Chapter 164

S.B. No. 1107

AN ACT
relating to the powers and duties of the Travis County Healthcare
District.

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

SECTION 1. Subchapter C, Chapter 803, Government Code, is
amended by adding Section 803.204 to read as follows:

Sec. 803.204. COMBINED SERVICE CREDIT IN CERTAIN SYSTEMS.
(a) This section applies only to an employee who:

(1) is a member of a municipal retirement system
described by Section 803.0021(1);

(2) is employed by a hospital district, a charitable
organization created by the hospital district, or an administrative
agency created under Section 791.013, either before or after being
employed by the employing municipality located in the same county
as the hospital district, charitable organization, or
administrative agency; and

(3) participates in a public retirement system;

(A) that is determined to be a qualified plan
under Section 401(a), Internal Revenue Code of 1986 (26 U.S.C.
Section 401(a)), of a hospital district, charitable organization,
or administrative agency that is determined to be a governmental
unit, or an agency or an instrumentality of a governmental unit; and

(B) that records and reports service credit as
defined by Section 803.001.
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(b) Any service credit earned by an employee described by
Subsection (a) with a retirement system established by the hospital
district, charitable organization, or administrative agency will
be combined under Section 803.201 to determine whether the employee
meets the length-of-service requirements for service retirement
under the municipal retirement system.

(c) On retirement, an employee described by Subsection (a)
will receive a benefit from the municipal retirement system as
determined by Subchapter D, and if the hospital district or
administrative agency has established or participates in a
retirement program or the charitable organization has a retirement
plan, will receive a benefit from the hospital district,
administrative agency, or charitable organization as determined by
the terms of the district's, agency's, or organization's retirement
plan.

SECTION 2. Subdivision (2), Section 1431.001, Government
Code, is amended to read as follows:

(2) "Eligible countywide district" means a flood
control district or a hospital district the boundaries of which are
substantially coterminous with the boundaries of a county with a
population of three million or more or a hospital district created
in a county with a population of more than 800,000 that was not
included in the boundaries of a hospital district before September
1, 2003.

SECTION 3. Section 61.056, Health and Safety Code, is
amended by adding Subsection (c) to read as follows:

(c) A hospital district created in a county with a
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population of more than 800,000 that was not included in the
boundaries of a hospital district before September 1, 2003, may
affiliate with any public or private entity to provide regional
administration and delivery of health care services. The regional
affiliation, in accordance with the affiliation agreement, shall
use money contributed by an affiliated governmental entity to
provide health care services to an eligible resident of that
governmental entity.

SECTION 4. Subchapter B, Chapter 281, Health and Safety
Code, is amended by adding Section 281.0281 to read as follows:

Sec. 281.0281. EMPLOYMENT OF HEALTH CARE PROVIDERS.

(a) This section applies only to a district created in a county
with a population of more than 800,000 that was not included in the
boundaries of a hospital district before September 1, 2003.

(b) The board, as it considers necessary for the efficient
operation of the district, may employ:

(1) physicians as provided in this section and
Sections 162.001(c-4) and (c-5), Occupations Code; and

(2) dentists or other health care providers.

(c) The board may employ a licensed physician as a medical
director if the physician:

(1) provides only policy, administrative, and
managerial services; and

(2) does not provide direct patient care or otherwise
practice medicine, as defined by Section 151.002, Occupations Code,
at or for the district.

(d) This section does not authorize the board to supervise
or control the practice of medicine or permit the unauthorized
practice of medicine, as prohibited by Subtitle B, Title 3,
Occupations Code.

SECTION 5. Subchapter C, Chapter 281, Health and Safety
Code, is amended by adding Section 281.0511 to read as follows:

Sec. 281.0511. CONTRACTING AUTHORITY OF CERTAIN DISTRICTS.
(a) This section applies only to a district created in a county
with a population of more than 800,000 that was not included in the
boundaries of a hospital district before September 1, 2003.

(b) Notwithstanding Sections 281.050 and 281.051, the board
may contract with any person, including a private or public entity
or a political subdivision of this state, to provide or assist in
the provision of services.

SECTION 6. Section 281.0565, Health and Safety Code, is
amended by adding Subsection (d) to read as follows:

(d) A district created in a county with a population of more
than 800,000 that was not included in the boundaries of a hospital
district before September 1, 2003, may make a capital or other
financial contribution to a charitable organization created by the
district to provide regional administration and delivery of health
care services to or for the district.

SECTION 7. Subchapter G, Chapter 281, Health and Safety
Code, is amended by adding Section 281.124 to read as follows:

Sec. 281.124. ELECTION TO APPROVE TAX RATE IN EXCESS OF
ROLLBACK TAX RATE. (a) This section applies only to a district
created in a county with a population of more than 800,000 that was
not included in the boundaries of a hospital district before
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September 1, 2003.

(b) The board may hold an election at which the registered voters of the district may approve a tax rate for the current tax year that exceeds the district's rollback tax rate for the year computed under Chapter 26, Tax Code, by a specific rate stated in dollars and cents per $100 of taxable value.

(c) An election under this section must be held at least 180 days before the date on which the district's tax rate is adopted by the board. At the election, the ballot shall be prepared to permit voting for or against the proposition: "Approving the ad valorem tax rate of $ (insert total proposed tax rate) per $100 valuation in (insert district name) for the (insert current tax year) tax year, a rate that exceeds the district's rollback tax rate. The proposed ad valorem tax rate exceeds the ad valorem tax rate most recently adopted by the district by $ (insert difference between proposed and preceding year's tax rates) per $100 valuation."

(d) If a majority of the votes cast in the election favor the proposition, the tax rate for the specified tax year is the rate approved by the voters, and that rate is not subject to a rollback election under Section 26.07, Tax Code. The board shall adopt the tax rate as provided by Chapter 26, Tax Code.

(e) If the proposition is not approved as provided by Subsection (c), the board may not adopt a tax rate for the district for the specified tax year that exceeds the rate that was not approved, and Section 26.07, Tax Code, applies to the adopted rate if that rate exceeds the rollback tax rate.

(f) Notwithstanding any other law, if a majority of the
votes cast in the election favor the proposition, a governing body
with approval authority over the district’s budget or tax rate may
not disapprove the tax rate approved by the voters or disapprove the
budget based solely on the tax rate approved by the voters.

SECTION 8. Section 162.001, Occupations Code, is amended by
adding Subsections (c-4) and (c-5) to read as follows:

(c-4) The board shall certify a health organization to
contract with or employ physicians licensed by the board if the
organization:

(1) is a hospital district:

(A) recognized by a federal agency as a public
entity eligible to receive a grant related to a community or
federally qualified health center described by Subdivision (2); and

(B) created in a county with a population of more
than 800,000 that was not included in the boundaries of a hospital
district before September 1, 2003; and

(2) is organized and operated as:

(A) a migrant, community, or homeless health
center under the authority of and in compliance with 42 U.S.C.
Section 254b or 254c; or

(B) a federally qualified health center under 42

(c-5) This section applies to a hospital district described
by Subsection (c-4) only in relation to the hospital district’s
operations as a community or federally qualified health center
described by Subsection (c-4)(2).

SECTION 9. Section 281.123, Health and Safety Code, is
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1 repealed.
2 SECTION 10. Section 803.204, Government Code, as added by
3 this Act, applies only to a person who retires on or after the
4 effective date of this Act.
5 SECTION 11. This Act takes effect September 1, 2007.

[Signatures]

David S. Dewhurst  
President of the Senate

Tom Craddick  
Speaker of the House

I hereby certify that S.B. No. 1107 passed the Senate on
April 12, 2007, by the following vote: Yeas 31, Nays 0; and that
the Senate concurred in House amendment on May 9, 2007, by the
following vote: Yeas 31, Nays 0.

[Signature]

Secretary of the Senate

I hereby certify that S.B. No. 1107 passed the House, with
amendment, on May 2, 2007, by the following vote: Yeas 142,
Nays 0, two present not voting.

[Signature]

Chief Clerk of the House

Approved:

22 May 07

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:45 P.M. C.O. C.

May 23, 2007

Secretary of State