BILL ANALYSIS

H.B. 2314 By: Clardy County Affairs Committee Report (Unamended)

BACKGROUND AND PURPOSE

There is an ongoing concern that the annual election of the board of directors of the Nacogdoches County Hospital District has the unintended consequence of creating significant board turnover in addition to uncertainty for hospital administration, staff, and third parties who rely on the board for management and supervision. Furthermore, the hospital district is currently restricted to using banks in the county as a depository, which is burdensome considering that the district's options have only dwindled over time. H.B. 2314 seeks to address these issues by revising certain district election procedures and by authorizing the district to select any bank to serve as the depository for district funds.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2314 amends the Special District Local Laws Code to set the term length for members of the Nacogdoches County Hospital District's board of directors at four years. The terms are staggered with director elections held in each even-numbered year on the November uniform election date. The bill provides that all member positions are up for election in the election scheduled to be held in November 2022 and that the term of a director serving immediately before the election date expires on the date a majority of the newly elected directors have qualified for office. To provide for the staggering of terms, the newly elected members must then draw lots to determine which four directors will serve four-year terms and which three directors will serve two-year terms.

H.B. 2314 gives the board the option to select a bank that is outside of the district to serve as a depository for district money.

EFFECTIVE DATE

January 1, 2022.

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