

## **BILL ANALYSIS**

Senate Research Center  
76R824 PAM-D

S.B. 356  
By: Brown  
State Affairs  
2/11/1999  
As Filed

### **DIGEST**

The Texas Hospital Equipment Financing Council (HEFC) was created to provide low-cost loans to hospitals in rural areas, for the purchase of equipment by issuing bonds. This endeavor was not successful because the small hospitals responsible for sharing the expense of the bonds did not have the credit qualifications required of loan applicants. Therefore, the legislature eliminated the HEFC's ability issue bonds, thereby effectively eliminating the purpose for the existence of the HEFC. This bill would abolish the HEFC by repealing the laws that create and define the responsibilities of the council.

### **PURPOSE**

As proposed, S.B. 356 abolishes the Texas Hospital Equipment Financing Council.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. (1) Repealer: Chapter 224, Health and Safety Code (Hospital Equipment Financing); and  
(2) Repealer: Section 151.3131, Tax Code (Texas Hospital Equipment Financing Council).

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.