S.B. No. 1950

AN ACT

relating to the Donley County Hospital District.

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

SECTION 1.  Section 1021.061(c), Special District Local Laws Code, is amended to read as follows:

(c)  The board may delegate to the district administrator the authority to hire district employees, including technicians and nurses, for the efficient operation of the district.

SECTION 2.  Subchapter B, Chapter 1021, Special District Local Laws Code, is amended by adding Sections 1021.063, 1021.064, and 1021.065 to read as follows:

Sec. 1021.063.  MAINTENANCE OF RECORDS. The board shall:

(1)  keep minutes of all board meetings and proceedings; and

(2)  maintain at the district's principal office all district records and accounts, including all contracts, notices, duplicate vouchers, and duplicate receipts.

Sec. 1021.064.  RECRUITMENT OF MEDICAL PERSONNEL. (a)  The board may spend district money to recruit physicians, nurses, and other trained medical personnel.

(b)  The board may pay the tuition or other expenses of a full-time medical student or other student in a health occupation who:

(1)  is enrolled in and is in good standing at an accredited medical school, college, or university; and

(2)  contractually agrees to become a district employee or independent contractor in return for that assistance.

Sec. 1021.065.  EDUCATIONAL PROGRAMS; COURSES. The board may provide or contract for the provision of educational programs or courses for district employees, medical staff, board members, and the public as necessary or beneficial to promote the mission of the district.

SECTION 3.  Section 1021.103, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.103.  MANAGEMENT, CONTROL, AND ADMINISTRATION. (a)  The board shall manage, control, and administer the hospital system and the district's money and resources.

(b)  The board may delegate to the district administrator the authority to manage, control, and administer the hospital, the hospital system, and the district's business, money, and resources under the board's oversight.

SECTION 4.  Section 1021.104, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.104.  HOSPITAL SYSTEM. (a)  The district shall provide for the establishment of a hospital or hospital system in the district by:

(1)  leasing, purchasing, constructing, acquiring, repairing, or renovating buildings and improvements;

(2)  equipping the buildings and improvements; and

(3)  administering the buildings and improvements for hospital purposes.

(b)  The hospital system, as determined by the board, may include:

(1)  facilities for domiciliary care of the sick, injured, or geriatric;

(2)  [~~facilities for~~] outpatient clinics and related facilities;

(3)  dispensaries;

(4)  convalescent home facilities;

(5)  necessary nurses centers;

(6)  research centers or laboratories;

(7)  nursing homes or similar facilities for the care of the elderly;

(8)  blood banks; and

(9) [~~(8)~~]  any other facilities the board considers necessary for hospital care.

(c)  The district may operate or provide for the operation of a mobile emergency medical or air ambulance service as part of the hospital system.

SECTION 5.  Section 1021.105, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.105.  RULES. The board may adopt rules governing the operation of the hospital, the hospital system, and the district's staff and employees and as otherwise required to administer this chapter.

SECTION 6.  Section 1021.107, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.107.  DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a)  The board shall determine the type, number, and location of buildings required for district purposes [~~to maintain an adequate hospital system~~]. The board may purchase or lease buildings, materials, supplies, equipment, and vehicles for district purposes.

(b)  The board may [~~contract with the Health and Human Services Commission to~~] lease all or part of the district's buildings and other facilities on terms considered to be in the best interest of the district's inhabitants. The term of the lease may not exceed 25 years.

(c)  The district may acquire equipment, land, improvements, or vehicles for use by [~~in~~] the district [~~district's hospital system~~] and mortgage or pledge the property as security for the payment of the purchase price. A contract entered into under this subsection for equipment or vehicles must provide that the entire obligation be retired not later than the fifth anniversary of the date of the contract.

(d)  The district may sell or otherwise dispose of any property, including equipment and vehicles, on terms the board finds are in the best interest of the district's inhabitants.

SECTION 7.  Section 1021.110, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.110.  CONSTRUCTION OR PURCHASE CONTRACTS. A construction or purchase contract that involves the expenditure of more than the amount provided by Section 271.024, Local Government Code, must comply with the competitive procurement requirements [~~$2,000 may be made only after advertising in the manner~~] provided by Chapter 252, 262, or 271 [~~and Subchapter C, Chapter 262~~], Local Government Code, as applicable.

SECTION 8.  Section 1021.112, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.112.  CONTRACTS WITH GOVERNMENTAL ENTITIES FOR CARE AND [~~HOSPITAL~~] TREATMENT. (a)  The board may contract with a county or municipality located outside the district's boundaries for the care and treatment [~~hospitalization~~] of a sick or injured person of that county or municipality.

(b)  The board may contract with this state or a federal agency for the care and [~~hospital~~] treatment of a sick or injured person for whom this state or the agency is responsible.

SECTION 9.  Subchapter C, Chapter 1021, Special District Local Laws Code, is amended by adding Section 1021.116 to read as follows:

Sec. 1021.116.  FACILITIES OR SERVICES FOR PERSONS WHO ARE ELDERLY OR PERSONS WITH DISABILITIES. (a)  The district may:

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

(A)  a nursing home or similar long-term care facility;

(B)  elderly housing;

(C)  assisted living;

(D)  home health;

(E)  personal care;

(F)  special care; or

(G)  continuing care; and

(2)  purchase, acquire by lease or contract, repair, or equip durable medical equipment to provide services to persons who are elderly or to persons with disabilities.

(b)  For a facility or service described by Subsection (a), the board may:

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

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

(3)  discontinue all or part of a service.

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

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

SECTION 10.  Section 1021.157, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.157.  INSPECTION OF AUDIT AND DISTRICT RECORDS. The audit and other district records, including records described by Section 1021.063, shall be open to public inspection at the district's principal office.

SECTION 11.  Subchapter D, Chapter 1021, Special District Local Laws Code, is amended by adding Sections 1021.161 and 1021.162 to read as follows:

Sec. 1021.161.  GENERAL AUTHORITY TO BORROW MONEY; SECURITY. (a)  Notwithstanding Section 1021.160, the board may borrow money at a rate not to exceed the maximum annual percentage rate allowed by law for district obligations at the time the loan is made.

(b)  To secure a loan, the board may pledge:

(1)  district revenue that is not pledged to pay the district's bonded indebtedness;

(2)  a district tax to be imposed by the district in the next 12-month period that is not pledged to pay the principal of or interest on district bonds; or

(3)  district bonds that have been authorized but not sold.

(c)  A loan for which taxes or bonds are pledged must mature not later than the first anniversary of the date the loan is made. A loan for which district revenue is pledged must mature not later than the fifth anniversary of the date the loan is made.

Sec. 1021.162.  AUTHORITY TO BORROW MONEY IN EMERGENCY; SECURITY. (a)  Notwithstanding Section 1021.160, the board may borrow money at a rate not to exceed the maximum annual percentage rate allowed by law for district obligations at the time the loan is made if the board declares that:

(1)  money is not available to meet authorized obligations of the district; and

(2)  an emergency exists.

(b)  To secure a loan, the board may pledge:

(1)  district revenue that is not pledged to pay the district's bonded indebtedness;

(2)  a district tax to be imposed by the district in the next 12-month period that is not pledged to pay the principal of or interest on district bonds; or

(3)  district bonds that have been authorized but not sold.

(c)  A loan for which taxes or bonds are pledged must mature not later than the first anniversary of the date the loan is made. A loan for which district revenue is pledged must mature not later than the fifth anniversary of the date the loan is made.

(d)  The board may not spend money obtained from a loan under this section for any purpose other than:

(1)  the purpose for which the board declared an emergency; and

(2)  if district taxes or bonds are pledged to pay the loan, the purpose for which the pledged taxes were imposed or the pledged bonds were authorized.

SECTION 12.  Section 1021.201, Special District Local Laws Code, is amended to read as follows:

Sec. 1021.201.  GENERAL OBLIGATION BONDS. The board may issue and sell general obligation bonds in the name and on the faith and credit of the district for any purpose relating to:

(1)  the purchase, construction, acquisition, repair, or renovation of buildings or improvements; [~~and~~]

(2)  equipping buildings or improvements for hospital purposes; or

(3)  acquiring and operating a mobile emergency medical or air ambulance service.

SECTION 13.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

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I hereby certify that S.B. No. 1950 passed the Senate on April 17, 2019, by the following vote:  Yeas 31, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Secretary of the Senate

I hereby certify that S.B. No. 1950 passed the House on May 14, 2019, by the following vote:  Yeas 137, Nays 4, two present not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Chief Clerk of the House

Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_           Governor