

BILL ANALYSIS

Senate Research Center
85R20657 MEW-D

H.B. 594
By: VanDeaver (Hughes)
Intergovernmental Relations
5/16/2017
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note that a county hospital authority may no longer be needed in certain areas of Texas, such as those with declining populations and changing economies. H.B. 594 addresses this issue by providing for a dissolution procedure for such an authority.

H.B. 594 amends current law relating to procedures for the dissolution of a county hospital authority.

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 Subchapter A, Chapter 264, Health and Safety Code, by adding Section 264.004, as follows:

Sec. 264.004. DISSOLUTION. (a) Authorizes the commissioners court of a county by order to dissolve an authority created by the commissioners court if the commissioners court and the authority provide for the sale or transfer of the authority's assets and liabilities to the county.

(b) Prohibits the dissolution of an authority and the sale or transfer of the authority's assets and liabilities from violating a trust indenture or bond resolution relating to the outstanding bonds of the authority or diminishing or impairing the rights of the holders of outstanding bonds, warrants, or other obligations of the authority.

(c) Provides that an order dissolving an authority takes effect on the 31st day after the date the commissioners court adopts the order.

(d) Requires that all records of the authority remaining when the authority is dissolved be transferred to the county clerk of the county in which the authority is located.

SECTION 2. Effective date: upon passage or September 1, 2017.