

## **BILL ANALYSIS**

S.B. 1950  
By: Seliger  
County Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

It has been noted that the Donley County Hospital District initially operated as a hospital, then as a nursing home, and now assists emergency medical services with contracting. It has been suggested that because the district no longer operates as a hospital and is now aiding emergency medical services, the district's governing provisions should be amended accordingly. S.B. 1950 seeks to address this issue by revising such provisions.

### **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**

S.B. 1950 amends the Special District Local Laws Code, with respect to a provision authorizing the board of directors of the Donley County Hospital District to delegate to the district administrator the authority to hire district employees, to specify that such hiring is for the efficient operation of the district. The bill requires the board to keep minutes of all board meetings and proceedings and maintain at the district's principal office all district records and accounts.

S.B. 1950 authorizes the board to spend district money to recruit physicians, nurses, and other trained medical personnel. The bill authorizes the board to pay the tuition or other expenses of a full-time medical student or other student in a health occupation who is enrolled in and is in good standing at an accredited medical school, college, or university and who contractually agrees to become a district employee or independent contractor in return for that assistance. The bill authorizes the board to 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.

S.B. 1950 authorizes the board to 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. The bill requires the district to provide for the establishment of a hospital or hospital system in the district by:

- leasing, purchasing, constructing, acquiring, repairing, or renovating buildings and improvements;
- equipping the buildings and improvements; and

- administering the buildings and improvements for hospital purposes.

S.B. 1950 authorizes the hospital system to include, as determined by the board, blood banks and facilities related to outpatient clinics and authorizes the district to operate or provide for the operation of a mobile emergency medical or air ambulance service as part of the hospital system.

S.B. 1950 expands the rulemaking authority of the board to include rules required to administer the district's governing provisions, expands the district's authority with respect to the acquisition and disposition of district property, facilities, and equipment, and revises provisions relating to district construction or purchase contracts and district contracts with governmental entities for the treatment of a sick or injured person.

S.B. 1950 authorizes the district to do the following:

- 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 nursing home or similar long-term care facility;
  - elderly housing;
  - assisted living;
  - home health;
  - personal care;
  - special care; or
  - continuing care; and
- 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.

S.B. 1950 authorizes the board, for such a facility or service, to do the following:

- 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;
- close, transfer, sell, or otherwise convey all or part of a facility; and
- discontinue all or part of a service.

S.B. 1950 authorizes the board to 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 these persons. The bill establishes that for the purposes of these provisions an applicable facility or service is a hospital project under the Hospital Project Financing Act.

S.B. 1950 authorizes the board to 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. The bill authorizes the board, to secure a loan, to pledge the following:

- district revenue that is not pledged to pay the district's bonded indebtedness;
- 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
- district bonds that have been authorized but not sold.

S.B. 1950 requires a loan for which taxes or bonds are pledged to mature not later than the first anniversary of the date the loan is made and requires a loan for which district revenue is pledged

to mature not later than the fifth anniversary of the date the loan is made. The bill sets out provisions relating to the board's authority to borrow money in an emergency. The bill authorizes the board to issue and sell general obligation bonds in the name and on the faith and credit of the district for any purpose relating to acquiring and operating a mobile emergency medical or air ambulance service.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.