

## **BILL ANALYSIS**

Senate Research Center  
78R2998 AJA-D

S.B. 313  
By: Harris  
State Affairs  
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As Filed

### **DIGEST AND PURPOSE**

Currently, the income of an endowment for a non-profit nursing home is not protected from civil judgments. Donors are not guaranteed that their donations will be protected. As proposed, S.B. 313 protects the income of an endowment in the collection of civil damages against certain non-profit nursing institutions.

### **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 Title 2C, Civil Practice and Remedies Code, by adding Chapter 40, as follows:

#### **CHAPTER 40. AVAILABILITY OF CERTAIN FUNDS TO PAY DAMAGES**

Sec. 40.001. ENDOWMENT OF NONPROFIT NURSING INSTITUTION. (a)  
Provides that this section applies only to damages awarded against certain nonprofit nursing institutions.

(b) Prohibits a claimant from collecting damages awarded against a nursing institution described by Subsection (a) from the corpus or income of an endowment or fund that is exempt from federal taxation and which is used in funding care provided by the institution.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2003.