

## **BILL ANALYSIS**

Senate Research Center  
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C.S.S.B. 1459  
By: Wentworth  
Intergovernmental Relations  
5/2/2001  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Currently, the Bexar County Hospital District serves a large area. The University Health System in San Antonio is the only civilian level I trauma facility for a trauma area with a population of nearly two million. C.S.S.B. 1459 authorizes the hospital district to adopt a sales and use tax, contingent on voter approval and on a limit of 2.25 percent in any location in the district, to upgrade trauma services and improve patient care.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 281, Health and Safety Code, by adding Subchapter H, as follows:

#### **SUBCHAPTER H. SALES AND USE TAXATION AUTHORITY OF BEXAR COUNTY HOSPITAL DISTRICT**

Sec. 281.141. DEFINITION. Defines "district" as the Bexar County Hospital District.

Sec. 281.142. APPLICABILITY OF OTHER LAW. Provides that except to the extent that a provision of this subchapter applies, Chapter 323 (County Sales and Use Tax Act), Tax Code, applies to a tax authorized by this subchapter, except that Sections 323.101(b) and (c) (Tax Authorized) do not apply.

Sec. 281.143. TAXING AUTHORITY. (a) Authorizes the district to adopt or abolish a sales and use tax authorized by this subchapter at an election held in the district.

(b) Prohibits the district from adopting a tax under this subchapter if as a result of the adoption of the tax the combined rate of all sales and use taxes imposed by the district and all other political subdivisions of this state having territory in the district would exceed 2.25 percent in any location in the district.

Sec. 281.144. TAX RATE. Provides that the rate of the tax authorized by this subchapter is: one-eighth of one percent; or one-quarter of one percent.

Sec. 281.145. TAX EFFECTIVE DATE. (a) Provides that the adoption or abolition of a tax under this subchapter takes effect on the first day of the first calendar quarter occurring after the expiration of the first complete calendar quarter occurring after the date on which the comptroller receives notice of the results of the election.

(b) Provides that if the comptroller determines that an effective date provided by Subsection (a) will occur before the comptroller can reasonably take the action

required to begin collecting the tax or to implement the abolition of the tax, the effective date may be extended by the comptroller until the first day of the next calendar quarter.

Sec. 281.146. ELECTION PROCEDURE. Provides that an election to adopt or abolish a tax authorized by this subchapter is called by the adoption of an order of the commissioners court of the county (commissioners court). Authorizes the commissioners court to call an election on its own motion and requires it to call an election if a number of qualified voters in the district equal to at least five percent of the number of registered voters in the district petitions the commissioners court to call the election. Requires the ballot at an election to adopt, abolish, or change a tax rate authorized by this subchapter to be prepared to permit voting for or against the proposition and sets forth specific wording to be contained on the ballot.

Sec. 281.147. USE OF TAX REVENUE. Authorizes the revenue from a tax imposed under this subchapter to be used by the district only to fund level I trauma operations.

Sec. 281.148. DISTRIBUTION OF TRUST FUNDS. Requires the comptroller, at least twice during each state fiscal year and at other times as often as feasible, to send to the chief financial officer of the district, payable to the district, the district's share of the taxes collected by the comptroller under this subchapter.

SECTION 2. Amends Section 26.012(1), Tax Code, to redefine "additional sales and use tax" to include an exception.

SECTION 3. Effective date: upon passage or September 1, 2001.

#### **SUMMARY OF COMMITTEE CHANGES**

Amends As Filed S.B. 1459 as follows:

SECTION 1. Sec. 281.146. Amends and adds proposed text relating to an election to adopt a tax under this subchapter.

Adds Section 281.148 relating to the distribution of taxes collected.

SECTION 2. No change.

SECTION 3. No change.