

# CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-25-13

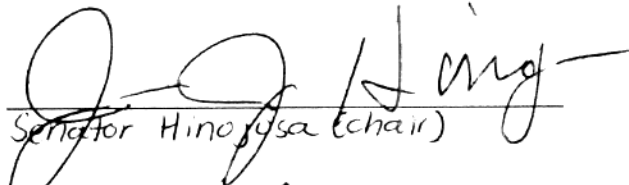
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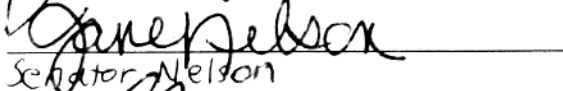
Honorable David Dewhurst  
President of the Senate

Honorable Joe Straus  
Speaker of the House of Representatives

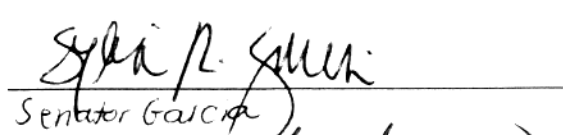
Sirs:

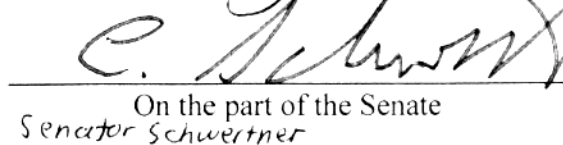
We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on HB 3793 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

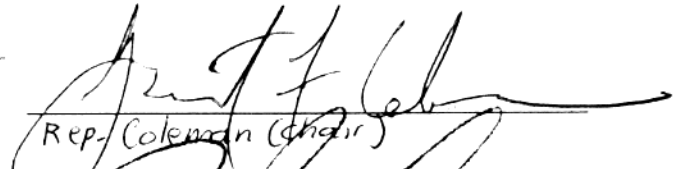
  
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Senator Hinojosa (chair)

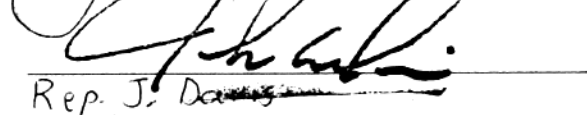
  
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Senator Nelson

  
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Senator Taylor

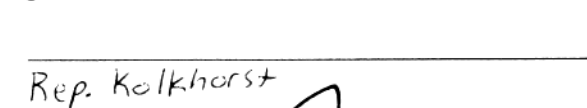
  
\_\_\_\_\_  
Senator Garcia

  
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On the part of the Senate  
Senator Schwertner

  
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Rep. Coleman (chair)

  
\_\_\_\_\_  
Rep. J. Davis

  
\_\_\_\_\_  
Rep. Farias

  
\_\_\_\_\_  
Rep. Kolkhorst

  
\_\_\_\_\_  
On the part of the House  
Rep. Zerwas

## Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

# CONFERENCE COMMITTEE REPORT

3<sup>rd</sup> Printing

H.B. No. 3793

A BILL TO BE ENTITLED

AN ACT

relating to powers, duties, and services of entities serving  
counties and county residents.

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

SECTION 1. Section 21.054, Education Code, is amended by  
adding Subsection (d) to read as follows:

(d) The board shall adopt rules that allow an educator to  
fulfill up to 12 hours of continuing education by participating  
in a mental health first aid training program offered by a local  
mental health authority under Section 1001.203, Health and  
Safety Code. The number of hours of continuing education an  
educator may fulfill under this subsection may not exceed the  
number of hours the educator actually spends participating in a  
mental health first aid training program.

SECTION 2. Section 533.0354, Health and Safety Code, is  
amended by adding Subsections (a-1), (a-2), and (b-1) to read as  
follows:

(a-1) In addition to the services required under  
Subsection (a) and using money appropriated for that purpose or  
money received under the Texas Health Care Transformation and  
Quality Improvement Program 1115 waiver, a local mental health  
authority may ensure, to the extent feasible, the provision of  
assessment services, crisis services, and intensive and  
comprehensive services using disease management practices for

1 children with serious emotional, behavioral, or mental  
2 disturbance not described by Subsection (a) and adults with  
3 severe mental illness who are experiencing significant  
4 functional impairment due to a mental health disorder not  
5 described by Subsection (a) that is defined by the Diagnostic  
6 and Statistical Manual of Mental Disorders, 5th Edition (DSM-5),  
7 including:

8 (1) major depressive disorder, including single  
9 episode or recurrent major depressive disorder;

10 (2) post-traumatic stress disorder;

11 (3) schizoaffective disorder, including bipolar and  
12 depressive types;

13 (4) obsessive compulsive disorder;

14 (5) anxiety disorder;

15 (6) attention deficit disorder;

16 (7) delusional disorder;

17 (8) bulimia nervosa, anorexia nervosa, or other  
18 eating disorders not otherwise specified; or

19 (9) any other diagnosed mental health disorder.

20 (a-2) The local mental health authority shall ensure that  
21 individuals described by Subsection (a-1) are engaged with  
22 treatment services in a clinically appropriate manner.

23 (b-1) The department shall require each local mental  
24 health authority to incorporate jail diversion strategies into  
25 the authority's disease management practices to reduce the  
26 involvement of the criminal justice system in managing adults  
27 with the following disorders as defined by the Diagnostic and

1 Statistical Manual of Mental Disorders, 5th Edition (DSM-5), who  
2 are not described by Subsection (b):

3 (1) post-traumatic stress disorder;

4 (2) schizoaffective disorder, including bipolar and  
5 depressive types;

6 (3) anxiety disorder; or

7 (4) delusional disorder.

8 SECTION 3. Subchapter B, Chapter 533, Health and Safety  
9 Code, is amended by adding Sections 533.051, 533.052, and  
10 533.053 to read as follows:

11 Sec. 533.051. ALLOCATION OF OUTPATIENT MENTAL HEALTH  
12 SERVICES AND BEDS IN STATE HOSPITALS. (a) To ensure the  
13 appropriate and timely provision of mental health services to  
14 patients who voluntarily receive those services or who are  
15 ordered by a court to receive those services in civil or  
16 criminal proceedings, the department, in conjunction with the  
17 commission, shall plan for the proper and separate allocation of  
18 outpatient or community-based mental health services provided by  
19 secure and nonsecure outpatient facilities that provide  
20 residential care alternatives and mental health services and for  
21 the proper and separate allocation of beds in the state  
22 hospitals for the following two groups of patients:

23 (1) patients who are voluntarily receiving outpatient  
24 or community-based mental health services, voluntarily admitted  
25 to a state hospital under Chapter 572, admitted to a state  
26 hospital for emergency detention under Chapter 573, or ordered  
27 by a court under Chapter 574 to receive inpatient mental health

1 services at a state hospital or outpatient mental health  
2 services from an outpatient facility that provides residential  
3 care alternatives and mental health services; and

4 (2) patients who are ordered to participate in an  
5 outpatient treatment program to attain competency to stand trial  
6 under Chapter 46B, Code of Criminal Procedure, or committed to a  
7 state hospital or other facility to attain competency to stand  
8 trial under Chapter 46B, Code of Criminal Procedure, or to  
9 receive inpatient mental health services following an acquittal  
10 by reason of insanity under Chapter 46C, Code of Criminal  
11 Procedure.

12 (b) The plan developed by the department under Subsection  
13 (a) must include:

14 (1) a determination of the needs for outpatient  
15 mental health services of the two groups of patients described  
16 by Subsection (a);

17 (2) a determination of the minimum number of beds  
18 that the state hospital system must maintain to adequately serve  
19 the two groups of patients;

20 (3) a statewide plan for and the allocation of  
21 sufficient funds for meeting the outpatient mental health  
22 service needs of and for the maintenance of beds by the state  
23 hospitals for the two groups of patients; and

24 (4) a process to address and develop, without adverse  
25 impact to local service areas, the accessibility and  
26 availability of sufficient outpatient mental health services  
27 provided to and beds provided by the state hospitals to the two

1 groups of patients based on the success of contractual outcomes  
2 with mental health service providers and facilities under  
3 Sections 533.034 and 533.052.

4 (c) To assist in the development of the plan under  
5 Subsection (a), the department shall establish and meet at least  
6 monthly with an advisory panel composed of the following  
7 persons:

8 (1) one representative designated by the Texas  
9 Department of Criminal Justice;

10 (2) one representative designated by the Texas  
11 Association of Counties;

12 (3) two representatives designated by the Texas  
13 Council of Community Centers, including one representative of an  
14 urban local service area and one representative of a rural local  
15 service area;

16 (4) two representatives designated by the County  
17 Judges and Commissioners Association of Texas, including one  
18 representative who is the presiding judge of a court with  
19 jurisdiction over mental health matters;

20 (5) one representative designated by the Sheriffs'  
21 Association of Texas;

22 (6) two representatives designated by the Texas  
23 Municipal League, including one representative who is a  
24 municipal law enforcement official;

25 (7) one representative designated by the Texas  
26 Conference of Urban Counties;

27 (8) one representative designated by the Texas

1 Catalyst for Empowerment; and

2 (9) four representatives designated by the Department  
3 of State Health Services' Council for Advising and Planning for  
4 the Prevention and Treatment of Mental and Substance Use  
5 Disorders, including:

6 (A) the chair of the council;

7 (B) one representative of the council's members  
8 who is a consumer of or advocate for mental health services;

9 (C) one representative of the council's members  
10 who is a consumer of or advocate for substance abuse treatment;

11 and

12 (D) one representative of the council's members  
13 who is a family member of or advocate for persons with mental  
14 health and substance abuse disorders.

15 (d) In developing the plan under Subsection (a), the  
16 department and advisory panel shall consider:

17 (1) needs for outpatient mental health services of  
18 the two groups of patients described by Subsection (a);

19 (2) the frequency of use of beds and the historical  
20 patterns of use of beds in the state hospitals and other  
21 facilities by the two groups of patients;

22 (3) local needs and demands for outpatient mental  
23 health services by the two groups of patients;

24 (4) local needs and demands for beds in the state  
25 hospitals and other facilities for the two groups of patients;

26 (5) the availability of outpatient mental health  
27 service providers and inpatient mental health facilities that

1 may be contracted with to provide outpatient mental health  
2 services and beds for the two groups of patients;

3 (6) the differences between the two groups of  
4 patients with regard to:

5 (A) admission to and discharge from a state  
6 hospital or outpatient facility;

7 (B) rapid stabilization and discharge to the  
8 community;

9 (C) length of stay in a state hospital or  
10 outpatient facility;

11 (D) disputes arising from the determination of a  
12 patient's length of stay in a state hospital by a health  
13 maintenance organization or a managed care organization;

14 (E) third-party billing; and

15 (F) legal challenges or requirements related to  
16 the examination and treatment of the patients; and

17 (7) public input provided to the department or  
18 advisory panel in a form and at a time and place that is  
19 effective and appropriate and in a manner that complies with any  
20 applicable laws, including administrative rules.

21 (e) The department shall update the plan biennially.

22 (f) Not later than December 31, 2013, the department, in  
23 conjunction with the advisory panel, shall develop the initial  
24 version of the plan required by Subsection (a).

25 (g) Not later than August 31, 2014, the department shall:

26 (1) identify standards and methodologies for the  
27 implementation of the plan required by Subsection (a); and



1           (2) begin implementing the plan.

2           (h) Not later than December 1, 2014, the department shall  
3 submit a report to the legislature and governor that includes  
4 the initial version of the plan, the status of the plan's  
5 implementation, and the impact of the plan on the delivery of  
6 services.

7           (i) While the plan required by Subsection (a) is being  
8 developed and implemented, the department may not, pursuant to  
9 any rule, contract, or directive, impose a sanction, penalty, or  
10 fine on a local mental health authority for the authority's  
11 noncompliance with any methodology or standard adopted or  
12 applied by the department relating to the allocation of beds by  
13 authorities for the two groups of patients described by  
14 Subsection (a).

15           Sec. 533.052. CONTRACTING WITH CERTAIN MENTAL HEALTH  
16 SERVICE PROVIDERS AND FACILITIES TO PROVIDE SERVICES AND BEDS  
17 FOR CERTAIN PERSONS. The department shall make every effort,  
18 through collaboration and contractual arrangements with local  
19 mental health authorities, to contract with and use a broad base  
20 of local community outpatient mental health service providers  
21 and inpatient mental health facilities, as appropriate, to make  
22 available a sufficient and appropriately located amount of  
23 outpatient mental health services and a sufficient and  
24 appropriately located number of beds in inpatient mental health  
25 facilities, as specified in the plan developed by the department  
26 under Section 533.051, to ensure the appropriate and timely  
27 provision of mental health services to the two groups of

1 patients described by Section 533.051(a).

2 Sec. 533.053. INFORMING COURTS OF COMMITMENT OPTIONS. The  
3 department shall develop and implement a procedure through which  
4 a court that has the authority to commit a person who is  
5 incompetent to stand trial or who has been acquitted by reason  
6 of insanity under Chapters 46B and 46C, Code of Criminal  
7 Procedure, is aware of all of the commitment options for the  
8 person, including jail diversion and community-based programs.

9 SECTION 4. Chapter 1001, Health and Safety Code, is  
10 amended by adding Subchapter H to read as follows:

11 SUBCHAPTER H. MENTAL HEALTH FIRST AID TRAINING

12 Sec. 1001.201. DEFINITIONS. In this subchapter:

13 (1) "Educator" means a person who is required to hold  
14 a certificate issued under Subchapter B, Chapter 21, Education  
15 Code.

16 (2) "Local mental health authority" has the meaning  
17 assigned by Section 531.002 and includes the local behavioral  
18 health authority for the NorthSTAR Behavioral Health Program.

19 (3) "Regional education service center" means a  
20 regional education service center established under Chapter 8,  
21 Education Code.

22 Sec. 1001.202. GRANTS FOR TRAINING OF MENTAL HEALTH FIRST  
23 AID TRAINERS. (a) To the extent funds are appropriated to the  
24 department for that purpose, the department shall make grants to  
25 local mental health authorities to contract with persons  
26 approved by the department to train employees or contractors of  
27 the authorities as mental health first aid trainers.

1       (b) Except as provided by Subsection (c), the department  
2 shall make each grant to a local mental health authority under  
3 this section in an amount equal to \$1,000 times the number of  
4 employees or contractors of the authority whose training as  
5 mental health first aid trainers will be paid by the grant.

6       (c) For each state fiscal year, the total amount the  
7 department may grant to a local mental health authority under  
8 this section may not exceed the lesser of \$30,000 or three  
9 percent of the funds appropriated to the department for making  
10 grants under this section.

11       (d) The executive commissioner shall adopt rules to  
12 establish the requirements for a person to be approved by the  
13 department to train employees or contractors of a local mental  
14 health authority as mental health first aid trainers. The rules  
15 must ensure that a person who is approved by the department is  
16 qualified to provide training in:

17           (1) the potential risk factors and warning signs for  
18 various mental illnesses, including depression, anxiety, trauma,  
19 psychosis, eating disorders, substance abuse disorders, and  
20 self-injury;

21           (2) the prevalence of various mental illnesses in the  
22 United States and the need to reduce the stigma associated with  
23 mental illness;

24           (3) an action plan for use by the employees or  
25 contractors that involves the use of skills, resources, and  
26 knowledge to assess a situation and develop and implement an  
27 appropriate intervention to help an individual experiencing a

1 mental health crisis obtain appropriate professional care; and

2 (4) the evidence-based professional, peer, social,  
3 and self-help resources available to help individuals with  
4 mental illness.

5 (e) Two or more local mental health authorities may  
6 collaborate and share resources to provide training for  
7 employees or contractors of the authorities under this section.

8 Sec. 1001.203. GRANTS FOR TRAINING CERTAIN EDUCATORS IN  
9 MENTAL HEALTH FIRST AID. (a) To the extent funds are  
10 appropriated to the department for that purpose, the department  
11 shall make grants to local mental health authorities to provide  
12 an approved mental health first aid training program,  
13 administered by mental health first aid trainers, at no cost to  
14 educators.

15 (b) For each state fiscal year, the total amount the  
16 department may grant to a local mental health authority under  
17 this section may not exceed the lesser of \$40,000 or three  
18 percent of the funds appropriated to the department for making  
19 grants under this section.

20 (c) Subject to the limit provided by Subsection (b), out  
21 of the funds appropriated to the department for making grants  
22 under this section, the department shall grant \$100 to a local  
23 mental health authority for each educator who successfully  
24 completes a mental health first aid training program provided by  
25 the authority under this section.

26 (d) A mental health first aid training program provided by  
27 a local mental health authority under this section must:

1           (1) be conducted by a person trained as a mental  
2 health first aid trainer;

3           (2) provide participants with the skills necessary to  
4 help an individual experiencing a mental health crisis until the  
5 individual is able to obtain appropriate professional care; and

6           (3) include:

7           (A) instruction in a five-step strategy for  
8 helping an individual experiencing a mental health crisis,  
9 including assessing risk, listening respectfully to and  
10 supporting the individual, and identifying professional help and  
11 other supports for the individual;

12           (B) an introduction to the risk factors and  
13 warning signs for mental illness and substance abuse problems;

14           (C) experiential activities to increase  
15 participants' understanding of the impact of mental illness on  
16 individuals and families; and

17           (D) a presentation of evidence-supported  
18 treatment and self-help strategies.

19           (e) A local mental health authority may contract with a  
20 regional education service center to provide a mental health  
21 first aid training program to educators under this section.

22           (f) Two or more local mental health authorities may  
23 collaborate and share resources to develop and operate a mental  
24 health first aid training program under this section.

25           Sec. 1001.204. PLANS FOR MENTAL HEALTH FIRST AID TRAINING

26 PROGRAMS. (a) Not later than October 1 of each state fiscal  
27 year for which a local mental health authority will seek a grant

1 from the department under Section 1001.203, the authority shall  
2 submit to the department a plan demonstrating the manner in  
3 which grants made to the authority under that section will be  
4 used:

5 (1) to train individuals in mental health first aid  
6 throughout the authority's local service area to maximize the  
7 number of children who have direct contact with an individual  
8 who has successfully completed a mental health first aid  
9 training program provided by the authority;

10 (2) to meet the greatest needs of the authority's  
11 local service area, as identified by the authority; and

12 (3) to complement existing resources and not  
13 duplicate established mental health first aid training efforts.

14 (b) The department may not make a grant to a local mental  
15 health authority under Section 1001.203 unless the department  
16 has evaluated a plan submitted by the authority under this  
17 section.

18 Sec. 1001.205. REPORTS. (a) Not later than July 1 of  
19 each year, a local mental health authority shall provide to the  
20 department the number of:

21 (1) employees and contractors of the authority who  
22 were trained as mental health first aid trainers under Section  
23 1001.202;

24 (2) educators who completed a mental health first aid  
25 training program offered by the authority under Section 1001.203  
26 during the preceding calendar year; and

27 (3) individuals who are not educators who completed a

1 mental health first aid training program offered by the  
2 authority during the preceding calendar year.

3 (b) Not later than August 1 of each year, the department  
4 shall compile the information submitted by local mental health  
5 authorities as required by Subsection (a) and submit a report to  
6 the legislature containing the number of:

7 (1) authority employees and contractors trained as  
8 mental health first aid trainers;

9 (2) educators who completed a mental health first aid  
10 training program provided by an authority during the preceding  
11 calendar year; and

12 (3) individuals who are not educators who completed a  
13 mental health first aid training program provided by an  
14 authority during the preceding calendar year.

15 Sec. 1001.206. LIABILITY. A person who has completed a  
16 mental health first aid training program offered by a local  
17 mental health authority under this subchapter and who in good  
18 faith attempts to assist an individual experiencing a mental  
19 health crisis is not liable in civil damages for an act  
20 performed in attempting to assist the individual unless the act  
21 is wilfully or wantonly negligent.

22 SECTION 5. Subtitle A, Title 3, Special District Local  
23 Laws Code, is amended by adding Chapter 1122 to read as follows:

24 CHAPTER 1122. HIDALGO COUNTY HOSPITAL DISTRICT

25 SUBCHAPTER A. GENERAL PROVISIONS

26 Sec. 1122.001. DEFINITIONS. In this chapter:

27 (1) "Board" means the board of directors of the

1 district.

2 (2) "Director" means a member of the board.

3 (3) "District" means the Hidalgo County Hospital  
4 District.

5 Sec. 1122.002. DISTRICT AUTHORIZATION. The Hidalgo County  
6 Hospital District may be created and, if created, operates and  
7 is financed as provided by Section 9, Article IX, Texas  
8 Constitution, and by this chapter.

9 Sec. 1122.003. ESSENTIAL PUBLIC FUNCTION. The district is  
10 a public entity performing an essential public function.

11 Sec. 1122.004. DISTRICT TERRITORY. The boundaries of the  
12 district are coextensive with the boundaries of Hidalgo County.

13 Sec. 1122.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE  
14 OBLIGATION. The state may not be obligated for the support or  
15 maintenance of the district.

16 Sec. 1122.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE.  
17 The legislature may not make a direct appropriation for the  
18 construction, maintenance, or improvement of a district  
19 facility.

20 SUBCHAPTER A-1. TEMPORARY PROVISIONS

21 Sec. 1122.021. CREATION ELECTION; ORDERING ELECTION.

22 (a) The district may be created and a tax may be authorized  
23 only if the creation and the tax are approved by a majority of  
24 the registered voters of the territory of the proposed district  
25 voting at an election called and held for that purpose.

26 (b) The Hidalgo County Commissioners Court shall order an  
27 election for the registered voters of Hidalgo County on the



1 question of creation of the Hidalgo County Hospital District if  
2 the commissioners court receives a petition requesting an  
3 election that is signed by at least 50 registered voters who are  
4 residents of Hidalgo County.

5 (c) The order calling an election under this section must  
6 state:

7 (1) the nature of the election, including the  
8 proposition that is to appear on the ballot;

9 (2) the date of the election;

10 (3) the hours during which the polls will be open;

11 and

12 (4) the location of the polling places.

13 (d) Section 41.001(a), Election Code, does not apply to an  
14 election ordered under this section.

15 (e) The Hidalgo County Commissioners Court shall give  
16 notice of an election under this section by publishing a  
17 substantial copy of the election order in a newspaper with  
18 general circulation in Hidalgo County once a week for two  
19 consecutive weeks. The first publication must appear not later  
20 than the 30th day before the date set for the election.

21 (f) The ballot for an election under this section must be  
22 printed to permit voting for or against the proposition: "The  
23 creation of the Hidalgo County Hospital District, providing for  
24 the imposition of an ad valorem tax at a rate not to exceed 75  
25 cents on each \$100 valuation on all taxable property in the  
26 district."

27 (g) The Hidalgo County Commissioners Court shall find that

1 the Hidalgo County Hospital District is created if a majority of  
2 the voters voting in the election held under this section favor  
3 the creation of the district.

4 SUBCHAPTER B. DISTRICT ADMINISTRATION

5 Sec. 1122.051. DIRECTORS; TERM. (a) If the creation of  
6 the district is approved at the election held under Section  
7 1122.021, the district shall be governed by a nine-member board  
8 of directors, appointed as follows:

9 (1) the Hidalgo County Commissioners Court shall  
10 appoint four directors;

11 (2) the governing body of the municipality with the  
12 largest population in Hidalgo County shall appoint two  
13 directors;

14 (3) the governing body of the municipality with the  
15 second largest population in Hidalgo County shall appoint one  
16 director;

17 (4) the governing body of a municipality with the  
18 third largest population in Hidalgo County shall appoint one  
19 director; and

20 (5) the governing body of a municipality with the  
21 fourth largest population in Hidalgo County shall appoint one  
22 director.

23 (b) Directors serve staggered four-year terms, with as  
24 near as possible to one-fourth of the directors' terms expiring  
25 each year. The terms of the initial directors are as follows:

26 (1) the directors appointed by the governing bodies  
27 of the municipalities in Hidalgo County described by Subsection

1 (a) shall draw lots to determine which two directors serve a  
2 one-year term, which director serves a two-year term, which  
3 director serves a three-year term, and which director serves a  
4 four-year term; and

5 (2) the directors appointed by the Hidalgo County  
6 Commissioners Court shall draw lots to determine which director  
7 serves a one-year term, which director serves a two-year term,  
8 which director serves a three-year term, and which director  
9 serves a four-year term.

10 (c) A director may not serve more than two consecutive  
11 four-year terms.

12 Sec. 1122.052. QUALIFICATIONS. The Hidalgo County  
13 Commissioners Court shall by order provide for the  
14 qualifications of appointees to the board. The qualifications  
15 must provide that a person is not eligible for appointment to  
16 the board if the person is:

17 (1) an employee of Hidalgo County;

18 (2) a district employee; or

19 (3) related within the third degree of consanguinity  
20 or affinity, as determined under Subchapter B, Chapter 573,  
21 Government Code, to a member of the commissioners court or to a  
22 person described by Subdivision (1) or (2).

23 Sec. 1122.053. OFFICERS. (a) The board shall elect from  
24 among the directors:

25 (1) a chairman; and

26 (2) a vice-chairman to preside in the chairman's  
27 absence.

1       (b) The board shall elect a director or the district  
2 administrator to serve as secretary.

3       Sec. 1122.054. COMPENSATION; REIMBURSEMENT. A director or  
4 officer serves without compensation but may be reimbursed for  
5 actual expenses incurred in the performance of official duties.

6 The expenses must be:

7           (1) reported in the district's records; and

8           (2) approved by the board.

9       Sec. 1122.055. DIRECTOR'S BOND. (a) Before assuming the  
10 duties of office, each director must execute a bond in the  
11 amount of \$5,000 payable to the district and conditioned on the  
12 faithful performance of the director's duties.

13       (b) The bond shall be kept in the permanent records of the  
14 district.

15       (c) The board may pay for a director's bond with district  
16 money.

17       Sec. 1122.056. BOARD VACANCY. If a vacancy occurs in the  
18 office of director, the remaining directors shall appoint a  
19 director for the remainder of the unexpired term.

20       Sec. 1122.057. VOTING REQUIREMENT. A concurrence of a  
21 majority of the directors voting is necessary in matters  
22 relating to district business.

23       Sec. 1122.058. DISTRICT ADMINISTRATOR; ADMINISTRATOR'S  
24 BOND. (a) The board may appoint a qualified person as district  
25 administrator.

26       (b) The district administrator serves at the will of the  
27 board.

1       (c) The district administrator is entitled to compensation  
2 determined by the board.

3       (d) Before assuming the duties of district administrator,  
4 the administrator must execute a bond payable to the district in  
5 an amount not less than \$5,000, as determined by the board,  
6 conditioned on the faithful performance of the administrator's  
7 duties.

8       (e) The board may pay for the bond with district money.

9       Sec. 1122.059. GENERAL DUTIES OF DISTRICT ADMINISTRATOR.

10 Subject to the limitations prescribed by the board, the district  
11 administrator shall:

12           (1) supervise the work and activities of the  
13 district; and

14           (2) direct the general affairs of the district.

15       Sec. 1122.060. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY.

16 (a) The board may appoint qualified persons as assistant  
17 district administrator and attorney for the district.

18       (b) The assistant district administrator and attorney for  
19 the district serve at the will of the board.

20       (c) The assistant district administrator and attorney for  
21 the district are entitled to compensation determined by the  
22 board.

23       Sec. 1122.061. EMPLOYEES. (a) The district may employ  
24 nurses, technicians, fiscal agents, accountants, architects,  
25 additional attorneys, and other necessary employees.

26       (b) The board may delegate to the district administrator  
27 the authority to employ persons for the district.

1        Sec. 1122.062. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES.

2        The board may spend district money, enter into agreements, and  
3        take other necessary actions to recruit physicians and other  
4        persons to serve as medical staff members or district  
5        employees. The actions may include:

6                (1) advertising and marketing;

7                (2) paying travel, recruitment, and relocation  
8        expenses;

9                (3) providing a loan or scholarship to a physician or  
10       a person currently enrolled in health care education courses at  
11       an institution of higher education who contracts to become a  
12       medical staff member or district employee; or

13               (4) contracting with a full-time medical student or  
14       other student in a health occupation who is enrolled in and in  
15       good standing at an accredited medical school, college, or  
16       university to pay the student's tuition or other expenses for  
17       the consideration of the student agreeing to serve as an  
18       employee or independent contractor for the district.

19        Sec. 1122.063. APPOINTMENT AND REMOVAL OF MEDICAL STAFF.

20        The board may:

21               (1) appoint to the medical staff any doctor the board  
22       considers necessary for the efficient operation of the district;

23               (2) remove any doctor from the medical staff, after  
24       due process, if the board considers the doctor's removal  
25       necessary for the efficient operation of the district; and

26               (3) make temporary appointments to the medical staff  
27       as the board considers necessary.

1       Sec. 1122.064. RETIREMENT BENEFITS. The board may provide  
2 retirement benefits for district employees by:

3           (1) establishing or administering a retirement  
4 program; or

5           (2) participating in:

6           (A) the Texas County and District Retirement  
7 System; or

8           (B) another statewide retirement system in which  
9 the district is eligible to participate.

10                   SUBCHAPTER C. POWERS AND DUTIES

11       Sec. 1122.101. DISTRICT RESPONSIBILITY. The district has  
12 full responsibility for operating hospital facilities and  
13 providing medical and hospital care for the district's needy  
14 residents.

15       Sec. 1122.102. MANAGEMENT, CONTROL, AND ADMINISTRATION.  
16 The board shall manage, control, and administer the hospital  
17 system and the money and resources of the district.

18       Sec. 1122.103. RULES. The board may adopt rules  
19 governing:

20           (1) the operation of the hospital and hospital  
21 system; and

22           (2) the duties, functions, and responsibilities of  
23 district staff and employees.

24       Sec. 1122.104. PURCHASING AND ACCOUNTING PROCEDURES. The  
25 board may prescribe:

26           (1) the method of making purchases and expenditures  
27 by and for the district; and

1           (2) accounting and control procedures for the  
2 district.

3           Sec. 1122.105. PROVISION OF CERTAIN HEALTH SERVICES.

4           (a) The district may operate or provide for the operation of a  
5 mobile emergency medical service.

6           (b) The district may operate or provide for home health  
7 services, long-term care, skilled nursing care, intermediate  
8 nursing care, or hospice care.

9           Sec. 1122.106. DISTRICT PROPERTY, FACILITIES, AND  
10 EQUIPMENT. (a) The board shall determine:

11           (1) the type, number, and location of buildings  
12 required to maintain an adequate hospital system; and

13           (2) the type of equipment necessary for hospital  
14 care.

15           (b) The board may:

16           (1) acquire property, facilities, and equipment for  
17 the district for use in the hospital system;

18           (2) mortgage or pledge the property, facilities, or  
19 equipment as security for payment of the purchase price;

20           (3) sell or otherwise dispose of property,  
21 facilities, or equipment for the district; or

22           (4) lease hospital facilities for the district.

23           Sec. 1122.107. OPERATING AND MANAGEMENT CONTRACTS. The  
24 board may enter into operating or management contracts relating  
25 to hospital facilities for the district.

26           Sec. 1122.108. SERVICE CONTRACTS. (a) The board may  
27 contract with a public or private hospital, a political



1 subdivision of the state, or a state or federal agency for the  
2 district to provide a mobile emergency medical service or other  
3 health care services needed to provide for the investigatory or  
4 welfare needs of residents of the district.

5 (b) The board may contract with a person to receive or  
6 supply the services the board considers necessary for the  
7 effective operation of the district.

8 Sec. 1122.109. EMINENT DOMAIN. (a) The district may  
9 exercise the power of eminent domain to acquire a fee simple or  
10 other interest in property located in district territory if the  
11 interest is necessary for the district to exercise the rights or  
12 authority conferred by this chapter.

13 (b) The district must exercise the power of eminent domain  
14 in the manner provided by Chapter 21, Property Code, except that  
15 the district is not required to deposit with the trial court  
16 money or a bond as provided by Section 21.021(a), Property Code.

17 (c) In a condemnation proceeding brought by the district,  
18 the district is not required to:

19 (1) pay in advance or provide bond or other security  
20 for costs in the trial court;

21 (2) provide bond for the issuance of a temporary  
22 restraining order or a temporary injunction; or

23 (3) provide a bond for costs or a supersedeas bond on  
24 an appeal or petition for review.

25 Sec. 1122.110. COST OF RELOCATING OR ALTERING PROPERTY.

26 In exercising the power of eminent domain, if the board requires  
27 relocating, raising, lowering, rerouting, changing the grade, or

1 altering the construction of any railroad, highway, pipeline, or  
2 electric transmission and electric distribution, telegraph, or  
3 telephone line, conduit, pole, or facility, the district shall  
4 pay the actual cost of that activity to provide a comparable  
5 replacement, without enhancement of facilities, after deducting  
6 the net salvage value derived from the old facility.

7 Sec. 1122.111. GIFTS AND ENDOWMENTS. The board may accept  
8 for the district a gift or endowment to be held in trust for any  
9 purpose and under any direction, limitation, or provision in  
10 writing by the donor that is consistent with the proper  
11 management of the district.

12 Sec. 1122.112. PAYMENT FOR TREATMENT; PROCEDURES.

13 (a) When a person who resides in the district is admitted as a  
14 patient to a district facility, the district administrator may  
15 have an inquiry made into the financial circumstances of:

16 (1) the patient; and

17 (2) a relative of the patient who is legally  
18 responsible for the patient's support.

19 (b) To the extent that the patient or a relative of the  
20 patient who is legally responsible for the patient's support  
21 cannot pay for care and treatment provided by the district, the  
22 district shall supply the care and treatment without charging  
23 the patient or the patient's relative.

24 (c) On determining that the patient or a relative legally  
25 responsible for the patient's support can pay for all or part of  
26 the care and treatment provided by the district, the district  
27 administrator shall report that determination to the board, and

1 the board shall issue an order directing the patient or the  
2 relative to pay the district a specified amount each week. The  
3 amount must be based on the person's ability to pay.

4 (d) The district administrator may collect money owed to  
5 the district from the patient's estate or from that of a  
6 relative legally responsible for the patient's support in the  
7 manner provided by law for the collection of expenses in the  
8 last illness of a deceased person.

9 (e) If there is a dispute relating to a person's ability  
10 to pay or if the district administrator has any doubt concerning  
11 a person's ability to pay, the board shall call witnesses, hear  
12 and resolve the question, and issue a final order. The order  
13 may be appealed to a district court in any county in which the  
14 district is located. The substantial evidence rule applies to  
15 an appeal under this subsection.

16 Sec. 1122.113. REIMBURSEMENT FOR SERVICES. (a) The board  
17 shall require a county, municipality, or public hospital located  
18 outside of the district to reimburse the district for the  
19 district's care and treatment of a sick or injured person of  
20 that county, municipality, or hospital, as provided by Chapter  
21 61, Health and Safety Code.

22 (b) The board shall require the sheriff of Hidalgo County  
23 to reimburse the district for the district's care and treatment  
24 of a person who is confined in a jail facility of Hidalgo County  
25 and is not a resident of the district.

26 (c) On behalf of the district, the board may contract with  
27 the state or federal government for that government to reimburse

1 the district for treatment of a sick or injured person.

2 Sec. 1122.114. NONPROFIT CORPORATION. (a) The district  
3 may create and sponsor a nonprofit corporation under the  
4 Business Organizations Code and may contribute money to or  
5 solicit money for the corporation.

6 (b) A corporation created under this section may use money  
7 contributed by the district only to provide health care or other  
8 services the district is authorized to provide under this  
9 chapter.

10 (c) The corporation may invest the corporation's money in  
11 any manner in which the district may invest the district's  
12 money, including investing money as authorized by Chapter 2256,  
13 Government Code.

14 (d) The board shall establish controls to ensure that the  
15 corporation uses its money as required by this section.

16 Sec. 1122.115. LOANS AND GRANTS FOR ECONOMIC DEVELOPMENT  
17 PURPOSES. Under the authority granted by Section 52-a, Article  
18 III, Texas Constitution, the district may loan or grant money to  
19 any person for the development of medical education and research  
20 in the district.

21 Sec. 1122.116. AUTHORITY TO SUE AND BE SUED. The board  
22 may sue and be sued on behalf of the district.

23 Sec. 1122.117. CONSTRUCTION CONTRACTS; ADVERTISING FOR  
24 CERTAIN CONSTRUCTION CONTRACTS. (a) The board may enter into a  
25 construction contract on the district's behalf.

26 (b) The board may enter into a construction contract only  
27 after competitive bidding as provided by Subchapter B, Chapter

1 271, Local Government Code, if the amount of the contract is  
2 greater than the amount provided by Section 271.024 of that  
3 code.

4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5 Sec. 1122.151. BUDGET. (a) The district administrator  
6 shall prepare a proposed annual budget for the district.

7 (b) The proposed budget must contain a complete financial  
8 statement, including a statement of:

9 (1) the outstanding obligations of the district;

10 (2) the amount of cash on hand to the credit of each  
11 fund of the district;

12 (3) the amount of money received by the district from  
13 all sources during the previous year;

14 (4) the amount of money available to the district  
15 from all sources during the ensuing year;

16 (5) the amount of the balances expected at the end of  
17 the year in which the budget is being prepared;

18 (6) the estimated amount of revenues and balances  
19 available to cover the proposed budget; and

20 (7) the estimated tax rate required.

21 Sec. 1122.152. NOTICE; HEARING; ADOPTION OF BUDGET.

22 (a) The board shall hold a public hearing on the proposed  
23 budget.

24 (b) The board shall publish notice of the hearing in a  
25 newspaper with general circulation in the district not later  
26 than the 10th day before the date of the hearing.

27 (c) Any district resident is entitled to be present and

1 participate at the hearing.

2 (d) At the conclusion of the hearing, the board shall  
3 adopt a budget by acting on the budget proposed by the district  
4 administrator. The board may make a change in the proposed  
5 budget that the board determines to be in the interests of the  
6 taxpayers.

7 (e) The budget is effective only after adoption by the  
8 board.

9 Sec. 1122.153. AMENDMENT OF BUDGET. After the budget is  
10 adopted, the budget may be amended on the board's approval.

11 Sec. 1122.154. FISCAL YEAR. (a) The district operates  
12 according to a fiscal year established by the board.

13 (b) The fiscal year may not be changed:

14 (1) during a period in which revenue bonds of the  
15 district are outstanding; or

16 (2) more than once in a 24-month period.

17 Sec. 1122.155. ANNUAL AUDIT. The board shall have an  
18 annual audit made of the financial condition of the district.

19 Sec. 1122.156. INSPECTION OF ANNUAL AUDIT AND DISTRICT  
20 RECORDS. The annual audit and other district records are open  
21 to inspection during regular business hours at the principal  
22 office of the district.

23 Sec. 1122.157. FINANCIAL REPORT. As soon as practicable  
24 after the close of each fiscal year, the district administrator  
25 shall prepare for the board a sworn statement of the amount of  
26 district money and an account of the disbursement of that money.

27 Sec. 1122.158. SHORT-TERM FINANCING. The district may

1 borrow money through short-term financing.

2 Sec. 1122.159. DEBT LIMITATION. Except as provided by  
3 this chapter and Chapter 1207, Government Code, the district may  
4 not incur a debt payable from district revenue other than  
5 revenue available in the current fiscal year and the immediately  
6 following fiscal year of the district.

7 Sec. 1122.160. DEPOSITORY. (a) The board shall select at  
8 least one bank to serve as a depository for district money.

9 (b) The board may solicit bids from local financial  
10 institutions to determine which institution may serve as a  
11 depository for district money.

12 (c) District money, other than money invested as provided  
13 by Section 1122.161 and money transmitted to a bank for payment  
14 of bonds or obligations issued or assumed by the district, shall  
15 be deposited as received with the depository bank and shall  
16 remain on deposit. This subsection does not limit the board's  
17 power to place part of the district's money on time deposit or  
18 to purchase certificates of deposit.

19 Sec. 1122.161. RESTRICTION ON INVESTMENT. The board may  
20 invest operating, depreciation, or building reserves only in  
21 funds or securities specified by Chapter 2256, Government Code.

22 SUBCHAPTER E. BONDS

23 Sec. 1122.201. GENERAL OBLIGATION BONDS. If authorized by  
24 an election, the board may issue and sell general obligation  
25 bonds in the name and on the faith and credit of the district  
26 to:

27 (1) purchase, construct, acquire, repair, or renovate

1 buildings or improvements;

2 (2) equip buildings or improvements for hospital  
3 purposes; or

4 (3) acquire and operate a mobile emergency medical  
5 service.

6 Sec. 1122.202. TAX TO PAY GENERAL OBLIGATION BONDS.

7 (a) At the time general obligation bonds are issued by the  
8 district under Section 1122.201, the board shall impose an ad  
9 valorem tax in an amount sufficient to create an interest and  
10 sinking fund to pay the principal of and interest on the bonds  
11 as the bonds mature.

12 (b) The tax required by this section together with any  
13 other tax the district imposes in any year may not exceed the  
14 limit approved by the voters at the election authorizing the  
15 imposition of taxes.

16 Sec. 1122.203. GENERAL OBLIGATION BOND ELECTION. (a) The  
17 district may issue general obligation bonds only if the bonds  
18 are authorized by a majority of the voters voting in an election  
19 held for that purpose.

20 (b) The board may order a bond election. The order  
21 calling the election must specify:

22 (1) the nature and date of the election;

23 (2) the hours during which the polls will be open;

24 (3) the location of polling places;

25 (4) the amounts of the bonds to be authorized; and

26 (5) the maximum maturity of the bonds.

27 (c) Notice of a bond election must be given as provided by



1 Chapter 1251, Government Code.

2 (d) The board shall declare the results of the election.

3 Sec. 1122.204. REVENUE BONDS. (a) The board may issue  
4 revenue bonds to:

5 (1) acquire, purchase, construct, repair, renovate,  
6 or equip buildings or improvements for hospital purposes;

7 (2) acquire sites to be used for hospital purposes;  
8 or

9 (3) acquire and operate a mobile emergency medical  
10 service to assist the district in carrying out its hospital  
11 purposes.

12 (b) The bonds must be payable from and secured by a pledge  
13 of all or part of the revenues derived from the operation of the  
14 district's hospital system.

15 (c) The bonds may be additionally secured by a mortgage or  
16 deed of trust lien on all or part of the district property.

17 (d) The bonds must be issued in the manner provided by  
18 Sections 264.042, 264.043, 264.046, 264.047, 264.048, and  
19 264.049, Health and Safety Code, for issuance of revenue bonds  
20 by county hospital authorities.

21 Sec. 1122.205. MATURITY. District bonds must mature not  
22 later than 40 years after the date of their issuance.

23 Sec. 1122.206. EXECUTION OF BONDS. (a) The board  
24 president shall execute district bonds in the district's name.

25 (b) The board secretary shall countersign the bonds in the  
26 manner provided by Chapter 618, Government Code.

27 Sec. 1122.207. BONDS NOT SUBJECT TO TAXATION. The

1 following are not subject to taxation by the state or by a  
2 political subdivision of the state:

- 3           (1) bonds issued by the district;  
4           (2) any transaction relating to the bonds; and  
5           (3) profits made in the sale of the bonds.

6                           SUBCHAPTER F. AD VALOREM TAX

7           Sec. 1122.251. IMPOSITION OF AD VALOREM TAX. (a) The  
8 board shall impose a tax on all property in the district subject  
9 to hospital district taxation.

10           (b) The tax may be used to pay:

- 11           (1) indebtedness issued or assumed by the district;  
12 and  
13           (2) the maintenance and operating expenses of the  
14 district.

15           (c) The district may not impose a tax to pay the principal  
16 of or interest on revenue bonds issued under this chapter.

17           Sec. 1122.252. TAX RATE. (a) The tax rate on all taxable  
18 property in the district for all purposes may not exceed 75  
19 cents on each \$100 valuation of the property according to the  
20 most recent certified tax appraisal roll of the district.

21           (b) In setting the tax rate, the board shall consider  
22 district income from sources other than taxation.

23           Sec. 1122.253. TAX ASSESSOR-COLLECTOR. The board may  
24 provide for the appointment of a tax assessor-collector for the  
25 district or may contract for the assessment and collection of  
26 taxes as provided by the Tax Code.

27                           SUBCHAPTER G. DISSOLUTION

1       Sec. 1122.301. DISSOLUTION; ELECTION. (a) The district  
2 may be dissolved only on approval of a majority of the voters  
3 voting in an election held for that purpose.

4       (b) The board may order an election on the question of  
5 dissolving the district and disposing of the district's assets  
6 and obligations.

7       (c) The board shall order an election if the board  
8 receives a petition requesting an election that is signed by at  
9 least 15 percent of the district's registered voters.

10       (d) The order calling the election must state:

11           (1) the nature of the election, including the  
12 proposition that is to appear on the ballot;

13           (2) the date of the election;

14           (3) the hours during which the polls will be open;

15 and

16           (4) the location of the polling places.

17       (e) Section 41.001(a), Election Code, does not apply to an  
18 election ordered under this section.

19       Sec. 1122.302. NOTICE OF ELECTION. (a) The board shall  
20 give notice of an election under this subchapter by publishing a  
21 substantial copy of the election order in a newspaper with  
22 general circulation in the district once a week for two  
23 consecutive weeks.

24       (b) The first publication must appear not later than the  
25 30th day before the date set for the election.

26       Sec. 1122.303. BALLOT. The ballot for an election under  
27 this subchapter must be printed to permit voting for or against

1 the proposition: "The dissolution of the Hidalgo County  
2 Hospital District."

3 Sec. 1122.304. ELECTION RESULTS. (a) If a majority of  
4 the votes in an election under this subchapter favor  
5 dissolution, the board shall order that the district be  
6 dissolved.

7 (b) If a majority of the votes in an election under this  
8 subchapter do not favor dissolution, the board shall continue to  
9 administer the district, and another election on the question of  
10 dissolution may not be held before the first anniversary of the  
11 date of the most recent election to dissolve the district.

12 Sec. 1122.305. TRANSFER OR ADMINISTRATION OF ASSETS.

13 (a) If a majority of the votes in an election under this  
14 subchapter favor dissolution, the board shall:

15 (1) transfer the land, buildings, improvements,  
16 equipment, and other assets belonging to the district to Hidalgo  
17 County or another governmental entity in Hidalgo County; or

18 (2) administer the property, assets, and debts of the  
19 district until all money has been disposed of and all district  
20 debts have been paid or settled.

21 (b) If the board makes the transfer under Subsection  
22 (a)(1), the county or entity assumes all debts and obligations  
23 of the district at the time of the transfer and the district is  
24 dissolved.

25 (c) If Subsection (a)(1) does not apply and the board  
26 administers the property, assets, and debts of the district  
27 under Subsection (a)(2), the district is dissolved when all

1 money has been disposed of and all district debts have been paid  
2 or settled.

3 Sec. 1122.306. IMPOSITION OF TAX AND RETURN OF SURPLUS  
4 TAXES. (a) After the board determines that the district is  
5 dissolved, the board shall:

6 (1) determine the debt owed by the district; and

7 (2) impose on the property included in the district's  
8 tax rolls a tax that is in proportion of the debt to the  
9 property value.

10 (b) On the payment of all outstanding debts and  
11 obligations of the district, the board shall order the secretary  
12 to return to each district taxpayer the taxpayer's pro rata  
13 share of all unused tax money.

14 (c) A taxpayer may request that the taxpayer's share of  
15 surplus tax money be credited to the taxpayer's county taxes.  
16 If a taxpayer requests the credit, the board shall direct the  
17 secretary to transmit the funds to the tax assessor-collector  
18 for Hidalgo County.

19 Sec. 1122.307. REPORT; DISSOLUTION ORDER. (a) After the  
20 district has paid all its debts and has disposed of all its  
21 money and other assets as prescribed by this subchapter, the  
22 board shall file a written report with the Hidalgo County  
23 Commissioners Court summarizing the board's actions in  
24 dissolving the district.

25 (b) Not later than the 10th day after the date the Hidalgo  
26 County Commissioners Court receives the report and determines  
27 that the requirements of this subchapter have been fulfilled,

1 the commissioners court shall enter an order dissolving the  
2 district and releasing the board from any further duty or  
3 obligation.

4 SECTION 6. (a) Section 1001.206, Health and Safety Code,  
5 as added by this Act, applies only to a cause of action that  
6 accrues on or after the effective date of this Act. A cause of  
7 action that accrues before the effective date of this Act is  
8 governed by the law in effect immediately before that date, and  
9 that law is continued in effect for that purpose.

10 (b) Not later than May 1, 2014, the executive commissioner  
11 of the Health and Human Services Commission shall adopt any  
12 rules necessary to implement Section 533.051, Health and Safety  
13 Code, as added by this Act, and the rules required by Section  
14 533.053, Health and Safety Code, as added by this Act.

15 SECTION 7. Proof of publication of the notice required to  
16 enact Chapter 1122, Special District Local Laws Code, as added  
17 by this Act, under the provisions of Section 9, Article IX,  
18 Texas Constitution, has been made in the manner and form  
19 provided by law pertaining to the enactment of local and special  
20 laws, and the notice is found and declared proper and sufficient  
21 to satisfy the requirement.

22 SECTION 8. (a) Except as provided by Subsection (b) of  
23 this section, this Act takes effect September 1, 2013.

24 (b) Section 533.0354, Health and Safety Code, as amended  
25 by this Act, takes effect January 1, 2014.

**House Bill 3793**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

SECTION 1. Section 25.0005(c), Government Code, is amended to read as follows:

(c) The salary shall be paid in:

(1) equal monthly installments; or

(2) equal biweekly installments if authorized by the commissioners court.

**No equivalent provision.**

**No equivalent provision.**

SECTION 2. Section 31.004, Government Code, is amended to read as follows:

Sec. 31.004. EQUAL [MONTHLY]

INSTALLMENTS. The compensation authorized by this chapter shall be paid in:

(1) equal monthly installments; or

(2) equal biweekly installments if authorized by the commissioners courts in the counties of the court of appeals district.

**No equivalent provision.**

**No equivalent provision.**

SECTION 3. Section 32.001(b), Government Code, is amended to read as follows:

(b) The compensation shall be paid [~~in monthly installments~~] from the county general fund or other available funds of the county in:

(1) monthly installments; or

(2) biweekly installments if authorized by the commissioners court.

**No equivalent provision.**

**No equivalent provision.**

SECTION 4. Section 43.180(e), Government Code, is amended to read as follows:

(e) The Commissioners Court of Harris County shall pay the district attorney a salary of not less than \$35,000 a year. The county salary shall be paid in equal biweekly [~~monthly~~] installments.

**No equivalent provision.**

**No equivalent provision.**

**House Bill 3793**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION	SENATE VERSION (IE)	CONFERENCE
<b>No equivalent provision.</b>	SECTION 1. Amending heading to Chapter 288, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 2. Amending Sections 288.001(2) and (3), Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 3. Amending Section 288.002, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 4. Amending Subchapter A, Chapter 288, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 5. Amending heading to Section 288.051 [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 6. Amending Section 288.051, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 7. Amending Section 288.101, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 8. Amending Section 288.102, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 9. Amending Section 288.104(a), Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 10. Amending Section 288.151, Health and Safety Code [Deleted by FA1]	Same as Senate version.
<b>No equivalent provision.</b>	SECTION 11. Amending Section 288.154(b), Health and Safety Code	Same as Senate version.



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[Deleted by FA1]

**No equivalent provision.**

SECTION 12. Amending Subchapter D, Chapter 288, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 13. Amending heading to Subchapter E, Chapter 288, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 14. Amending Section 288.201, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 15. Amending Section 288.202, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 16. Amending Section 288.203, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 17. Amending Section 288.204, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 18. Amending Section 288.205, Health and Safety Code [Deleted by FA1]

Same as Senate version.

**No equivalent provision.**

SECTION 19. Repealing Sections 288.003, 288.004, 288.051(b), 288.052, 288.053, 288.054, 288.055, 288.056, 288.057, 288.058, 288.103, 288.104(b), 288.105, 288.107, 288.153, and 288.206, Health and Safety Code [Deleted by FA1]

**No equivalent provision.**

SECTION 20. Requesting waiver or authorization before implementation [Deleted by FA1]

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SECTION 5. Section 61.036, Health and Safety Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) Regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may credit an intergovernmental transfer to the state toward eligibility for state assistance if the transfer was made:

(1) to provide health care services as part of a waiver program under 42 U.S.C. Section 1315 or 1396n; or

(2) as part of the state plan for disproportionate share hospitals under 42 U.S.C. Section 1396r-4 or 1 T.A.C. Section 355.8065.

(e) A county may not credit toward eligibility for state assistance any intergovernmental transfer made under Subsection (d)(1) or (2) that, separately or in combination, exceeds six percent of the county's general revenue levy in any state fiscal year.

No equivalent provision.

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SECTION \_\_. Section 61.036, Health and Safety Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) Regardless of the application, documentation, and verification procedures or eligibility standards established by the department under Subchapter A, a county may credit an intergovernmental transfer to the state toward eligibility for state assistance if the transfer was made to provide health care services as part of the Texas Healthcare Transformation and Quality Improvement Program waiver issued under 42 U.S.C. Section 1315.

(e) A county may credit toward eligibility for state assistance intergovernmental transfers made under Subsection (d) that in the aggregate do not exceed four percent of the county's general revenue levy in any state fiscal year, provided:

(1) The commissioners court determines that the expenditure fulfills the county's obligations to provide indigent health care under this chapter;

(2) The commissioners court determines that the amount of care available through participation in the warver is sufficient in type and amount to meet the requirements of this chapter; and

(3) The county receives periodic reports from health care providers that receive supplemental or incentive payments under the Texas Healthcare Transformation and Quality Improvement Program waiver that document the number and types of services provided to persons who are eligible to receive services under this chapter. [FA4]

SECTION \_\_. Not later than December 1, 2014, the Department of State Health Services shall submit a report to the governor, the lieutenant governor, and the speaker of the house of representatives on the effects of the provisions of Section 61.036 (d) and (e), as added by

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Same as Senate version.

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this Act, on services rendered to eligible residents. [FA4]

**No equivalent provision.**

**No equivalent provision.**

SECTION 6. Section 152.904(e), Local Government Code, is amended to read as follows:

(e) The Commissioners Court of Harris County shall set the annual salary of the county judge at an amount that is not less than \$1,000 more than the total annual salary received by county criminal court at law judges in the county. The salary shall be paid in [+2] equal biweekly [~~monthly~~] installments.

**No equivalent provision.**

**No equivalent provision.**

SECTION 7. Section 209.004, Property Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The county clerk of each county in which a management certificate is filed as required by this section shall record the management certificate in the real property records of the county and index the document as a "Property Owners' Association Management Certificate."

SECTION \_\_. (a) The change in law made by this Act to Section 61.036, Health and Safety Code, applies only to state assistance for health care services under Chapter 61, Health and Safety Code, as amended by this Act, that are delivered on or after the effective date of this Act.

Same as Senate version.

SECTION 8. (a) The change in law made by this Act to Section 61.036, Health and Safety Code, applies only to state assistance for health care services under Chapter 61, Health and Safety Code, as amended by this Act, that are delivered on or after the effective date of this Act.

(b) State assistance for health care services under Chapter 61, Health and Safety Code, that are delivered before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose. [FA4]

State assistance for health care services under Chapter 61, Health and Safety Code, that are delivered before the effective date of this Act is governed by the law as it existed immediately before

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the effective date of this Act, and that law is continued in effect for that purpose.

**(b) To ensure that all management certificates are recorded and indexed in accordance with Section 209.004(a-1), Property Code, as added by this Act, on or after September 1, 2013, and not later than January 1, 2014, each property owners' association that is subject to Section 209.004, Property Code, immediately before September 1, 2013, shall file the association's management certificate under that section, regardless of whether the association filed a management certificate before September 1, 2013. This section does not affect the time in which a property owners' association is required to file the association's management certificate under Section 209.004, Property Code, as amended by this Act, if the association's initial duty to file the management certificate arises on or after September 1, 2013.**

**No equivalent provision.**

SECTION \_\_. Subchapter B, Chapter 533, Health and Safety Code, is amended by adding Sections 533.051 and 533.052 to read as follows:  
Sec. 533.051. DEVELOPMENT OF A PLAN FOR THE ALLOCATION OF OUTPATIENT MENTAL HEALTH SERVICES AND BEDS IN STATE HOSPITALS. (a) The department, in conjunction with the commission, shall develop a plan for the proper and separate allocation of outpatient or community-based mental health services provided by secure and nonsecure outpatient facilities that provide residential care alternatives and mental health services and for the proper and separate allocation of beds in the state hospitals for the following two groups of patients:  
(1) patients who are voluntarily receiving outpatient or community-

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based mental health services, voluntarily admitted to a state hospital under Chapter 572, admitted to a state hospital for emergency detention under Chapter 573, or ordered by a court under Chapter 574 to receive inpatient mental health services at a state hospital or outpatient mental health services from an outpatient facility that provides residential care alternatives and mental health services; and  
(2) patients who are ordered to participate in an outpatient treatment program to attain competency to stand trial under Chapter 46B, Code of Criminal Procedure, or committed to a state hospital or other facility to attain competency to stand trial under Chapter 46B, Code of Criminal Procedure, or to receive inpatient mental health services following an acquittal by reason of insanity under Chapter 46C, Code of Criminal Procedure.

(b) The plan developed by the department under Subsection (a) must include:

(1) a determination of the needs for outpatient mental health services of the two groups of patients described by Subsection (a);

(2) a determination of the minimum number of beds that the state hospital system must maintain to adequately serve the two groups of patients;

(3) a statewide plan for and the allocation of sufficient funds for meeting the outpatient mental health service needs of and for the maintenance of beds by the state hospitals for the two groups of patients; and

(4) a process to address and develop, without adverse impact to local service areas, the accessibility and availability of sufficient outpatient mental health services provided to and beds provided by the state hospitals to the two groups of patients based on the success of contractual outcomes with a broad base of local community outpatient mental health service providers and inpatient mental health facilities; and

(5) guidelines for use by the department and mental health services

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providers who contract with the department in determining what constitutes the timely delivery of services.

(c) To assist in the development of the plan under Subsection (a), the department shall establish and meet at least monthly with an advisory panel composed of the following persons:

(1) one representative designated by the Texas Department of Criminal Justice;

(2) one representative designated by the Texas Association of Counties;

(3) two representatives designated by the Texas Council of Community Centers, including one representative of an urban local service area and one representative of a rural local service area;

(4) two representatives designated by the County Judges and Commissioners Association of Texas, including one representative who is the presiding judge of a court with jurisdiction over mental health matters;

(5) one representative designated by the Sheriffs' Association of Texas;

(6) two representatives designated by the Texas Municipal League, including one representative who is a municipal law enforcement official;

(7) one representative designated by the Texas Conference of Urban Counties;

(8) two representatives designated by the Texas Hospital Association, including one representative who is a physician;

(9) one representative designated by the Texas Catalyst for Empowerment; and

(10) four representatives designated by the Department of State Health Services' Council for Advising and Planning for the Prevention and Treatment of Mental and Substance Use Disorders, including:

(A) the chair of the council;

(B) one representative of the council's members who is a consumer of

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or advocate for mental health services;

(C) one representative of the council's members who is a consumer of or advocate for substance abuse treatment; and

(D) one representative of the council's members who is a family member of or advocate for persons with mental health and substance abuse disorders.

(d) In developing the plan under Subsection (a), the department and advisory panel shall consider:

(1) needs for outpatient mental health services of the two groups of patients described by Subsection (a);

(2) the frequency of use of beds and the historical patterns of use of beds in the state hospitals and other facilities by the two groups of patients;

(3) local needs and demands for outpatient mental health services by the two groups of patients;

(4) local needs and demands for beds in the state hospitals and other facilities for the two groups of patients;

(5) the availability of outpatient mental health service providers and inpatient mental health facilities that may be contracted with to provide outpatient mental health services and beds for the two groups of patients;

(6) the differences between the two groups of patients with regard to:

(A) admission to and discharge from a state hospital or outpatient facility;

(B) rapid stabilization and discharge to the community;

(C) length of stay in a state hospital or outpatient facility;

(D) disputes arising from the determination of a patient's length of stay in a state hospital by a health maintenance organization or a managed care organization;

(E) third-party billing; and

(F) legal challenges or requirements related to the examination and treatment of the patients; and

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(7) public input provided to the department or advisory panel in a form and at a time and place that is effective and appropriate and in a manner that complies with any applicable laws, including administrative rules.

(e) The department shall update the plan biennially.

(f) Not later than June 1, 2014, the department, in conjunction with the advisory panel, shall develop the initial version of the plan required by Subsection (a).

Sec. 533.052. INFORMING COURTS OF COMMITMENT OPTIONS. The department shall develop and implement a procedure through which a court that has the authority to commit a person who is incompetent to stand trial or who has been acquitted by reason of insanity under Chapters 46B and 46C, Code of Criminal Procedure, is aware of all of the commitment options for the person, including jail diversion and community-based programs. [FA5]

SECTION \_\_. Chapter 1001, Health and Safety Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. MENTAL HEALTH FIRST AID TRAINING

Sec. 1001.201. DEFINITIONS. In this subchapter:

(1) "Educator" means a person who is required to hold a certificate issued under Subchapter B, Chapter 21, Education Code.

(2) "Local mental health authority" has the meaning assigned by Section 531.002 and includes the local behavioral health authority for the NorthSTAR Behavioral Health Program.

(3) "Regional education service center" means a regional education service center established under Chapter 8, Education Code.

Sec. 1001.202. GRANTS FOR TRAINING OF MENTAL HEALTH FIRST AID TRAINERS. (a) To the extent funds are appropriated to the department for that purpose, the department shall make grants to local mental health authorities to contract with persons approved by the department to train employees or contractors of the authorities as

Same as Senate version.

**No equivalent provision**



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mental health first aid trainers.

(b) Except as provided by Subsection (c), the department shall make each grant to a local mental health authority under this section in an amount equal to \$1,000 times the number of employees or contractors of the authority whose training as mental health first aid trainers will be paid by the grant.

(c) For each state fiscal year, the total amount the department may grant to a local mental health authority under this section may not exceed the lesser of \$30,000 or three percent of the funds appropriated to the department for making grants under this section.

(d) The executive commissioner shall adopt rules to establish the requirements for a person to be approved by the department to train employees or contractors of a local mental health authority as mental health first aid trainers. The rules must ensure that a person who is approved by the department is qualified to provide training in:

(1) the potential risk factors and warning signs for various mental illnesses, including depression, anxiety, trauma, psychosis, eating disorders, substance abuse disorders, and self-injury;

(2) the prevalence of various mental illnesses in the United States and the need to reduce the stigma associated with mental illness;

(3) an action plan for use by the employees or contractors that involves the use of skills, resources, and knowledge to assess a situation and develop and implement an appropriate intervention to help an individual experiencing a mental health crisis obtain appropriate professional care; and

(4) the evidence-based professional, peer, social, and self-help resources available to help individuals with mental illness.

(e) Two or more local mental health authorities may collaborate and share resources to provide training for employees or contractors of the authorities under this section.

Sec. 1001.203. GRANTS FOR TRAINING CERTAIN EDUCATORS IN MENTAL HEALTH FIRST AID. (a) To the extent funds are

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appropriated to the department for that purpose, the department shall make grants to local mental health authorities to provide an approved mental health first aid training program, administered by mental health first aid trainers, at no cost to educators.

(b) For each state fiscal year, the total amount the department may grant to a local mental health authority under this section may not exceed the lesser of \$40,000 or three percent of the funds appropriated to the department for making grants under this section.

(c) Subject to the limit provided by Subsection (b), out of the funds appropriated to the department for making grants under this section, the department shall grant \$100 to a local mental health authority for each educator who successfully completes a mental health first aid training program provided by the authority under this section.

(d) A mental health first aid training program provided by a local mental health authority under this section must:

(1) be conducted by a person trained as a mental health first aid trainer;

(2) provide participants with the skills necessary to help an individual experiencing a mental health crisis until the individual is able to obtain appropriate professional care; and

(3) include:

(A) instruction in a five-step strategy for helping an individual experiencing a mental health crisis, including assessing risk, listening respectfully to and supporting the individual, and identifying professional help and other supports for the individual;

(B) an introduction to the risk factors and warning signs for mental illness and substance abuse problems;

(C) experiential activities to increase participants' understanding of the impact of mental illness on individuals and families; and

(D) a presentation of evidence-supported treatment and self-help strategies.

(e) A local mental health authority may contract with a regional

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education service center to provide a mental health first aid training program to educators under this section.

(f) Two or more local mental health authorities may collaborate and share resources to develop and operate a mental health first aid training program under this section.

Sec. 1001.204. PLANS FOR MENTAL HEALTH FIRST AID TRAINING PROGRAMS. (a) Not later than October 1 of each state fiscal year for which a local mental health authority will seek a grant from the department under Section 1001.203, the authority shall submit to the department a plan demonstrating the manner in which grants made to the authority under that section will be used:

(1) to train individuals in mental health first aid throughout the authority's local service area to maximize the number of children who have direct contact with an individual who has successfully completed a mental health first aid training program provided by the authority;

(2) to meet the greatest needs of the authority's local service area, as identified by the authority; and

(3) to complement existing resources and not duplicate established mental health first aid training efforts.

(b) The department may not make a grant to a local mental health authority under Section 1001.203 unless the department has evaluated a plan submitted by the authority under this section.

Sec. 1001.205. REPORTS. (a) Not later than July 1 of each year, a local mental health authority shall provide to the department the number of:

(1) employees and contractors of the authority who were trained as mental health first aid trainers under Section 1001.202;

(2) educators who completed a mental health first aid training program offered by the authority under Section 1001.203 during the preceding calendar year; and

(3) individuals who are not educators who completed a mental health first aid training program offered by the authority during the preceding

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calendar year.

(b) Not later than August 1 of each year, the department shall compile the information submitted by local mental health authorities as required by Subsection (a) and submit a report to the legislature containing the number of:

(1) authority employees and contractors trained as mental health first aid trainers;

(2) educators who completed a mental health first aid training program provided by an authority during the preceding calendar year; and

(3) individuals who are not educators who completed a mental health first aid training program provided by an authority during the preceding calendar year.

Sec. 1001.206. LIABILITY. A person who has completed a mental health first aid training program offered by a local mental health authority under this subchapter and who in good faith attempts to assist an individual experiencing a mental health crisis is not liable in civil damages for an act performed in attempting to assist the individual unless the act is wilfully or wantonly negligent. [FA6]

SECTION \_\_. Section 21.054, Education Code, is amended by adding Subsection (d) to read as follows:

(d) The board shall adopt rules that allow an educator to fulfill up to 12 hours of continuing education by participating in a mental health first aid training program offered by a local mental health authority under Section 1001.203, Health and Safety Code. The number of hours of continuing education an educator may fulfill under this subsection may not exceed the number of hours the educator actually spends participating in a mental health first aid training program. [FA6]

SECTION \_\_. The change in law made by this Act to added Section 1001.206, Health and Safety Code, applies only to a cause of action

**No equivalent provision.**

Same as Senate version.

**No equivalent provision.**

Same as Senate version.

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that accrues on or after the effective date of this Act. A cause of action that accrues before the effective date of this Act is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose. [FA6]

SECTION 9. This Act takes effect September 1, 2013.

SECTION 21. This Act takes effect **immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect** September 1, 2013.

Same as Senate version.

**No equivalent provision.**

SECTION \_\_. Subtitle A, Title 3, Special District Local Laws Code, is amended by adding Chapter 1122 to read as follows:  
CHAPTER 1122. HIDALGO COUNTY HOSPITAL DISTRICT  
SUBCHAPTER A. GENERAL PROVISIONS  
Sec. 1122.001. DEFINITIONS. In this chapter:  
(1) "Board" means the board of directors of the district.  
(2) "Director" means a member of the board.  
(3) "District" means the Hidalgo County Hospital District.  
Sec. 1122.002. DISTRICT AUTHORIZATION. The Hidalgo County Hospital District may be created and, if created, operates and is financed as provided by Section 9, Article IX, Texas Constitution, and by this chapter.  
Sec. 1122.003. ESSENTIAL PUBLIC FUNCTION. The district is a public entity performing an essential public function.  
Sec. 1122.004. DISTRICT TERRITORY. The boundaries of the district are coextensive with the boundaries of Hidalgo County.  
Sec. 1122.005. DISTRICT SUPPORT AND MAINTENANCE NOT STATE OBLIGATION. The state may not be obligated for the support or maintenance of the district.  
Sec. 1122.006. RESTRICTION ON STATE FINANCIAL ASSISTANCE. The legislature may not make a direct appropriation

Substantially the same as Senate version.

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for the construction, maintenance, or improvement of a district facility.  
SUBCHAPTER A-1. TEMPORARY PROVISIONS  
Sec. 1122.021. CREATION ELECTION; ORDERING ELECTION.  
(a) The district may be created and a tax may be authorized only if the creation and the tax are approved by a majority of the registered voters of the territory of the proposed district voting at an election called and held for that purpose.  
(b) The Hidalgo County Commissioners Court shall order an election for the registered voters of Hidalgo County on the question of creation of the Hidalgo County Hospital District if the commissioners court receives a petition requesting an election that is signed by at least 50 registered voters who are residents of Hidalgo County.  
(c) The order calling an election under this section must state:  
(1) the nature of the election, including the proposition that is to appear on the ballot;  
(2) the date of the election;  
(3) the hours during which the polls will be open; and  
(4) the location of the polling places.  
(d) Section 41.001(a), Election Code, does not apply to an election ordered under this section.  
(e) The Hidalgo County Commissioners Court shall give notice of an election under this section by publishing a substantial copy of the election order in a newspaper with general circulation in Hidalgo County once a week for two consecutive weeks. The first publication must appear not later than the 30th day before the date set for the election.  
(f) The ballot for an election under this section must be printed to permit voting for or against the proposition: "The creation of the Hidalgo County Hospital District, providing for the imposition of an ad valorem tax at a rate not to exceed 75 cents on each \$100 valuation on all taxable property in the district."  
(g) The Hidalgo County Commissioners Court shall find that the

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Hidalgo County Hospital District is created if a majority of the voters voting in the election held under this section favor the creation of the district.

Sec. 1122.022. TEMPORARY DIRECTORS. (a) If the creation of the district is approved at the election held under Section 1122.021, the Hidalgo County Commissioners Court shall appoint five temporary directors to represent the district at large.

(b) Temporary directors serve until the date of the next regular election of directors that occurs after the date of the election held under Section 1122.021 and that allows sufficient time to comply with other requirements of law.

(c) A vacancy on the temporary board of directors shall be filled by appointment by the Hidalgo County Commissioners Court.

(d) A person must be a qualified voter of the district to serve as a temporary director.

(e) An employee of the district may not serve as a temporary director.

Sec. 1122.023. TEMPORARY OFFICERS. (a) The temporary board shall elect a president and a vice president from among the temporary directors.

(b) The temporary board shall appoint a secretary, who need not be a temporary director.

(c) The temporary board shall fill a vacancy in a board office for the remainder of the unexpired term.

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 1122.051. BOARD ELECTION; TERM. (a) The board consists of five directors elected at large.

(b) An election shall be held each year on an authorized uniform election date to elect the appropriate number of directors.

(c) Directors serve staggered two-year terms.

Sec. 1122.052. NOTICE. Notice of the directors' election shall be published at least once in a newspaper with general circulation in the district in accordance with Section 4.003(a), Election Code.

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Sec. 1122.053. QUALIFICATION FOR OFFICE. (a) To be eligible to hold office on the board, a person must be:

(1) a resident of the district; and

(2) a qualified voter.

(b) An administrator or an employee of the district may not serve as a director.

Sec. 1122.054. DIRECTOR'S BOND. (a) Before assuming the duties of office, each director must execute a bond in the amount of \$5,000 payable to the district and conditioned on the faithful performance of the director's duties.

(b) The bond shall be kept in the permanent records of the district.

(c) The board may pay for a director's bond with district money.

Sec. 1122.055. BOARD VACANCY. If a vacancy occurs in the office of director, the remaining directors shall appoint a director for the remainder of the unexpired term.

Sec. 1122.056. OFFICERS. (a) The board shall elect a president and a vice president from among the directors.

(b) The board shall appoint a secretary, who need not be a director.

(c) Each officer of the board serves a one-year term.

(d) The board shall fill a vacancy in a board office for the remainder of the unexpired term.

Sec. 1122.057. COMPENSATION; REIMBURSEMENT. A director or officer serves without compensation but may be reimbursed for actual expenses incurred in the performance of official duties. The expenses must be:

(1) reported in the district's records; and

(2) approved by the board.

Sec. 1122.058. VOTING REQUIREMENT. A concurrence of a majority of the directors voting is necessary in matters relating to district business.

Sec. 1122.059. DISTRICT ADMINISTRATOR; ADMINISTRATOR'S BOND. (a) The board may appoint a qualified



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person as district administrator.

(b) The district administrator serves at the will of the board.

(c) The district administrator is entitled to compensation determined by the board.

(d) Before assuming the duties of district administrator, the administrator must execute a bond payable to the district in an amount not less than \$5,000, as determined by the board, conditioned on the faithful performance of the administrator's duties.

(e) The board may pay for the bond with district money.

Sec. 1122.060. GENERAL DUTIES OF DISTRICT ADMINISTRATOR. Subject to the limitations prescribed by the board, the district administrator shall:

(1) supervise the work and activities of the district; and

(2) direct the general affairs of the district.

Sec. 1122.061. ASSISTANT DISTRICT ADMINISTRATOR; ATTORNEY. (a) The board may appoint qualified persons as assistant district administrator and attorney for the district.

(b) The assistant district administrator and attorney for the district serve at the will of the board.

(c) The assistant district administrator and attorney for the district are entitled to compensation determined by the board.

Sec. 1122.062. EMPLOYEES. (a) The district may employ nurses, technicians, fiscal agents, accountants, architects, additional attorneys, and other necessary employees.

(b) The board may delegate to the district administrator the authority to employ persons for the district.

Sec. 1122.063. RECRUITMENT OF MEDICAL STAFF AND EMPLOYEES. The board may spend district money, enter into agreements, and take other necessary actions to recruit physicians and other persons to serve as medical staff members or district employees. The actions may include:

(1) advertising and marketing;

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(2) paying travel, recruitment, and relocation expenses;  
(3) providing a loan or scholarship to a physician or a person currently enrolled in health care education courses at an institution of higher education who contracts to become a medical staff member or district employee; or  
(4) contracting with a full-time medical student or other student in a health occupation who is enrolled in and in good standing at an accredited medical school, college, or university to pay the student's tuition or other expenses for the consideration of the student agreeing to serve as an employee or independent contractor for the district.  
Sec. 1122.064. APPOINTMENT AND REMOVAL OF MEDICAL STAFF. The board may:  
(1) appoint to the medical staff any doctor the board considers necessary for the efficient operation of the district;  
(2) remove any doctor from the medical staff, after due process, if the board considers the doctor's removal necessary for the efficient operation of the district; and  
(3) make temporary appointments to the medical staff as the board considers necessary.  
Sec. 1122.065. RETIREMENT BENEFITS. The board may provide retirement benefits for district employees by:  
(1) establishing or administering a retirement program; or  
(2) participating in:  
(A) the Texas County and District Retirement System; or  
(B) another statewide retirement system in which the district is eligible to participate.  
SUBCHAPTER C. POWERS AND DUTIES  
Sec. 1122.101. DISTRICT RESPONSIBILITY. The district has full responsibility for operating hospital facilities and providing medical and hospital care for the district's needy residents.  
Sec. 1122.102. MANAGEMENT, CONTROL, AND ADMINISTRATION. The board shall manage, control, and

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administer the hospital system and the money and resources of the district.

Sec. 1122.103. RULES. The board may adopt rules governing:

- (1) the operation of the hospital and hospital system; and
- (2) the duties, functions, and responsibilities of district staff and employees.

Sec. 1122.104. PURCHASING AND ACCOUNTING PROCEDURES. The board may prescribe:

- (1) the method of making purchases and expenditures by and for the district; and
- (2) accounting and control procedures for the district.

Sec. 1122.105. PROVISION OF CERTAIN HEALTH SERVICES.

(a) The district may operate or provide for the operation of a mobile emergency medical service.

(b) The district may operate or provide for home health services, long-term care, skilled nursing care, intermediate nursing care, or hospice care.

Sec. 1122.106. DISTRICT PROPERTY, FACILITIES, AND EQUIPMENT. (a) The board shall determine:

(1) the type, number, and location of buildings required to maintain an adequate hospital system; and

(2) the type of equipment necessary for hospital care.

(b) The board may:

(1) acquire property, facilities, and equipment for the district for use in the hospital system;

(2) mortgage or pledge the property, facilities, or equipment as security for payment of the purchase price;

(3) sell or otherwise dispose of property, facilities, or equipment for the district; or

(4) lease hospital facilities for the district.

Sec. 1122.107. OPERATING AND MANAGEMENT CONTRACTS.

The board may enter into operating or management contracts relating

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to hospital facilities for the district.

Sec. 1122.108. SERVICE CONTRACTS. (a) The board may contract with a public or private hospital, a political subdivision of the state, or a state or federal agency for the district to provide a mobile emergency medical service or other health care services needed to provide for the investigatory or welfare needs of residents of the district.

(b) The board may contract with a person to receive or supply the services the board considers necessary for the effective operation of the district.

Sec. 1122.109. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain to acquire a fee simple or other interest in property located in district territory if the interest is necessary for the district to exercise the rights or authority conferred by this chapter.

(b) The district must exercise the power of eminent domain in the manner provided by Chapter 21, Property Code, except that the district is not required to deposit with the trial court money or a bond as provided by Section 21.021(a), Property Code.

(c) In a condemnation proceeding brought by the district, the district is not required to:

(1) pay in advance or provide bond or other security for costs in the trial court;

(2) provide bond for the issuance of a temporary restraining order or a temporary injunction; or

(3) provide a bond for costs or a supersedeas bond on an appeal or petition for review.

Sec. 1122.110. COST OF RELOCATING OR ALTERING PROPERTY. In exercising the power of eminent domain, if the board requires relocating, raising, lowering, rerouting, changing the grade, or altering the construction of any railroad, highway, pipeline, or electric transmission and electric distribution, telegraph, or telephone line, conduit, pole, or facility, the district shall pay the actual cost of that

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activity to provide a comparable replacement, without enhancement of facilities, after deducting the net salvage value derived from the old facility.

Sec. 1122.111. GIFTS AND ENDOWMENTS. The board may accept for the district a gift or endowment to be held in trust for any purpose and under any direction, limitation, or provision in writing by the donor that is consistent with the proper management of the district.

Sec. 1122.112. PAYMENT FOR TREATMENT; PROCEDURES.

(a) When a person who resides in the district is admitted as a patient to a district facility, the district administrator may have an inquiry made into the financial circumstances of:

(1) the patient; and

(2) a relative of the patient who is legally responsible for the patient's support.

(b) To the extent that the patient or a relative of the patient who is legally responsible for the patient's support cannot pay for care and treatment provided by the district, the district shall supply the care and treatment without charging the patient or the patient's relative.

(c) On determining that the patient or a relative legally responsible for the patient's support can pay for all or part of the care and treatment provided by the district, the district administrator shall report that determination to the board, and the board shall issue an order directing the patient or the relative to pay the district a specified amount each week. The amount must be based on the person's ability to pay.

(d) The district administrator may collect money owed to the district from the patient's estate or from that of a relative legally responsible for the patient's support in the manner provided by law for the collection of expenses in the last illness of a deceased person.

(e) If there is a dispute relating to a person's ability to pay or if the district administrator has any doubt concerning a person's ability to pay, the board shall call witnesses, hear and resolve the question, and issue a final order. The order may be appealed to a district court in any

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county in which the district is located. The substantial evidence rule applies to an appeal under this subsection.

Sec. 1122.113. REIMBURSEMENT FOR SERVICES. (a) The board shall require a county, municipality, or public hospital located outside of the district to reimburse the district for the district's care and treatment of a sick or injured person of that county, municipality, or hospital, as provided by Chapter 61, Health and Safety Code.

(b) The board shall require the sheriff of Hidalgo County to reimburse the district for the district's care and treatment of a person who is confined in a jail facility of Hidalgo County and is not a resident of the district.

(c) On behalf of the district, the board may contract with the state or federal government for that government to reimburse the district for treatment of a sick or injured person.

Sec. 1122.114. NONPROFIT CORPORATION. (a) The district may create and sponsor a nonprofit corporation under the Business Organizations Code and may contribute money to or solicit money for the corporation.

(b) A corporation created under this section may use money contributed by the district only to provide health care or other services the district is authorized to provide under this chapter.

(c) The corporation may invest the corporation's money in any manner in which the district may invest the district's money, including investing money as authorized by Chapter 2256, Government Code.

(d) The board shall establish controls to ensure that the corporation uses its money as required by this section.

Sec. 1122.115. LOANS AND GRANTS FOR ECONOMIC DEVELOPMENT PURPOSES. Under the authority granted by Section 52-a, Article III, Texas Constitution, the district may loan or grant money to any person for the development of medical education and research in the district.

Sec. 1122.116. AUTHORITY TO SUE AND BE SUED. The board

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may sue and be sued on behalf of the district.

Sec. 1122.117. CONSTRUCTION CONTRACTS; ADVERTISING FOR CERTAIN CONSTRUCTION CONTRACTS. (a) The board may enter into a construction contract on the district's behalf.

(b) The board may enter into a construction contract only after competitive bidding as provided by Subchapter B, Chapter 271, Local Government Code, if the amount of the contract is greater than the amount provided by Section 271.024 of that code.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 1122.151. BUDGET. (a) The district administrator shall prepare a proposed annual budget for the district.

(b) The proposed budget must contain a complete financial statement, including a statement of:

- (1) the outstanding obligations of the district;
- (2) the amount of cash on hand to the credit of each fund of the district;
- (3) the amount of money received by the district from all sources during the previous year;
- (4) the amount of money available to the district from all sources during the ensuing year;
- (5) the amount of the balances expected at the end of the year in which the budget is being prepared;
- (6) the estimated amount of revenues and balances available to cover the proposed budget; and
- (7) the estimated tax rate required.

Sec. 1122.152. NOTICE; HEARING; ADOPTION OF BUDGET. (a) The board shall hold a public hearing on the proposed budget.

(b) The board shall publish notice of the hearing in a newspaper with general circulation in the district not later than the 10th day before the date of the hearing.

(c) Any district resident is entitled to be present and participate at the hearing.

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(d) At the conclusion of the hearing, the board shall adopt a budget by acting on the budget proposed by the district administrator. The board may make a change in the proposed budget that the board determines to be in the interests of the taxpayers.

(e) The budget is effective only after adoption by the board.

Sec. 1122.153. AMENDMENT OF BUDGET. After the budget is adopted, the budget may be amended on the board's approval.

Sec. 1122.154. FISCAL YEAR. (a) The district operates according to a fiscal year established by the board.

(b) The fiscal year may not be changed:

(1) during a period in which revenue bonds of the district are outstanding; or

(2) more than once in a 24-month period.

Sec. 1122.155. ANNUAL AUDIT. The board shall have an annual audit made of the financial condition of the district.

Sec. 1122.156. INSPECTION OF ANNUAL AUDIT AND DISTRICT RECORDS. The annual audit and other district records are open to inspection during regular business hours at the principal office of the district.

Sec. 1122.157. FINANCIAL REPORT. As soon as practicable after the close of each fiscal year, the district administrator shall prepare for the board a sworn statement of the amount of district money and an account of the disbursement of that money.

Sec. 1122.158. SHORT-TERM FINANCING. The district may borrow money through short-term financing.

Sec. 1122.159. DEBT LIMITATION. Except as provided by this chapter and Chapter 1207, Government Code, the district may not incur a debt payable from district revenue other than revenue available in the current fiscal year and the immediately following fiscal year of the district.

Sec. 1122.160. DEPOSITORY. (a) The board shall select at least one bank to serve as a depository for district money.



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(b) The board may solicit bids from local financial institutions to determine which institution may serve as a depository for district money.

(c) District money, other than money invested as provided by Section 1122.161 and money transmitted to a bank for payment of bonds or obligations issued or assumed by the district, shall be deposited as received with the depository bank and shall remain on deposit. This subsection does not limit the board's power to place part of the district's money on time deposit or to purchase certificates of deposit.

Sec. 1122.161. RESTRICTION ON INVESTMENT. The board may invest operating, depreciation, or building reserves only in funds or securities specified by Chapter 2256, Government Code.

SUBCHAPTER E. BONDS

Sec. 1122.201. GENERAL OBLIGATION BONDS. If authorized by an election, the board may issue and sell general obligation bonds in the name and on the faith and credit of the district to:

(1) purchase, construct, acquire, repair, or renovate buildings or improvements;

(2) equip buildings or improvements for hospital purposes; or

(3) acquire and operate a mobile emergency medical service.

Sec. 1122.202. TAX TO PAY GENERAL OBLIGATION BONDS.

(a) At the time general obligation bonds are issued by the district under Section 1122.201, the board shall impose an ad valorem tax in an amount sufficient to create an interest and sinking fund to pay the principal of and interest on the bonds as the bonds mature.

(b) The tax required by this section together with any other tax the district imposes in any year may not exceed the limit approved by the voters at the election authorizing the imposition of taxes.

Sec. 1122.203. GENERAL OBLIGATION BOND ELECTION. (a) The district may issue general obligation bonds only if the bonds are authorized by a majority of the voters voting in an election held for that purpose.

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(b) The board may order a bond election. The order calling the election must specify:

- (1) the nature and date of the election;
- (2) the hours during which the polls will be open;
- (3) the location of polling places;
- (4) the amounts of the bonds to be authorized; and
- (5) the maximum maturity of the bonds.

(c) Notice of a bond election must be given as provided by Chapter 1251, Government Code.

(d) The board shall declare the results of the election.

Sec. 1122.204. REVENUE BONDS. (a) The board may issue revenue bonds to:

- (1) acquire, purchase, construct, repair, renovate, or equip buildings or improvements for hospital purposes;
- (2) acquire sites to be used for hospital purposes; or
- (3) acquire and operate a mobile emergency medical service to assist the district in carrying out its hospital purposes.

(b) The bonds must be payable from and secured by a pledge of all or part of the revenues derived from the operation of the district's hospital system.

(c) The bonds may be additionally secured by a mortgage or deed of trust lien on all or part of the district property.

(d) The bonds must be issued in the manner provided by Sections 264.042, 264.043, 264.046, 264.047, 264.048, and 264.049, Health and Safety Code, for issuance of revenue bonds by county hospital authorities.

Sec. 1122.205. MATURITY. District bonds must mature not later than 40 years after the date of their issuance.

Sec. 1122.206. EXECUTION OF BONDS. (a) The board president shall execute district bonds in the district's name.

(b) The board secretary shall countersign the bonds in the manner provided by Chapter 618, Government Code.

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Sec. 1122.207. BONDS NOT SUBJECT TO TAXATION. The following are not subject to taxation by the state or by a political subdivision of the state:

- (1) bonds issued by the district;
- (2) any transaction relating to the bonds; and
- (3) profits made in the sale of the bonds.

SUBCHAPTER F. AD VALOREM TAX

Sec. 1122.251. IMPOSITION OF AD VALOREM TAX. (a) The board shall impose a tax on all property in the district subject to hospital district taxation.

(b) The tax may be used to pay:

- (1) indebtedness issued or assumed by the district; and
- (2) the maintenance and operating expenses of the district.
- (c) The district may not impose a tax to pay the principal of or interest on revenue bonds issued under this chapter.

Sec. 1122.252. TAX RATE. (a) The tax rate on all taxable property in the district for all purposes may not exceed 75 cents on each \$100 valuation of the property according to the most recent certified tax appraisal roll of the district.

(b) In setting the tax rate, the board shall consider district income from sources other than taxation.

Sec. 1122.253. TAX ASSESSOR-COLLECTOR. The board may provide for the appointment of a tax assessor-collector for the district or may contract for the assessment and collection of taxes as provided by the Tax Code.

SUBCHAPTER G. DISSOLUTION

Sec. 1122.301. DISSOLUTION; ELECTION. (a) The district may be dissolved only on approval of a majority of the voters voting in an election held for that purpose.

(b) The board may order an election on the question of dissolving the district and disposing of the district's assets and obligations.

(c) The board shall order an election if the board receives a petition

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requesting an election that is signed by at least 15 percent of the district's registered voters.

(d) The order calling the election must state:

(1) the nature of the election, including the proposition that is to appear on the ballot;

(2) the date of the election;

(3) the hours during which the polls will be open; and

(4) the location of the polling places.

(e) Section 41.001(a), Election Code, does not apply to an election ordered under this section.

Sec. 1122.302. NOTICE OF ELECTION. (a) The board shall give notice of an election under this subchapter by publishing a substantial copy of the election order in a newspaper with general circulation in the district once a week for two consecutive weeks.

(b) The first publication must appear not later than the 30th day before the date set for the election.

Sec. 1122.303. BALLOT. The ballot for an election under this subchapter must be printed to permit voting for or against the proposition: "The dissolution of the Hidalgo County Hospital District."

Sec. 1122.304. ELECTION RESULTS. (a) If a majority of the votes in an election under this subchapter favor dissolution, the board shall order that the district be dissolved.

(b) If a majority of the votes in an election under this subchapter do not favor dissolution, the board shall continue to administer the district, and another election on the question of dissolution may not be held before the first anniversary of the date of the most recent election to dissolve the district.

Sec. 1122.305. TRANSFER OR ADMINISTRATION OF ASSETS.

(a) If a majority of the votes in an election under this subchapter favor dissolution, the board shall:

(1) transfer the land, buildings, improvements, equipment, and other

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assets belonging to the district to Hidalgo County or another governmental entity in Hidalgo County; or

(2) administer the property, assets, and debts of the district until all money has been disposed of and all district debts have been paid or settled.

(b) If the board makes the transfer under Subsection (a)(1), the county or entity assumes all debts and obligations of the district at the time of the transfer and the district is dissolved.

(c) If Subsection (a)(1) does not apply and the board administers the property, assets, and debts of the district under Subsection (a)(2), the district is dissolved when all money has been disposed of and all district debts have been paid or settled.

Sec. 1122.306. IMPOSITION OF TAX AND RETURN OF SURPLUS TAXES. (a) After the board determines that the district is dissolved, the board shall:

(1) determine the debt owed by the district; and

(2) impose on the property included in the district's tax rolls a tax that is in proportion of the debt to the property value.

(b) On the payment of all outstanding debts and obligations of the district, the board shall order the secretary to return to each district taxpayer the taxpayer's pro rata share of all unused tax money.

(c) A taxpayer may request that the taxpayer's share of surplus tax money be credited to the taxpayer's county taxes. If a taxpayer requests the credit, the board shall direct the secretary to transmit the funds to the tax assessor-collector for Hidalgo County.

Sec. 1122.307. REPORT; DISSOLUTION ORDER. (a) After the district has paid all its debts and has disposed of all its money and other assets as prescribed by this subchapter, the board shall file a written report with the Hidalgo County Commissioners Court summarizing the board's actions in dissolving the district.

(b) Not later than the 10th day after the date the Hidalgo County Commissioners Court receives the report and determines that the

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requirements of this subchapter have been fulfilled, the commissioners court shall enter an order dissolving the district and releasing the board from any further duty or obligation. [FA2]

**No equivalent provision.**

SECTION \_\_. (a) The members of the board of directors of the Hidalgo County Hospital District elected at the first election held under Section 1122.051, Special District Local Laws Code, as added by this Act, shall draw lots to determine which three directors serve a two-year term and which two directors serve a one-year term.  
(b) Successor directors shall serve two-year terms. [FA2]

Same as Senate version.

**No equivalent provision.**

SECTION \_\_. Proof of publication of the notice required in the enactment of this Act under the provisions of Section 9, Article IX, Texas Constitution, has been made in the manner and form provided by law pertaining to the enactment of local and special laws, and the notice is found and declared proper and sufficient to satisfy the requirement. [FA2]

Same as Senate version.

*(See SECTION 9 above)*

SECTION \_\_. This Act takes effect **immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect** September 1, 2013. [FA2]

Same as Senate version.

**No equivalent provision.**

**No equivalent provision.**

SECTION 2. Section 533.0354, Health and Safety Code, is amended by adding Subsections (a-1), (a-2), and (b-1) to read as follows:

(a-1) In addition to the services required under Subsection (a) and using money appropriated for that purpose or money received under the Texas Health Care Transformation and Quality Improvement Program 1115

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waiver, a local mental health authority may ensure, to the extent feasible, the provision of assessment services, crisis services, and intensive and comprehensive services using disease management practices for children with serious emotional, behavioral, or mental disturbance not described by Subsection (a) and adults with severe mental illness who are experiencing significant functional impairment due to a mental health disorder not described by Subsection (a) that is defined by the Diagnostic and Statistical Manual of Mental Disorders, 5th Edition (DSM-5), including:

(1) major depressive disorder, including single episode or recurrent major depressive disorder;  
(2) post-traumatic stress disorder;  
(3) schizoaffective disorder, including bipolar and depressive types;  
(4) obsessive compulsive disorder;  
(5) anxiety disorder;  
(6) attention deficit disorder;  
(7) delusional disorder;  
(8) bulimia nervosa, anorexia nervosa, or other eating disorders not otherwise specified; or  
(9) any other diagnosed mental health disorder.

(a-2) The local mental health authority shall ensure that individuals described by Subsection (a-1) are engaged with treatment services in a clinically appropriate manner.

(b-1) The department shall require each local mental health authority to incorporate jail diversion strategies into the authority's disease management practices to reduce the involvement of the criminal justice system in managing adults with the following disorders as defined by the Diagnostic and Statistical Manual of Mental Disorders, 5th Edition (DSM-5),

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who are not described by Subsection (b):

(1) post-traumatic stress disorder;

(2) schizoaffective disorder, including

bipolar and depressive types;

(3) anxiety disorder; or

(4) delusional disorder.



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**May 25, 2013**

**TO:** Honorable David Dewhurst, Lieutenant Governor, Senate  
Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3793** by Coleman (Relating to powers, duties, and services of entities serving counties.), **Conference Committee Report**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3793, Conference Committee Report: a negative impact of (\$5,119,645) through the biennium ending August 31, 2015.

There are provisions in the bill, particularly in Sections 2 and 3, that could have a significant cost, but the amounts cannot be determined and are not reflected in the negative impact above.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	(\$2,363,204)
2015	(\$2,756,441)
2016	(\$2,756,441)
2017	(\$2,756,441)
2018	(\$2,756,441)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2014	(\$2,363,204)
2015	(\$2,756,441)
2016	(\$2,756,441)
2017	(\$2,756,441)
2018	(\$2,756,441)

## **Fiscal Analysis**

The bill would amend the Education Code, the Health and Safety Code, and the Special District Local Laws Code relating to powers, duties, and services of entities serving counties.

Sections 1 and 4 would allow employees of the Local Mental Health Authorities (LMHA), which includes the local behavioral health authority for the NorthSTAR Behavioral Health Program, to be trained on mental health first aid and to serve as trainers for educators. Under the provisions of the bill, if funds are appropriated, the Department of State Health Services (DSHS) shall make grants to an LMHA and NorthSTAR in an amount equal to \$1,000 for each employee or contractor of the LMHA or NorthSTAR whose training as mental health first aid trainers will be paid with the grant. The bill allows LMHAs and NorthSTAR to collaborate together and share resources to provide training. Under the provisions of the bill, DSHS shall establish grants not to exceed the lesser of \$40,000 or three percent of the funds appropriated for this purpose to be provided to LMHAs and NorthSTAR at a rate of \$100 for each educator who successfully completes the training program. The bill requires the LMHAs and NorthSTAR to submit a plan to DSHS for mental health first aid training programs no later than October 1 of each fiscal year. The bill requires the LMHAs and NorthSTAR to provide annually a list of LMHA or NorthSTAR employees trained and a list of educators trained by the LMHA or NorthSTAR. The bill requires DSHS to provide this information in a report to the legislature. The bill requires the State Board of Educator Certification to adopt rules to allow an educator to fulfill up to twelve hours of continuing education by participating in the mental health training program created by the bill.

Section 2 would require local mental health authorities (LMHAs) to provide assessment services, crisis services, and intensive and comprehensive services using disease management practices for an expanded list of disorders and to ensure that adults and children could receive services and would require the Department of State Health Services (DSHS) to ensure that the LMHAs incorporate jail diversion strategies using disease management practices for an expanded list of disorders. The effective date would be January 1, 2014.

Section 3 would require DSHS to develop and implement a state hospital plan to plan separately for the allocation of beds for civil and forensic patients in the state hospitals. Additionally, the bill creates an advisory panel consisting of 15 persons from a designated list of organizations to assist with developing the plan and requires DSHS to meet with the panel at least monthly. The bill requires DSHS to update the plan biennially. The bill would require DSHS to begin implementing the plan no later than August 31, 2014. DSHS would be required to submit a report providing an update on the plan to the legislature and the governor by December 1, 2014. The bill would require that DSHS contract with and use a broad base of local community outpatient mental health services providers and inpatient mental health facilities to make available a sufficient and appropriately located amount of outpatient mental health services and a sufficient and appropriately located number of beds as specified in the plan developed by DSHS. Additionally, the bill would require that DSHS develop and implement a procedure through which a court that has the authority to commit patients in the hospital system is aware of all of the commitment options for the person, including jail diversion and community-based programs.

Section 5 would create a new hospital district in Hidalgo County.

Unless otherwise specified, the bill would take effect on September 1, 2013.

## **Methodology**

The fiscal impact of Section 2 cannot be determined at this time due to the lack of information

regarding the demand for and cost of the expanded treatment services for the additional covered disorders; however, the cost is likely significant. Health and Safety Code Section 533.001 requires DSHS to provide services first to those persons who are in the priority population, defined in the DSHS strategic plan as adults with schizophrenia, bipolar disorder, or major depressive disorder who have a significant functional impairment. Due to the current prioritization of these groups, it is assumed that additional state costs would be incurred to ensure that the expanded population identified in the bill receives services. Due to a lack of information on the demand for treatment for disorders on the expanded list, this treatment cost is indeterminate but likely significant and a cost to the state.

Implementation of Section 3 may have a negative fiscal impact if the state hospital allocation plan requires additional beds or the plan requires additional outpatient mental health services. Whether the bill would result in a significant cost to the State cannot be determined since the plan has not yet been developed. For example, if the plan included guidelines to increase the current average number of psychiatric beds (11 per 100,000 state residents) to the national average (14 per 100,000 state residents), the estimated annual cost would be \$137.5 million in General Revenue.

It is assumed that the cost to implement Sections 1 and 4 to provide the grants for the mental health training would be \$30,000 per year for each of the 37 LMHAs and Northstar (38 in all). Additionally, it is assumed that DSHS would be required to provide \$100 per educator trained, to be limited at \$40,000 per year to each of the 37 LMHAs and NorthSTAR to provide training to the educators. It is assumed that the training of the educators will begin during the second quarter of fiscal year 2014. The cost of the grants would be \$2,280,000 in fiscal year 2014 and \$2,660,000 in fiscal year 2015 and each year thereafter. It is assumed for both training programs that there will be high turnover and a refresher requirement every two or three years, therefore the funding need would be level from fiscal year 2015 through fiscal year 2018. Should actual training costs be less, the cost of implementing the provisions of the bill would be less in each year. DSHS anticipates the agency cost to administer the grants would require one FTE at a total cost of \$83,204 in fiscal year 2014 and \$96,441 in fiscal year 2015. The agency can absorb the additional FTE authority within its existing FTE cap. The bill has no direct fiscal implications for the Foundation School Program (FSP) or the operations of the Texas Education Agency (TEA).

### **Local Government Impact**

School districts could experience some administrative costs if educators took part in mental health first aid training during normal classroom time if the districts were required to hire substitute teachers. These costs would be dependent on when the training program was offered and the number of staff that participates in the training; however, no significant fiscal impact is anticipated with implementing the provisions of the last amendment.

The Texas Council of Community Centers was unable to estimate costs to units of local government associated with implementing the provisions.

According to the Texas Association of Counties, a survey of 75 counties showed estimated statewide savings of \$4.5 million per year associated with inmates with serious mental illnesses. This represents 90 inmates: 44 for maximum security and 46 for non-maximum-security. This survey, however, is not exhaustive and fiscal impact to counties (as for the state) would depend on how hospital beds would be allocated under the provisions of the bill.

The bill would also provide for outpatient mental health services that could further reduce the number of inmates with mental illnesses being housed in county jails.

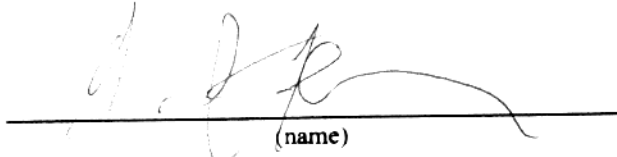
**Source Agencies:** 529 Health and Human Services Commission, 537 State Health Services,  
Department of

**LBB Staff:** UP, KKR, MB, CH, NB, TP

## Certification of Compliance with Rule 13, Section 6(b), House Rules of Procedure

Rule 13, Section 6(b), House Rules of Procedure, requires that a copy of a conference committee report signed by a majority of each committee of the conference must be furnished to each member of the committee in person or if unable to deliver in person by placing a copy in the member's newspaper mailbox at least one hour before the report is furnished to each member of the house under Section 10(a) of this rule. The paper copies of the report submitted to the chief clerk under Section 10(b) of this rule must contain a certificate that the requirement of this subsection has been satisfied, and that certificate must be attached to the printed copy of the report furnished to each member under Section 10(d) of this rule. Failure to comply with this subsection is not a sustainable point of order under this rule.

I certify that a copy of the conference committee report on H. B. 3793 was furnished to each member of the conference committee in compliance with Rule 13, Section 6(b), House Rules of Procedure, before submission of the paper copies of the report to the chief clerk under Section 10(b), Rule 13, House Rules of Procedure.

  
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(name)

5-25-13  
(date)