

## BILL ANALYSIS

Senate Research Center

H.B. 2330  
By: Alexander  
Intergovernmental Relations  
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House Engrossment

### BACKGROUND

The South Limestone Hospital District was created by the 61st Legislature in 1969. It encompasses a portion of Limestone County. The district was created pursuant to Article IX, Section 9, Texas Constitution. The district is currently governed by a 15-member board of directors, serving two-year terms.

### PURPOSE

As proposed, H.B. 2330 increases the term of office for district directors and reduces the total number of directors to seven. The legislation broadens the authority of the district to provide health care services, recruit and employ personnel, and borrow money.

### RULEMAKING AUTHORITY

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

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5(a), Chapter 638, Acts of the 61st Legislature, Regular Session, 1969, to provide that the district is governed by a board of seven directors. Requires the members of the board to be elected from the district at large. Deletes language pertaining to the appointment of provisional directors.

SECTION 2. Amends Section 5(e), Chapter 638, Acts of the 61st Legislature, Regular Session, 1969, to provide for the election of the directors. Provides for the terms of office of successor directors. Deletes language pertaining to the terms of office of provisional directors and to the election of directors.

SECTION 3. Amends 5, Chapter 638, Acts of the 61st Legislature, Regular Session, 1969, by adding Subsection (j), as follows:

(j) Prohibits a person from serving as a director if the person receives compensation under a contract with the district or is or was a district employee during the two years preceding the date of the election.

SECTION 4. Amends Section 20(e), Chapter 638, Acts of the 61st Legislature, Regular Session, 1969, to allow for the employment of necessary personnel, including nurses.

SECTION 5. Amends Section 20, Chapter 638, Acts of the Legislature, Regular Session, 1969, by adding Subsections (g) and (h), as follows:

(g) Authorizes the board to provide emergency services, home health care services, long-term health care services, or any other health care services.

(h) Sets forth the purposes for which the board may spend district funds.

SECTION 6. Amends Chapter 638, Acts of the 61st Legislature, Regular Session, 1969, by adding Section 20A, as follows:

Sec. 20A. BORROWING MONEY IN EMERGENCIES. (a) Authorizes the board to borrow money in an emergency to meet lawfully authorized obligations.

(b) Sets forth the funds the board is allowed to pledge to secure a loan.

(c) Provides for the maturation date of the loan for which both taxes, bonds, and/or district revenues were pledged.

(d) Prohibits the board from spending money obtained from a loan for any purpose other than the purpose for which the board declared an emergency, or any purpose other than one for which pledged taxes were levied or pledged bonds were authorized.

SECTION 7. (a) Effective date: September 1, 1991.

(b) Requires the first election for directors under this Act to be held on May 2, 1992.

(c) Provides for the election and the terms of office of directors.

(d) Provides for the expiration date of the terms of office of the directors serving before the effective date of this Act.

SECTION 8. Emergency clause.