

**HOUSE OF REPRESENTATIVES
COMPILATION OF PUBLIC COMMENTS**

Submitted to the Committee on Pensions, Investments & Financial Services
For HB 1489

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Hearing Date: April 5, 2023 8:00 AM

Jonny Hipp, Administrator/CEO
Nueces County Hospital District
Corpus Christi, TX

Dear Chairman Capriglione and Members of the Committee:

Thank you for the opportunity to provide written comments on HB 1489 by Representatives Tepper, Gates, and Troxclair.

My name is Jonny Hipp, I am Administrator/Chief Executive Officer of the Nueces County Hospital District, and I wish to state my Hospital District's opposition to this Bill.

We respectfully ask that hospital districts be exempted from any prohibitions or restrictions on the use of certificates of obligation to finance essential infrastructure projects to better meet the health needs of their growing communities and to meet their statutory obligations to provide health care services to the needy residents of their County.

We appreciate the commitment to reducing public, taxpayer-financed debt. However, among the local governmental entities using Certificates of Obligation, hospital districts are unique:

1. Hospital districts are created under the authority of the Texas Constitution, Article IX, Sections 4-11; are approved by local voters; are required by Chapter 281, Health and Safety Code to provide to provide medical aid and hospital care to the needy residents of their County.

2. Their use of COs typically creates or improves the provision of critical and at times life-saving health care services in their communities.

a. Hospital district COs are used to ensure continued access to level I (the highest level) life-saving trauma care accessed by Texans across the state; to create cost-effective access to primary and specialty clinics and services in communities of highest need to prevent disease progression and costlier down-stream care; to quickly respond to emergent and community-identify health needs; and to maintain safe and reliable infrastructure needed to provide health care when and where it is needed.

b. For example, the U.S. Department of Homeland Security identifies health care as one of the country's 16 critical infrastructure sectors. (Excluding hospitals from the definition of public work is in direct opposition to national sentiment about the essential role of hospitals.)

3. Most importantly is that hospital districts use of COs must first be approved and voted on in a public setting by a locally elected body (Commissioners' Courts) that is an entity separate from the hospital district seeking the CO. Hospital district COs are proposed in the budget process, as infrastructure projects in annual budget preparations. COs are an identified, anticipated method of finance brought to Boards and then Commissioner's Courts for review and vote. This provides public notice, engagement, and a vote by an external entity as a requirement before hospital districts can move forward to use COs.

Transparency and accountability are inherent in the approval process for hospital district COs because of 1) the advance public notice of the proposal and vote date and place and 2) required approval of the CO by the Commissioners Court of the County.

Thank you for your considerat

Josh Schroeder, Mayor
City of Georgetown
Georgetown, TX

I am writing on behalf of the City of Georgetown to discuss our concerns with House Bill 1489 as written. This bill will severely hinder our ability to issue certificates of obligation – with House Bill 1489 hindering our ability as they relate to public works projects such as road repairs, facility renovations, drainage projects, or solid waste transfer station growth.

Each city has unique situations in which certificates of obligation (COs) are appropriate.

House Bill 1489 would force cities to wait for facilities to fall into disrepair and declare an emergency in order to address the situation. Not only does this put public safety personnel at risk of injury or death, but it results in increased costs to voters to address an emergency repair situation versus routine maintenance or repairs that would prevent such disrepair. This bill is simply reckless, and the intent of the bill would not be achieved by passage – rather, this bill would increase the cost to taxpayers while making it harder on cities to provide essential services to residents.

For the reasons stated above, we cannot support the bill. Cities are already set up to address these very matters for the citizens within our boundaries – I respectfully ask that these responsibilities remain with cities so that we may continue to address our unique challenges as they arise.