

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 21, 2019

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **SB1621** by Kolkhorst (Relating to creating a license for certain rural medical facilities; requiring a license; authorizing fees.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Services Commission (HHSC) to develop and implement a strategic plan to ensure that citizens residing in rural areas of Texas have access to hospital services. The bill would require HHSC to issue rules and licenses for limited services rural hospitals if a federal law were passed to create a payment program for these hospitals. This federal law has not yet been passed. If federal law were changed, there could be a fiscal impact for the regulatory oversight of these facilities or reimbursement rates paid to facilities.

The bill would also require HHSC to establish the Rural Hospital Advisory Committee to advise HHSC on issues relating specifically to rural hospitals.

HHSC indicates it could absorb the costs associated with these activities within its current resources.

The bill would also amend the Special District Local Laws Code to allow the Midland County Hospital District to impose a sales and use tax.

According to the Comptroller of Public Accounts, the provisions of the bill related to the Midland County Hospital District adopting, changing the rate of or abolishing a sales and use tax, would have no fiscal impact on the state.

Local Government Impact

No fiscal implication to units of local government is anticipated.

According to Midland County, the provisions of the bill related to the Midland County Hospital District adopting, changing the rate of or abolishing a sales and use tax, are not anticipated to have a fiscal impact.

Source Agencies: 304 Comptroller of Public Accounts, 529 Health and Human Services Commission

LBB Staff: WP, AKi, JQ, MNa