

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 16, 2015

TO: Honorable Eddie Lucio Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1147 by Watson (Relating to leases and other agreements relating to real property entered into by certain hospital districts.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Health and Safety Code permit the board of hospital managers of certain hospital districts to enter into a lease, purchase agreements and other agreements to provide for the development, improvement, acquisition or management of developed or undeveloped real property designated to generate revenue for the financial benefit of the district. The bill would permit the board of hospital managers, with the approval of the commissioners court, to lease undeveloped or vacant real property for up to 99 years to provide for the development and construction of facilities designed to generate revenue for the financial benefit of the district. The bill would permit a board of hospital managers, through a nonprofit corporation, to contract or enter into a joint venture with a public or private entity to enter into a lease.

Local Government Impact

It is assumed that a hospital district would only choose to enter into agreements or lease land if sufficient funding were available or it would not result in a negative fiscal impact; therefore, no significant fiscal impact is anticipated.

Source Agencies:

LBB Staff: UP, KVe, SD, EK