

AN ACT

1
2 , relating to the powers of municipal and county hospital authorities
3 and hospital districts created under general or special law.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter C, Chapter 262, Health and Safety
6 Code, is amended by adding Sections 262.037 and 262.038 to read as
7 follows:

8 Sec. 262.037. ESTABLISHMENT OF NONPROFIT CORPORATION. (a)
9 The authority may form and sponsor a nonprofit corporation under
10 the Texas Nonprofit Corporation Law, as described by Section 1.008,
11 Business Organizations Code, to own and operate all or part of one
12 or more ancillary health care facilities consistent with the
13 purposes of an authority under this chapter.

14 (b) The board shall appoint the board of directors of a
15 nonprofit corporation formed under this section.

16 (c) The authority may contribute money to or solicit money
17 for the nonprofit corporation. If the authority contributes money
18 to or solicits money for the corporation, the authority shall
19 establish procedures and controls sufficient to ensure that the
20 money is used by the corporation for public purposes.

21 (d) A nonprofit corporation formed under this section has
22 the same powers as a development corporation under Section 221.030.

23 (e) A nonprofit corporation formed under this section shall
24 comply with Chapter 2258, Government Code, in the same manner and to

1 the same extent that the authority is required to comply with that
2 chapter.

3 Sec. 262.038. HOSPITAL AUTHORITY CONTRACTS,
4 COLLABORATIONS, AND JOINT VENTURES. The authority may, directly or
5 through any nonprofit corporation formed by the authority,
6 contract, collaborate, or enter into a joint venture with any
7 public or private entity as necessary to carry out the functions of
8 or provide services to the authority.

9 SECTION 2. Subchapter C, Chapter 264, Health and Safety
10 Code, is amended by adding Sections 264.035 and 264.036 to read as
11 follows:

12 Sec. 264.035. ESTABLISHMENT OF NONPROFIT CORPORATION. (a)
13 The authority may form and sponsor a nonprofit corporation under
14 the Texas Nonprofit Corporation Law, as described by Section 1.008,
15 Business Organizations Code, to own and operate all or part of one
16 or more ancillary health care facilities consistent with the
17 purposes of an authority under this chapter.

18 (b) The board shall appoint the board of directors of a
19 nonprofit corporation formed under this section.

20 (c) The authority may contribute money to or solicit money
21 for the nonprofit corporation. If the authority contributes money
22 to or solicits money for the corporation, the authority shall
23 establish procedures and controls sufficient to ensure that the
24 money is used by the corporation for public purposes.

25 (d) A nonprofit corporation formed under this section has
26 the same powers as a development corporation under Section 221.030.

27 (e) A nonprofit corporation formed under this section shall

1 comply with Chapter 2258, Government Code, in the same manner and to
2 the same extent that the authority is required to comply with that
3 chapter.

4 Sec. 264.036. HOSPITAL AUTHORITY CONTRACTS,
5 COLLABORATIONS, AND JOINT VENTURES. The authority may, directly or
6 through any nonprofit corporation formed by the authority,
7 contract, collaborate, or enter into a joint venture with any
8 public or private entity as necessary to carry out the functions of
9 or provide services to the authority.

10 SECTION 3. Section 285.091(a), Health and Safety Code, is
11 amended to read as follows:

12 (a) A hospital district created under general or special law
13 may, directly or through a nonprofit corporation created or formed
14 by the district, contract, collaborate, or enter into a joint
15 venture with any public or private entity as necessary to [form or]
16 carry out the functions of or provide services to the district [an
17 intergovernmental initiative under Section 16B, Article 4413(502),
18 Revised Statutes].

19 SECTION 4. Chapter 285, Health and Safety Code, is amended
20 by adding Subchapter O to read as follows:

21 SUBCHAPTER O. NONPROFIT CORPORATION CREATED OR FORMED BY
22 DISTRICT

23 Sec. 285.301. ESTABLISHMENT OF NONPROFIT CORPORATION. (a)
24 A hospital district created under general or special law may form
25 and sponsor a nonprofit corporation under the Texas Nonprofit
26 Corporation Law, as described by Section 1.008, Business
27 Organizations Code, to own and operate all or part of one or more

1 ancillary health care facilities consistent with the purposes of
2 the district.

3 (b) The governing body of the hospital district shall
4 appoint the board of directors of a nonprofit corporation formed
5 under this section.

6 (c) The hospital district may contribute money to or solicit
7 money for the nonprofit corporation. If the district contributes
8 money to or solicits money for the corporation, the district shall
9 establish procedures and controls sufficient to ensure that the
10 money is used by the corporation for public purposes.

11 (d) A nonprofit corporation formed under this section has
12 the same powers as a development corporation under Section 221.030.

13 Sec. 285.302. COMPLIANCE BY NONPROFIT CORPORATION WITH
14 CERTAIN LAWS. A nonprofit corporation created or formed under this
15 subchapter or other law by a hospital district that is created under
16 general or special law shall comply with Chapter 2258, Government
17 Code, in the same manner and to the same extent that the hospital
18 district that created or formed the corporation is required to
19 comply with that chapter.

20 SECTION 5. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2007.

David Swihurst

President of the Senate

Jim Caddick

Speaker of the House

I certify that H.B. No. 2168 was passed by the House on March 22, 2007, by the following vote: Yeas 146, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2168 on May 17, 2007, by the following vote: Yeas 142, Nays 0, 1 present, not voting.

Robert Hanes
Chief Clerk of the House

I certify that H.B. No. 2168 was passed by the Senate, with amendments, on May 15, 2007, by the following vote: Yeas 31, Nays 0.

Letsy Spaw
Secretary of the Senate

APPROVED: 15 JUN 07

Date

RICK PERRY

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4 PM O'CLOCK

ROGER HUMPHREYS
Secretary of State