
26-32 apply to the release or discharge of a prisoner from a county jail
26-33 that occurs on or after the effective date of this Act, regardless
26-34 of the date the prisoner was initially confined in the county jail.

26-35 SECTION 43. Section 1054.2025, Special District Local Laws
26-36 Code, as added by this Act, applies only to general obligation bonds
26-37 issued by the Lynn County Hospital District on or after the
26-38 effective date of this Act.

26-39 SECTION 44. Section 11.1825, Tax Code, as amended by this
26-40 Act, applies only to ad valorem taxes imposed for a tax year
26-41 beginning on or after January 1, 2016.

26-42 SECTION 45. Sections 60.039, 60.040, 60.041, and 60.042,
26-43 Water Code, as amended by this Act, apply only to a lease entered
26-44 into on or after September 1, 2015. A lease entered into before
26-45 September 1, 2015, is governed by the law in effect on the date the
26-46 lease was entered into, and the former law is continued in effect
26-47 for that purpose.

26-48 SECTION 46. If before implementing any provision of this
26-49 Act a state agency determines that a waiver or authorization from a
26-50 federal agency is necessary for implementation of that provision,
26-51 the agency affected by the provision shall request the waiver or
26-52 authorization and may delay implementing that provision until the
26-53 waiver or authorization is granted.

26-54 SECTION 47. Except as otherwise provided by this Act, this
26-55 Act takes effect immediately if it receives a vote of two-thirds of
26-56 all the members elected to each house, as provided by Section 39,
26-57 Article III, Texas Constitution. If this Act does not receive the
26-58 vote necessary for immediate effect, this Act takes effect
26-59 September 1, 2015.

26-60 * * * * *